



Fraud, Bribery & Corruption Prevention Policy

**GDI Property Group (“GDI”)
GDI Property Group Limited (ACN 166 479 189)
GDI Funds Management Limited (ACN 107 354 003)**

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1. Overview

GDI Property Group (GDI) is committed to creating and maintaining a culture of corporate compliance and ethical behaviour in which employees are responsible and accountable, behave with honesty and integrity and are able to raise concerns regarding unethical, unlawful or undesirable conduct, without fear of reprisal.

2. Purpose

Fraud, Bribery and/or corruption in all forms are behaviours that are contrary to GDI's values and culture. GDI is actively committed to preventing fraud, bribery and corrupt conduct throughout the organisation. GDI has developed this fraud, bribery and corruption policy as part of its overall corporate governance framework and it applies in conjunction with the following:

- Code of Conduct
- Conflicts of Interest Policy
- GDI's Anti-Money Laundering and Counter-Terrorism Financing Program
- Risk Management Policy & Framework
- Continuous Disclosure Policy
- Securityholder Communication Policy
- Securities Trading Policy
- Whistleblower Policy

GDI acknowledges the serious criminal and civil penalties that may be incurred and the reputational damage that may be done if GDI or a workplace participant, including any Board member, is involved in any fraud, bribery or corruption.

3. Scope

This policy applies to all GDI employees, contractors and Directors in relation to their GDI employment.

4. Definitions

Fraud, bribery and corruption include the misappropriation of assets, the manipulation of reporting and the abuse of position for personal gain.

For the purposes of this policy:

- Fraud is a dishonest and intentional activity committed to secure an unfair or unlawful gain, regardless of whether or not deception is used.
- Bribery is offering, giving, authorising, requesting or receiving money, gifts, preference, privilege or anything of value (including a personal favour) that is intended to improperly influence the recipient. Bribery includes payment made to public officials, but also inappropriate payments made to any third parties.
- Corruption is a dishonest and intentional activity in which an individual acts against the interests of GDI and abuses their position of trust in order to achieve personal gain for themselves, another person or entity.

Examples include:

- Bribes, secret commissions or other improper payments or benefits;
- The deliberate falsification, concealment, destruction or use of falsified documentation;
- The improper use of information or position;
- Theft of cash;
- Accounting fraud (for example, false invoicing);
- Giving or taking bribes or secret commissions or improperly accepting gifts;
- Using GDI intellectual property, information or resources (including computers) for personal gain;
- Theft or misuse of GDI assets, equipment or facilities;
- Use of GDI corporate credit card for personal expenses;
- Not disclosing conflicts of interest; or
- Improper conduct in procurement and/or contract management processes.

5. Policy

5.1 Reporting Fraud, Bribery or Corruption

Individuals who become aware of potential fraudulent and/or corrupt behaviours should report these inappropriate behaviours as soon as possible to the Company Secretary (CS) and/or through existing internal issue resolution and reporting channels. Where a manager received a report they must inform the Company Secretary.

If any employee does not feel able to use the existing reporting channels due to the nature and/or seriousness of the inappropriate behaviour, then they may raise the matter directly with any member of the GDI Board.

GDI promotes a culture that expects and encourages the reporting of improper conduct including fraud, bribery and corruption and is committed to protecting people who disclose reasonably suspected mismanagement, corruption, illegality or some other wrongdoing occurring at GDI. Refer also to the Whistleblower policy.

5.2 Prevention of Fraud, Bribery and Corruption

GDI will not tolerate dishonest, fraudulent or corrupt behaviour and is committed to preventing this behaviour, and encouraging an ethical culture in general, in the performance of its business operations.

As part of the GDI risk management framework and related governance processes GDI has established initiatives focused on the prevention, detection, investigation and reporting of suspected fraud against GDI. These initiatives include audits, staff training about how to recognise and deal with any instance of fraud, bribery or corruption, risk assessments, robust internal controls and appointment screenings.

5.3 Investigation and management of reports of Fraud, Bribery and Corruption

The Company Secretary will determine the most appropriate approach for any investigation process. Employees and Managers must not initiate their own investigation.

All reports of suspected fraudulent activity will be dealt with having regard to applicable laws such as privacy, confidentiality, legal professional privilege and any requirements of natural justice.

Investigations into suspected fraudulent activity will be undertaken on the assumption of the innocence of the person implicated. All reports of improper conduct will be thoroughly investigated with the objective of locating evidence that either substantiates or refutes the claims made.

The rules of natural justice are to be observed in any investigation arising out of a report. The investigation will be conducted without bias and the person against whom the allegation is made should be given the right to respond.

Where it is found that an employee has knowingly or recklessly made a false report of fraud, bribery or corruption that conduct itself will be considered a serious matter and render the person concerned subject to disciplinary proceedings as provided by the Code of Conduct.

5.4 Consequences of committing Fraud, Bribery or Corruption

Incidents of fraud, bribery or corruption, are viewed very seriously by GDI.

GDI will decide whether or not to bring civil proceedings, refer for criminal prosecution or take disciplinary action, or a combination of these actions. Where appropriate, GDI will vigorously pursue the recovery of money or property lost through fraud, bribery or corruption.

5.5 Roles and responsibilities

Audit, Risk and Compliance Committee (ARCC)

The ARCC is responsible for ensuring there is an appropriate approach to fraud, bribery and corruption prevention in place and for receiving regular reviews of the fraud, bribery and corruption prevention policy.

Company Secretary (CS)

The CS is responsible for establishing a fraud, bribery and corruption prevention framework including:

- Regular review and communication of this policy;
- Development and maintenance of a fraud, bribery and corruption prevention plan;
- Maintenance of appropriate protection arrangements; and
- Staff training about how to recognise and deal with any instance (perceived or actual) of fraud, bribery or corruption.

The CS is also responsible for co-ordinating investigations into allegations of fraud, bribery and corruption in consultation with senior management and the GDI Board.

Managers

Managers are responsible for ensuring that employees in their team are aware of and comply with:

- This policy and related policies and procedures; and
- GDI internal controls and limits of authority.

Employees

Employees are responsible for:

- Complying with this policy, related policies and GDI internal controls including limits of authority.

5.6 Gifts

It is critical for GDI that all workplace participants and the Board at all times act without influence, and are seen to act without influence, in providing and contracting services. It is unacceptable to accept any gift when it can be perceived that the person or organisation offering the gift may derive a benefit if the gift is accepted. Such benefits include favourable treatment or the allocation of more work for particular suppliers.

It is acknowledged that GDI employees will be offered gifts and entertainment in the ordinary course of business, including:

- business lunches, dinners and other forms of entertainment;
- Christmas gifts; and
- Post transaction or other celebrations.

Such gifts and entertainment should not be so lavish or excessive as to operate (or imply to operate) as an inducement to do business or imply an attempt to influence a business decision.

Gifts of cash are prohibited and offers of cash are to be reported to the Company Secretary immediately. All gifts, benefits or entertainment offered during a tender process (or the like) must be declined. Travel and accommodation in respect of proposed entertainment is generally not allowed, other than in limited circumstances where the prior approval of the Company Secretary has been received.

If any employee accepts a gift other than in accordance with this policy they will be subject to disciplinary action.

5.7 Facilitation payments

Facilitation payments are minor payments made for the purpose of expediting or securing the performance of a routine government action (e.g. processing government papers such as visa, delivery of mail, providing communication services). GDI prohibits payment of facilitation payments (in Australia and in any foreign jurisdiction) regardless of whether such payments are permitted in a given jurisdiction. Any request by a third party for such a payment is to be immediately referred to GDI's Company Secretary.

5.8 Donations

In NSW (for state and local governments), GDI and its employees are prohibited from making any financial or in-kind contributions to a political party, politician or related

institution (including payment of any annual or other subscription fee for membership of or affiliation with any political party).

However, GDI employees may, subject to relevant legislative requirements and in their personal capacity (and not as a representative of GDI):

- Make financial or in-kind contributions to a political party, politician or related institution federally and/or in any state (including being a paid member of a political party), other than in NSW and/or;
- Attend federal or state functions (other than any political fundraising event in NSW which requires the purchasing of a ticket or another form of payment, unless it is clear that none of the proceeds are for the benefit of the relevant political party).

As a responsible corporate citizen, GDI may make charitable donations. Financial donations are made to registered charities or approved not-for-profit organisations. Financial donations are not made to religious organisations.

6. Further information

GDI's expectations in relation to the reporting of improper conduct and inappropriate behaviour is outlined as part of the new employee induction program and as part of ongoing training and awareness programs.

If you require additional information about this policy and/or have any questions, issues or concerns, please contact the Company Secretary.

7. Periodic review

This policy will be periodically reviewed to check that it is operating effectively and whether any changes are required to this policy.