

## **IDT Australia Anti-Bribery and Corruption Policy**

### **1. Introduction**

IDT Australia acknowledges the need for directors, executives, employees and contractors to observe the highest ethical standards of corporate and business behaviour. Consequently, IDT is committed to the prevention and detection of fraud and bribery through the development and implementation of IDT's Fraud, Bribery and Corruption Control Policy along with other associated policies and procedures. IDT seeks to ensure that the company maximises its good reputation and that its business is conducted with integrity and in an environment of transparency.

### **2. Scope and Application**

This Policy applies to all directors, officers, employees, contractors and consultants of IDT and all affiliates or entities that act on its behalf (IDT personnel). This Policy applies to all IDT's activities, both in Australia and overseas. This Policy applies in conjunction with IDT's other policies and procedures.

### **3. Prohibition of fraud, bribery and other improper behaviour**

IDT Australia has a zero tolerance stance towards fraud, bribery and other improper behaviour. Fraud, bribery and improper activities of any type are prohibited. IDT personnel are required to conduct themselves in a manner consistent with the principles and values of IDT as laid out in this Policy and IDT's Code of Conduct.

#### **3a. Fraud**

Fraud is any dishonest activity or deception causing actual or potential financial loss, or the loss of a legal right or benefit to any person or entity, including:

- theft of money or other property;
- the deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose; and/or
- the improper use of information or position in order to achieve some personal gain or advantage for him or herself or for another person or entity.

All IDT personnel are strictly prohibited from engaging in fraud. Please see the IDT Security Trading Policy for further information.

#### **3b. Bribery**

Bribery is the act of offering, promising, authorising or providing a benefit (including a non-monetary benefit) with the intention of influencing a public official or private sector person in the performance of their duties, in order to obtain business or a business advantage that is not legitimately due. Bribery can take many forms. The benefit that is offered, given or accepted may be monetary or non-monetary. For example, it may include non-cash gifts, political or charitable contributions, loans, reciprocal favours, business or employment opportunities or corporate hospitality. Bribery can be indirect, for example where:

- a person procures an intermediary or an agent to make an offer that constitutes a bribe to another person; or

- a person gives the benefit to a relative or associate of the person who is sought to be influenced. It is irrelevant whether the bribe is accepted or ultimately paid. It is also irrelevant whether the person's performance is actually influenced, or whether business or a business advantage is actually obtained. Merely offering the bribe is a contravention of this Policy and usually is sufficient for an offence to be committed. Bribery in any form is prohibited. IDT personnel must not offer, promise, authorise, provide, accept or solicit a bribe. When refusing a bribe, the refusal must be clear and direct. Any request for a bribe should be reported in accordance with section 8 of this Policy.

### **3c. Money Laundering**

Money laundering is the process by which a person or entity conceals the existence of an illegal source of income and then disguises that income to make it appear legitimate. IDT prohibits any form of money laundering in connection with its business activities.

### **3d. Facilitation Payments**

A facilitation payment is a small payment or other inducement to a foreign public official, either directly or indirectly, to expedite or secure performance of routine government actions that the official is already obliged to perform (for example, to facilitate the processing of visas or licenses). All IDT personnel are strictly prohibited from making facilitation payments. **Gifts and Entertainment**

Gifts and entertainment must only be offered, provided or accepted in accordance with this Policy.

## **4. Joint Ventures**

IDT is committed to the prevention of improper financial or other conduct in any joint venture that it controls through its ownership, management or board involvement. Any joint venture that IDT controls must comply with this Policy. IDT is also committed to working to minimise the possibility of improper conduct in connection with those joint ventures where it is involved but does not exercise control. IDT will take such steps as are open to it to require that any such joint venture complies with the standards set out in this Policy.

Where a joint venture is under consideration, a due diligence investigation must be conducted before entering into contractual relations. A due diligence investigation should include a review of the potential joint venture partner's reputation, expertise, experience, past performance in relation to anti-bribery and related matters, and affiliations to government officials. Detailed records of the due diligence investigation must be kept, including a written due diligence report. This due diligence must be undertaken in relation to past and current conduct of the entity concerned.

Contracts with proposed joint venture partners must contain terms that incorporate the issues addressed by this Policy, as appropriate. Please contact the legal team for assistance. IDT personnel that are board members or involved in the operations of joint venture partners should pay particular attention to signs of improper payments and should voice objections where appropriate. If IDT personnel become aware of evidence that a joint venture partner has engaged or may engage in improper payments or other improper conduct, that evidence must be reported as detailed in section 8.

## **5. Mergers and Acquisitions**

Where a merger or acquisition is under consideration, a due diligence investigation into the target must be conducted before entering into contractual relations. A due diligence investigation should include a review of the target's reputation, expertise, experience, past performance in relation to anti-bribery, key contracts, and related matters and affiliations to government officials. Detailed records of the due diligence investigation must be kept, including a written due diligence report. This due diligence must be

undertaken in relation to past and current conduct of the entity concerned. Please refer to the Company Secretary for assistance.

## **6. Third Parties**

IDT engages with third parties in a range of circumstances in relation to its operations. These third parties may include agents, distributors, intermediaries and suppliers. In certain circumstances, IDT may be liable under anti-bribery or other laws for the improper actions of these third parties.

IDT prohibits the provision of a benefit to a third party where it is expected or likely that some or all of that benefit will be provided or offered to another person, in order to obtain any business advantage that is not legitimately due. Particular care must be taken with, for example, arrangements with consultants, agents, or distributors who assist in securing business, or who arrange introductions to potential customers or key government decision-makers.

IDT personnel that engage third parties must also maintain oversight of the work of those parties (including, where appropriate, receiving progress reports, reviewing invoices and other documentation etc.) in order to confirm that legitimate work has been done and improper payments have not been made. All 'red flags' must be fully documented, investigated and reported as detailed in section 8.

## **7. Reporting Obligations**

IDT personnel must immediately report actual or suspected contraventions of this Policy. Reports should be made to their line manager or next most senior person. Alternatively, reports may be made to the Chief Financial Officer, the Chief Executive Officer or any member of the Board or the Audit and Risk Committee. Individuals who wish to raise a concern or report a breach may be worried about possible repercussions. IDT strongly encourages openness and will support anyone who, in good faith, reports a possible violation of this Policy, even if they turn out to be mistaken. IDT personnel will not be subjected to any form of detrimental treatment as a result of refusing to take part in improper conduct, or raising a genuine concern in respect of any such conduct.

## **8. Accounting, Books and Records**

All financial transactions must be accurately, completely and fairly recorded in accordance with IDT's internal accounting controls. Books and records must record, in reasonable detail, the parties, payment arrangements and purpose of all transactions and disposition of assets. No accounts are to be kept 'off the books' for any reason. False, misleading or incomplete record keeping is a criminal and civil offence in Australia and other jurisdictions in which IDT operates.

## **9. Consequences of Breach**

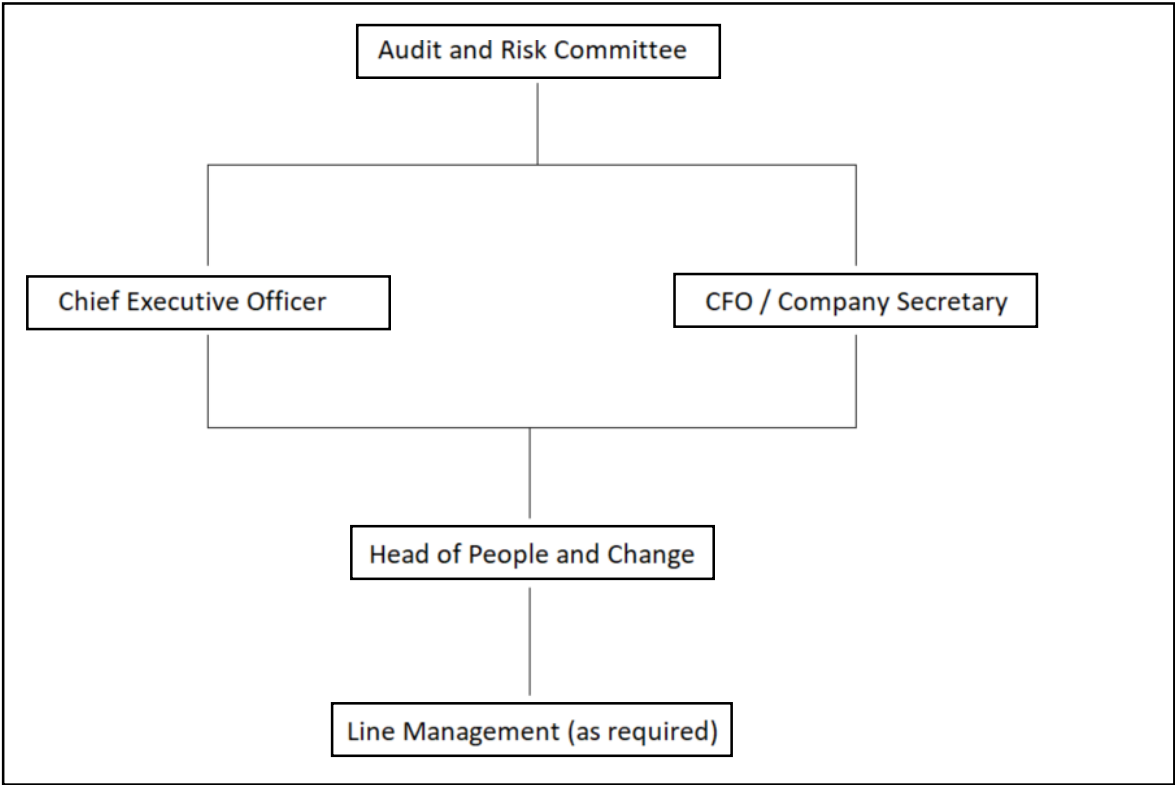
All reports of improper activity will be investigated and addressed. Depending on the circumstances, the breach may be referred to regulatory and law enforcement agencies as appropriate. A breach of this Policy may be regarded as serious misconduct, leading to disciplinary action, up to and including termination of employment. A breach of this Policy may also expose an individual to criminal and civil liability, and could result in substantial fines or imprisonment. A breach of this Policy may also expose IDT to criminal and/or civil penalties, substantial fines, exclusion from tendering for government or private contracts, loss of business and reputational damage.

## **10. Roles and Accountabilities**

IDT personnel should always remain on alert and are required to report violations of laws, rules and regulations as outlined in section 8. IDT's Board of directors ultimately has responsibility for effective and responsible corporate fraud and bribery governance and compliance. IDT's Audit and Risk Committee (ARC), under delegation from the Board, is the independent eyes and ears of IDT's investors and other

stakeholders, with roles including evaluating management’s identification of fraud and bribery risks and the implementation of preventative measures, and to provide the tone at the top that fraud, bribery and improper behaviour will not be accepted in any form.

The following diagram shows the key personnel involved in the management of IDT’s Fraud, Bribery and Corruption Control processes.



**11. Review of Policy**

This Policy is reviewed at least on an annual basis. However the Board will review this Policy as often as the Board determines appropriate and make any changes it determines necessary or desirable.

<b>Last Review Date:</b>	23 <sup>rd</sup> June 2020
<b>Approval Date:</b>	30 <sup>th</sup> June 2020
<b>Next Review by:</b>	June 2021