

Policy

Bribery Corruption and Fraud

Objectives and scope

SharonAI Holdings Inc. and its subsidiaries (the “Company”) conducts business in an honest and ethical manner. It takes a zero tolerance approach to bribery, corruption and fraud and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships by implementing and enforcing effective systems to manage such issues.

This policy is intended to clarify:

- What bribery, corruption and fraud are.
- Your responsibilities.
- Processes for reporting.

1. What is Bribery, Corruption and Fraud?

Bribery is the offering, promising, giving, soliciting or accepting an inducement such as a payment or provision of a benefit which is not legitimately due, to influence the performance of a person’s duty and/or to encourage misuse of his or her authority. Bribery requires intention and conduct and can take the form of anything of value, including, but not limited to, gifts, rewards and other favours.

Payments that anti-bribery laws may arise in a variety of settings and include a broad range of payments beyond the obvious cash bribe or kickback. The term “anything of value” is very broad and can include, for example:

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

Similarly, a person who does not personally provide or offer a benefit, but instead procures someone else to do so on his or her behalf, is likely to be found to have aided, abetted, counselled or procured a bribe.

There are Federal, State and Territory laws that criminalise bribery of both public officials and private individuals.

Corruption is the dishonest or fraudulent conduct by those entrusted with power for personal gain.

It can include foreign and domestic bribery, destruction, removal or inappropriate use or disclosure of records, data, materials, intellectual property or assets, or any similar or related inappropriate conduct.

Examples of corrupt conduct include, but are not limited to:

- a person improperly using, or trying to improperly use, the knowledge, power or resources of their position for

- personal gain or the advantage of others;
- disclosing private, confidential or proprietary information to outside parties without implied or expressed consent; and
- accepting or seeking anything of material value.

Fraud is dishonestly obtaining a benefit, or causing a loss, by deception or other means.

Examples of fraud and dishonesty may include, but are not limited to:

- knowingly providing false, incomplete or misleading information for unfair, unjustified or unlawful gain;

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- unauthorised possession, use or misappropriation of funds or assets including for example embezzlement and misappropriation;
- tax evasion;
- payroll theft via the processing system or through dishonest leave practices;
- forgery or alteration of any document or record; and
- identity fraud, in which someone wrongfully obtains and uses another person's personal data for personal gain, including by making unauthorised purchases or selling someone's information to a third party.

2. Responsibilities

The Company takes a zero-tolerance approach to all form of bribery, corruption and fraud, and is strongly committed to delivering accountability and transparency to all clients and stakeholders.

The Company also understands general obligations with respect to bribery, corruption and fraud and is committed to ensuring compliance with relevant legislative and regulatory requirements, including that it protects people who disclose such unlawful behaviour from victimisation.

It is the responsibility of all those working for us, whether as employees, directors, officers, consultants, representatives, secondees, contractors, volunteers or similar to comply with the following:

- Help detect, prevent and report instances of bribery, corruption, fraud and any other wrongdoing.
- Must not authorise, offer, promise or give a bribe to anyone in the public or private sector.
- Must not demand, request, receive, accept, solicit or take a bribe from anyone in the public or private sector, which can include gifts, hospitality and gratuities from third parties such as suppliers or customers.
- Must not misuse funds or other property of the Company or that of its clients (such as but not limited to intellectual property, confidential information and information of third parties).
- Must comply with all relevant policies, laws and regulations.
- Avoid any activity that might lead to, or suggest, a breach of this policy.
- If in a situation where their employment duties or responsibilities conflict or may conflict with their personal interests, the conflict must be disclosed.

Any person that breaches this policy will face disciplinary action, which could result in termination of employment or contractual relationships for gross misconduct.

3. How to raise a concern

To the maximum extent practicable, a person who genuinely discloses an allegation or concern about bribery, corruption or fraud in breach of this policy, a law or other standard of behaviour ("Whistleblower") will be protected from any adverse action for having raised such allegations or concerns, even where they prove to be unsubstantiated or incorrect. Except that, a person who maliciously or vexatiously makes a disclosure or false allegations may be subject to disciplinary action.

This protection also applies to employees who participate or assist in an investigation concerning bribery, corruption or fraud. Please refer to the Company's Whistleblower Rights and Protection Policy for more details.

Reasonable grounds

Before making a disclosure, you must have reasonable grounds to suspect the relevant conduct has occurred or is happening.

Accordingly, all disclosures should provide specific, adequate and pertinent information with respect to, among other things, dates, places, persons, witnesses and the like, to enable a reasonable investigation to be conducted.

However, whistleblowing does not give you immunity from disciplinary or legal actions if you are found guilty of the same or similar misconduct.

Workplace policy

For your own benefit, it is important that you do not 'blow the whistle' on any conduct before understanding your rights and obligations as a Whistleblower. You may not be protected by law if your allegation or concerns are not about reportable conduct that is protected.

Accordingly, you are encouraged to speak with an authorised Whistleblower Protection Officer or a senior manager and a director or a member of the Audit and Risk Management Committee.

The Company recognises that maintaining appropriate confidentiality is crucial in ensuring that potential Whistleblowers make disclosures of bribery, corruption and fraud in an open and timely manner, and without fear of reprisal.

Accordingly, the company will take all reasonable steps to protect the identity of the Whistleblower and will adhere to any statutory requirements in respect of the confidentiality of disclosures made. However, in appropriate cases, disclosure of the identity of the Whistleblower, or the allegation made by them, may be unavoidable. Please refer to the Company's Whistleblower Rights and Protection Policy for more details.

Compliance

It is your responsibility to understand and comply with this policy. You will not be excused for any breach of this policy because you were instructed or influenced to act in a way that constitutes a breach of this policy. Ignorance will not be accepted as justification for a breach.

If there is an alleged breach of this policy, it may be investigated. If an investigation discloses that a breach is substantiated, disciplinary action may be taken, which may include a formal warning, suspension, reassignment or demotion, or termination of employment.

Reporting

The following procedures should be observed in circumstances of a breach or suspected breach of this policy. These steps are guidelines only and different processes or steps for dealing with complaints may be taken on a case by case basis.

1. Formally report the alleged breach to your supervisor, manager, human resource manager or a senior manager and a director or a member of the Audit and Risk Management Committee, either by initiating a discussion or setting out the complaint in writing.
 - day, date, time and location of the incident
 - names of the people involved, including witnesses
 - details of what happened.
2. Once a disclosure has been received, the Company will consider the most appropriate action. This might include an investigation of the alleged conduct, either by an appropriate person or a group of people, such as a committee.
3. Any investigation in relation to a disclosure will be conducted promptly and fairly, with due regard for the nature of the allegation and the rights of the persons involved in the investigation.

4. Any evidence gathered during an investigation, including any materials, documents or records, must be held by the investigator, and held securely.
5. During the investigation, the investigator will have access to all of the relevant materials, documents, and records. The directors, officers, employees and agents of the company must cooperate fully with the investigator.
6. Following the investigation, a final report will be issued, and appropriate action taken where applicable. If appropriate a disclosure may be referred to law enforcement agencies.

If the Whistleblower was involved in the conduct, which was the subject of the disclosure, the fact that the Whistleblower has made the disclosure may be taken into account in determining the severity of the disciplinary measures, if any, that may eventually be taken against such Whistleblower.

Recordkeeping

It is the Company's policy to implement and maintain internal accounting controls based upon sound accounting principles. All accounting entries in the Company's books and records must be timely and accurately recorded and include reasonable detail to fairly reflect transactions. These accounting entries and the supporting documentation must be periodically reviewed to identify and correct discrepancies, errors, and omissions.

- a) Authorization for Transactions. All transactions involving the provision of anything of value to any government official must occur only with appropriate Company authorization.
- b) Recording Transactions. All transactions involving the provision of anything of value to a government official must be recorded in accordance with generally accepted accounting principles.
- c) Tracking Transactions. All transactions involving the provision of anything of value to a government official must be tracked in a separate log or record, with supporting documentation identifying:
 - i) The name and position of the employee requesting and authorizing the transaction.
 - ii) The name and position of the government official involved in the transaction.
 - iii) A description, including the value, of the payment or provision of anything of value, and where applicable, a description of the Company's products or services being promoted or the relevant contractual provision if the payment was made pursuant to a contract.

Questions

This policy does not cover every possible event or action. There will be circumstances where it is difficult to know what to do. In such cases you must exercise caution and common sense and comply with the underlying principles of this policy. If you have any questions or doubts about this policy please direct them to your supervisor, manager, human resources or a senior manager.