



OFX Global Anti-Bribery and Corruption Policy

OFX Group Limited and its subsidiaries

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1. POLICY STATEMENT

OFX Group Limited and its subsidiaries (together the **Company**) is committed to conducting its business operations with integrity and strive to avoid even the appearance of impropriety in the actions of its officers, directors, employees and agents.

All employees, directors officers and agents of the Company must adhere to the Company's values:

- We're Better Together
- Inspire Customer Confidence
- Get the Right Stuff Done (GSD)
- Always Keep Learning
- Push Boundaries

Consistent with these values, this Anti-Bribery and Corruption Policy (**Policy**) reiterates our commitment to integrity and sets out the Company's expectations, obligations and requirements applicable to our operations under anti-corruption laws.

This Policy highlights the serious criminal and civil penalties that may be incurred and reputational damage that may be suffered by the Company if it is involved in bribery or corruption. Accordingly, this Policy contains information intended to reduce the risk of corruption and bribery from occurring within the Company.

2. APPLICATION OF THIS POLICY

This Policy applies to all of the Company's operations worldwide. All persons working for the Company, including all employees, directors, and officers, agents as well as any other third-party representatives that conduct activities on behalf of the Company including any contractors, external consultants, third-party representatives and business partners (each an **OFX Personnel**) are covered under this Policy.

3. WHAT IS BRIBERY AND CORRUPTION?

A **bribe** is a financial payment, promise or other inducement or reward for action which is illegal, unethical, a breach of trust or improper in any way to obtain or retain business or to secure any improper advantage. Bribes can take the form of money, gifts, loans, fees, hospitality, services, the award of a contract or any other advantage or benefit.

Bribery includes offering, promising, giving, accepting or seeking a bribe.

Corruption is the abuse of entrusted power or position for private gain.

All forms of bribery and corruption are strictly prohibited. If you are unsure about whether a particular act constitutes bribery or corruption, raise it with your Line Manager or Legal or Compliance.

4. PROHIBITED PAYMENTS

Each OFX Personnel is prohibited from directly or indirectly making, promising, authorizing or offering anything of value to a government official on behalf of the Company to secure an improper advantage, obtain or retain business or direct business to any other entity. This prohibition includes payments to third parties where the OFX Personnel knows, or has reason to know, that the third

party will use any part of the payment for bribes. This prohibition also includes payment of a secret commission to any person acting in an agency or fiduciary capacity on behalf of a government official.

Cash and Non-Cash Payments

Payments that violate applicable anti-corruption laws may arise in a variety of settings and include a broad range of payments beyond the obvious cash bribe or kickback. Generally, **payments** means **anything of value**. Examples of “**payments**” include, but are not limited to:

- Gifts
- Travel, meals, lodging, entertainment or gift cards
- Loans or non-arm’s length transactions
- Charitable or political donations
- Business, employment or investment opportunities.

Government Official

A government official includes anyone, regardless of title, who is:

- a. engaged in public duty in a government agency whether elected or appointed, and at any level of government including local, state or federal government entities;
- b. a member of any legislative, administrative or judicial body;
- c. a candidate for political office;
- d. an officer or employee of, or someone acting in an official capacity for, a government agency, government-owned or government-controlled entity, including state-owned entities that operate in the commercial sector;
- e. an officer or employee of a public international organisation, such as the United Nations; or
- f. anyone acting on behalf of any of the above.

Your Obligations

You must not, at any time:

- a. give or offer any payment, gift, hospitality or other benefit expecting that a business advantage will be received in return, or to reward any business received;
- b. accept any offer from a third party that you know or suspect is made with the expectation the Company will give a business advantage to them or anyone else;
- c. give or offer any payment, gift, hospitality or other benefit to a government official in any country for any reason, including any payments (sometimes called “facilitation payments”) to facilitate or speed up a routine or necessary procedure;
- d. accept unduly lavish or extravagant hospitality;
- e. accept or offer any adult entertainment as hospitality;
- f. take any negative action against anyone who has refused to offer or accept a bribe or who has raised a concern about possible bribery or corruption; or

- g. do or refrain from doing anything that could be considered or perceived as a conflict of interest.

If you are asked to make a payment on the Company’s behalf, you should consider what the payment is for and whether the amount is proportionate to the goods or services provided. You must always obtain a receipt. If you have any concerns about a particular payment, gift or otherwise, you should raise them with Legal.

5. PERMITTED PAYMENTS

In recognition of the fact that there are legitimate reasons for the giving or receipt of gifts and business-related hospitality, certain nominal payments or gifts to government officials may be excluded by applicable laws, including but not limited to promotional hospitality expenses, marketing expenses, expenses made pursuant to a contract or promotional gifts provided as a courtesy or extension of goodwill. This Policy does not prohibit the giving or accepting of reasonable and appropriate gifts or hospitality.

A gift or hospitality will not be appropriate if it is unduly lavish or extravagant, or could be seen as a conflict of interest, an inducement or reward for any preferential treatment e.g. during contract negotiations or a tender process.

Gifts you give must be of an appropriate type and value depending on the circumstances and taking into account the reason for the gift. It must not include cash or equivalent e.g. vouchers or be given in secret. All gifts must be given in OFX’s name. Any gift or hospitality must be lawful and in accordance with generally accepted business practices of the governing jurisdiction.

Promotional gifts of low value, such as branded stationery may be given to or accepted from existing customers, suppliers and business partners.

You should always consult Legal in relation to the giving or receipt of any gifts.

Seeking approval:

You must declare any hospitality or gifts given or received and seek approval prior to giving or accepting gifts from the appropriate Approver below.

Amount in local currency of your region (per person)	Approver
Amounts over 100	Line Manager
Amounts between 200 and 300	Senior Legal Counsel or Head of Compliance for your location
Amounts over 300	Chief Legal Officer and Company Secretary

If you receive multiple gifts or hospitality, the total value of all gifts and hospitality in a financial year, from the person who is offering it, is used to determine who you must get approval from.

Individual business units may set a lower amount. If a lower threshold is set, the business unit threshold is the reportable amount.

You must record all gifts or hospitality received or you intend to offer using the Gifts and Benefits form (available [here](#)) and provide it to the Approver. The Approver must then provide it to the Chief Legal Officer and Company Secretary, who will add it to the Gifts and Benefits Register.

You must also submit all expense claims relating to hospitality, gifts or payments to third parties in accordance with the Company's Expenses Policy (including the reason for expenditure).

The Gifts and Benefits Register is available on *Protecht* and is maintained by the Chief Legal Officer and Company Secretary.

6. DONATIONS

OFX does not make contributions or donations to political parties or any individual candidates seeking a governmental office.

You must not (on a professional basis or in any way related to your employment or otherwise in connection with OFX):

- a. Attend political conferences or state dinners or other events run by political parties; or
- b. Directly or indirectly make cash donations to any local, state or federal government party.

All charitable donations made on behalf of the Company must be pre-approved by the Chief Legal Officer and Company Secretary.

7. RECORD KEEPING AND REPORTING

It is the Company's policy to retain financial records and implement sound internal accounting controls. All accounting entries in the Company's books and records must be timely and accurately record, with reasonable detail, to fairly reflect transactions and include supporting documentation.

You must:

- a. obtain authorization for all transactions involving the provision of anything of value to a government official;
- b. report all transactions involving the provision of anything of value to a government official to Finance;
- c. declare any potential conflicts of interest by completing the Conflicts of Interest form (available [here](#)) and notifying the Chief Legal Officer and Company Secretary, who will then add it to the Conflicts of Interests Register; and
- d. submit all expense claims relating to hospitality, gifts or payments to third parties including the reason for expenditure.

All accounts, invoices and other records relating to dealings with third parties including suppliers and customers should be accurate and complete. Accounts must not be kept "off-book" to facilitate or conceal improper payments.

Compliance and Legal must conduct periodic reviews and prepare a report periodically to the Executive Risk Committee (**ERC**).

The ERC will review any such items and take appropriate action, which may include proposing additional controls, policies or procedures and taking disciplinary action.

The Company will carry out regular audits of this Policy and processes.

8. TRAINING

The Company will provide periodic anti-bribery and corruption training to all relevant staff to enable them to recognise and deal with bribery or corruption.

9. HOW TO RAISE A CONCERN

If you are offered a bribe, or are asked to make one, or if you suspect that any bribery, corruption or other breach of this Policy has occurred or may occur, you must notify your Line Manager, your local Legal or Compliance or report it in accordance with our Whistleblower Policy as soon as possible.

Breaches of this Policy will be taken very seriously. A breach of this Policy may result in disciplinary action, which could include dismissal if the breach warrants it.

It is each person's responsibility to understand how this Policy applies to you. If you are uncertain about whether this Policy applies to a particular situation, or you have any questions about this Policy, speak with your Line Manager or local Legal or Compliance team.

10. MORE INFORMATION

If there are any questions regarding any aspect of this Policy, please contact the Company Secretary.

Any changes and exceptions to this Policy must be reviewed by Chief Legal Officer and Company Secretary and approved by the Audit, Risk and Compliance Committee.

This Policy will be reviewed annually to check that it is operating effectively and whether any changes are required.

This Policy will be made available on the Company's website.

Related Documents

Other policies, procedures and related documents which complement the information contained in this Policy are outlined below:

Document Name
OFX Group Code of Conduct
OFX Fraud Risk Management Policy
Whistleblower Policy

APPENDIX

RISK ASSESSMENT

Background:

The OFX Group is made of OFX Group Limited; its wholly owned subsidiary, OzForex Limited and its wholly owned subsidiaries, being CanadianForex Limited, OzForex (HK) Limited, NZForex Limited, OFX Singapore Pte Ltd, UKForex Limited, and USForex Inc (together **OFX**).

OFX offers online international payments services to consumers and corporate customers, as well as through partnerships with other businesses (providing white labels and APIs).

OFX's services are offered online and by telephone and there are a number of advertising activities to generate leads in relevant jurisdictions, including:

- a. Advertising campaigns – primarily online e.g. banner advertising;
- b. Search Engine Marketing and Search Engine Optimisation – promotion of the website through search engine results;
- c. Business Development and sales – cold calling to prospective clients by sales staff; and
- d. Affiliate marketing – arrangements with businesses to refer business to OFX in return for referral fees e.g. pay per click hyperlinks.

OFX currently employs approximately 300 employees across offices in Australia, United States, United Kingdom, Hong Kong, Singapore, New Zealand and Canada. OFX has licences to operate in the same countries, as well as New Zealand, pass-porting rights into Europe, and is applying for an e-money licence in Ireland.

In order to offer its services, OFX has a number of banking relationships with banks located in a number of regions, including Australia, United States, United Kingdom, Hong Kong, and Canada, New Zealand, Sweden, Norway, Denmark, Poland and India.

Risk assessment:

Sector risk: According to the OECD Foreign Bribery Report¹, financial services is not a high-risk sector for bribery or corruption.

Geographic risk: OFX offices are located in countries that have been consistently identified as scoring highly on Transparency International's Corruption Perceptions Index ("CPI") (the most recent report being in 2019²). High scoring countries tend to have higher degrees of press freedom, access to information about public expenditure, stronger standards of integrity for public officials, and independent judicial systems.

¹ <http://www.oecd-ilibrary.org/docserver/download/2814011e.pdf?expires=1507808299&id=id&accname=guest&checksum=EAB62FA5D69798A11661AB5E00535AB1>

² <https://www.transparency.org/cpi2019>

However, issues can still arise. OFX is continually assessing ways to grow its business and extend its services to customers. This includes banking relationships in countries that have scored lower on the CPI, such as Poland, China and India. Countries that have lower scores on the CPI tend to have local practices that may facilitate bribery and corruption.

Activities: There are a number of activities carried out by OFX that may be susceptible to bribery or corruption practices or give rise to vulnerabilities to OFX. The table below highlights the key risks in OFX’s view which may give rise such situations.

Key risks	Controls/mitigating action
Sales and marketing activities, including: <ul style="list-style-type: none"> • Potential conflicts of interest • Seeking to obtain business or insider information • Relationships with referral partners who may have weaker controls relating to Anti-Bribery and Corruption 	<ul style="list-style-type: none"> • Gifts and Benefits Register • Conflicts of Interest Register • Contracts to include appropriate contractual Anti-Bribery and Corruption commitments • Vendor due diligence
Procuring and managing third parties and suppliers who may act on our behalf and may have weaker ABC controls	<ul style="list-style-type: none"> • Vendor due diligence • Review and monitor contracts • Invoicing and expenses processes to monitor payments from company
Functions making payments (Customer Service, dealers, operations) or having access to customer information may be approached for personal or other information or enable criminality such as theft or fraud.	<ul style="list-style-type: none"> • Maintenance and review of financial and customer records • Review of access permissions³

Dealings with government officials: OFX has regular dealings with government officials given the licencing and oversight required in the jurisdictions it operates in. However, it is OFX’s policy not to provide gifts or hospitality or other payments beyond those legitimately requested to government officials.

Complex structures: OFX has a relatively simple business, with limited layering, and key functions such as Finance are centralised, which enables greater transparency and oversight of practices. OFX also carries out extensive due diligence on customers to meet Anti Money Laundering and Terrorist Financing obligations imposed by relevant laws in the jurisdictions in which it operates.

Legal risk: Schedule 1 sets out a summary of the Anti-Bribery and Corruption legal obligations that apply to OFX. The principles and approach by regulators in the jurisdictions in which OFX is licensed are very similar. Although as business expands this will be kept under review as there can be differences in countries which are more susceptible to bribery and corruption where boundaries for laws can be hard to determine and interpretation by authorities hard to predict.

Summary: While the sector and geographies that OFX operate in are generally considered low risk, there are aspects that can carry higher risk of bribery and corruption. OFX has taken steps to mitigate these risks, but as the business expands, these should be reviewed to ensure they remain appropriate to the size, scale and activities of the organisation.

³ Program of work continuing at date of Policy.

SCHEDULE 1

Legislative Requirements

Corruption is a serious crime under both Australian and foreign laws, and has the potential to damage investor confidence and OFX's reputation and future earnings. It is for this reason that OFX is committed to maintaining high ethical standards and has implemented this Policy to promote full compliance with Australian anti-bribery and corruption legislation, as well as any other anti-bribery and anti-corruption laws and regulations and / or international standards that operate specific to the regions where OFX conducts business and / or holds business interests.

OFX can face serious enforcement action or prosecution, such as significant fines (ranging up to US\$25million) and imprisonment (up to 20 years depending on jurisdiction) if found in violation of any laws applicable to anti-bribery and corruption.

A summary of the applicable legislation is outlined below:

Australia

Under the *Criminal Code Act 1995* (Cth); bribery of a Commonwealth public official and or a Foreign Public Official is a punishable offence. Essentially these will arise where:

- A person offers or provides a benefit to another person (directly or indirectly)
- that isn't legitimately due to the other person
- it is done with the intention of influencing a Foreign public official or Commonwealth public official and
- it is to obtain a business advantage or retain business.

For both foreign and domestic bribery, companies/directors may also be liable where they aid, abet, counsel or procure bribery – that is, if they intentionally participate in the offence, for example by requiring or encouraging bribery, or providing funds to allow employees or agents to commit offences.

United Kingdom's Bribery Act

The Bribery Act 2010 contains the following offences:

- Offering, promising or giving a bribe;
- Requesting, agreeing to receive or accepting a bribe;
- Bribing a foreign public official to obtain or retain a business advantage;
- Commercial organisations failing to prevent bribery by any associated person (defined widely to include people performing services for or on behalf of the organisation, regardless of their capacity).

These arise regardless of where the conduct takes place.

It is a defence for an organisation if it has adequate procedures designed to prevent bribery by associated persons.

United States Foreign Corrupt Practices Act

The Foreign Corrupt Practices Act of 1977 (FCPA) is a federal anti-corruption law that includes both anti-bribery provisions and accounting requirements. The FCPA is broad in scope and can apply to both foreign and domestic entities or persons and any persons who take action in furtherance of a violation while in the United States.

A violation of the FCPA involves the following elements:

- A payment, offer, authorization or promise to pay money or anything of value;
- The involvement of a foreign government official or any other person knowing that the payment or promise will be passed on to a foreign official;
- A corrupt motive;
- The intent to influence any act or decision of the person receiving the payment or promise, secure an improper advantage or induce that person to use his influence to affect an official act or decision.

Penalties under the FCPA are steep. Individuals can face up to five years' imprisonment for each violation, or up to 20 years for certain willful violation. Business entities may be fined up to \$2 million for each violation and individuals can face up to \$100,000 per violation. Notably, the FCPA prohibits some companies from paying criminal or civil fines that may be imposed on any officer, director, employee or agent, meaning such individuals could be subject to personal liability under the Act.

Canada

There major sources of anti-corruption regulation in Canada are contained in the Corruption of Foreign Public Officials Act, SC 1988, c 34 and the Criminal Code, RSC 1985, c C-46. Offences include:

- Offering to or bribe a foreign public official (persons holding legislative, administrative or judicial positions in a foreign state, persons performing public duties or functions for a foreign state, and officials or agents of public international organizations) with the intention of them using their position to influence acts or decisions of the foreign state (whether the bribe is actually paid or the action carried out). Both offering and accepting a bribe are offences.
- Failing to keep adequate accounts and records, for example forging accounting records to facilitate or conceal the bribery of a foreign public official.
- Attempting to corruption and bribe in Canada or by Canadian entities or individuals.
- Bribing judges, Members of Parliament, police officers and government officials (among others), fraud, municipal corruption, and offer secret commissions.

These arise regardless of where the conduct takes place and the Canadian courts have broad jurisdiction where the accused is a Canadian citizen, permanent resident, or a public body or entity formed under Canadian law, regardless of whether the offence actually occurs within Canada.

Hong Kong

The Prevention of Bribery Ordinance ("**POBO**") is the primary anti-corruption legislation in Hong Kong. The POBO is directed at the corruption of public officers (public sector offences) and corrupt transactions with agents which includes employees of private companies (private sector offences). The Independent Commission Against Corruption Ordinance ("**ICACO**") sets out the scope and parameters of the Independent Commission against Corruption ("**ICAC**"), being the principal agency responsible for tackling corruption in Hong Kong.

Singapore

The Prevention of Corruption Act (“**PCA**”) is the primary anti-corruption law in Singapore. The PCA empowers the Corrupt Practices Investigation Bureau and governs and defines corruption and their punishments. Under the PCA, it is an offence for a person to corruptly:

- solicit, receive, or agree to receive for himself or any other person; or
- give, promise or offer to any person whether for the benefit of that person or of another person, any gratification as an inducement to or reward for any person doing or forbearing to do anything in respect of any matter or transaction whatsoever, actual or proposed; or
- member, officer or servant of a public body doing or forbearing to do anything in respect of any matter or transaction whatsoever, actual or proposed, in which such public body is concerned.

It is also an offence for an agent to corruptly accept or obtain any gratification in relation to his principal’s affairs, for a person to seek to corruptly influence an agent, or for an agent to deceive his principal by way of a false document.

Offences apply broadly to any Singapore citizen to cover acts outside Singapore as though it were committed in Singapore and to non-citizens if they abet the commission of a corruption offence related to Singapore.

New Zealand

In New Zealand, there are two key statutes relating to anti-bribery: Crimes Act 1961 (“**CA**”); and Secret Commissions Act 1910 (“**SCA**”).

The CA covers bribery in the public sector, making it an offence to corruptly accept or obtain a bribe for something done or not done in an official capacity, including the corrupt use of official information and the corruption and bribery of the Judiciary, ministers of the Crown, members of Parliament, law enforcement officers and public officials.

The SCA covers bribery offences in the private sector. It criminalises the bribing of an agent to act in a certain way regarding the principal’s affairs or business. Under the SCA, it is an offence to bribe an agent, or for an agent to accept a bribe, without the informed consent of the principal.

International Conventions/Standards considered:

- OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (“**OECD Anti-Bribery Convention**”) contains legally binding standards and measures to criminalise bribery of foreign public officials in international business transactions. Relevantly, the OECD Anti-Bribery Convention has been signed and ratified by Australia, the United Kingdom, the United States, New Zealand, Hong Kong and Singapore.
- United Nations Convention Against Corruption (“**UNCAC**”) requires countries to take action in both the public and private sector to prevent corruption. Relevantly, the OECD Anti-Bribery Convention has been signed and ratified by Australia, the United Kingdom, the United States, New Zealand, Hong Kong and Singapore.

- United Nations Convention Against Transnational Organised Crime (“UNCATOC”) is the main international instrument in the fight against transnational organised crime. Relevantly, the OECD Anti-Bribery Convention has been signed and ratified by Australia, the United Kingdom, the United States, New Zealand, Hong Kong and Singapore.
- The Asia Pacific Economic Cooperation’s (APEC) Santiago Commitment to Fight Corruption and Ensure Transparency.
- Financial Action Task Force (“FATF”), relevantly, members include Australia, Canada, the European Commission, Hong Kong, New Zealand, United States, United Kingdom, Singapore.