



Anti-Corruption and Bribery Policy

1. Policy Statement

It is the policy of BMC to conduct all of its operations in an honest and ethical manner. BMC takes a zero tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all relationships and dealings wherever it operates, and to implementing and enforcing effective systems to counter bribery.

BMC will uphold all laws relevant to countering bribery and corruption. BMC remains bound by the laws of Australia in respect of its conduct both in Australia and overseas.

The purpose of this policy is to:

- Set out the responsibilities of BMC, and of those working for BMC, in observing and upholding BMC's position on bribery and corruption; and
- Provide information and guidance to those working for BMC on how to recognize and deal with bribery and corruption issues.

BMC has identified that certain activities create particular risks for the organization, in particular:

- Partnerships in Indonesia;
- Our involvement in cash transactions; and
- Receipt of gifts and donations.

To address these risks the following steps have been taken:

- Implemented an anti-corruption and bribery policy;
- Undertaken a risk assessment exercise, which will be subject to an on-going review;
- Taken steps to implement a training policy for directors, supporters and partner personnel;
- Amended audit procedures to include steps related to assessing BMC partners' understanding of the requirements of BMC related to anti-corruption and bribery;
- Prepared standard clauses relating to anti-corruption issues to be included in Partnership agreements.

In this policy, third party means any individual or organisation involved with BMC, and includes actual and potential clients, business contacts, agents, advisers, and government and public bodies, including their advisers, representatives and officials, politicians and political parties.

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2. Who is covered by the policy?

This policy applies to all individuals working at all levels, including directors, employees (whether permanent, fixed-term or temporary), consultants, partner organisations, donors, sponsors, volunteers or any other associated person associated, wherever located (collectively referred to as workers in this policy).

3. What is Bribery?

A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage.

4. Hospitality and Gifts

This policy does not prohibit normal and appropriate hospitality (given and received) to or from third parties and the giving or receipt of gifts.

Normal and appropriate hospitality and gifts would include where the hospitality or gift:

- (a) is not made with the intention of influencing a third party to obtain or retain business or an advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits;
- (b) complies with local law;
- (c) is given in the name of BMC, not in an individual's name;
- (d) does not include cash or a cash equivalent (such as gift certificates or vouchers);
- (e) is appropriate in the circumstances. For example, in Australia and Indonesia it is customary for small gifts to be given at holiday times;
- (f) taking into account the reason for the gift, is of an appropriate type and value and given at an appropriate time;
- (g) is given openly, not secretly; and
- (h) is not offered to, or accepted from, government officials or representatives, or politicians or political parties, without the prior approval of the Board of Directors.



5. What is not acceptable?

It is not acceptable for workers (or someone on their behalf) to:

- (a) give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;
- (b) give, promise to give, or offer, a payment, gift or hospitality to a government official, agent or representative to "facilitate" or expedite a routine procedure;
- (c) accept payment from a third party when it is known or suspected that the payment is offered with the expectation that the third party will gain an advantage;
- (d) accept a gift or hospitality from a third party if it is known or suspected that it is offered or provided with an expectation that a business advantage will be provided in return;
- (e) threaten or retaliate against another worker who has refused to commit a bribery offence or who has raised concerns under this policy; or
- (f) engage in any activity that might lead to a breach of this policy.

6. Facilitation Payments and Kickbacks

BMC does not make, and will not accept, facilitation payments or "kickbacks" of any kind. Facilitation payments are typically small, unofficial payments made to secure or expedite a routine government action by a government official. They are not commonly paid in Australia, but are common in Indonesia.

If asked to make a payment on behalf of BMC, you should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. Always ask for a receipt which details the reason for the payment. If there are any suspicions, concerns or queries regarding a payment, they should be raised with the Compliance Manager.

Kickbacks are typically payments made in return for a business favour or advantage. All workers must avoid any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted.

7. Donations

We do not make charitable donations or contributions to political parties.

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8. Record-Keeping

Financial records must be kept and appropriate internal controls must be in place which will evidence the business reason for making payments to third parties.

All hospitality or gifts accepted or offered must be declared and a written record must be kept, which will be the subject of review.

All expense claims relating to hospitality, gifts or expenses incurred to third parties must be submitted in accordance with our expenses policies and specifically record the reason for the expenditure.

All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness. No accounts must be kept "off-book" to facilitate or conceal improper payments.

9. How to raise a concern

Any concerns about any issue or suspicion of malpractice should be raised at the earliest possible stage. If there is uncertainty about whether a particular act constitutes bribery or corruption, or if there are any other queries, these should be raised with the Compliance Manager.

10. What to do if there is an instance of Bribery or Corruption

It is important that the Compliance Manager is notified as soon as possible if a bribe is offered or requested by a third party, or if it is suspected that this may happen in the future.

11. Protection

Workers who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. BMC aims to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.

BMC is committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offence has taken place, or may take place in the future, in. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern.

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12. Training and Communication

All existing workers operating in areas that are perceived as high risk will receive regular, relevant training on how to implement and adhere to this policy.

BMC's zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors, agents and business and other partners at the outset of our relationship with them and as appropriate thereafter.

13. Who is responsible for the policy?

The Directors have overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those under our control comply with it.

The Compliance Manager has primary and day-to-day responsibility for implementing this policy, and for monitoring its use and effectiveness and dealing with any queries on its interpretation. Management at all levels are responsible for ensuring those reporting to them are made aware of and understand this policy and are given adequate and regular training on it.

14. Monitoring and Review

The Compliance Manager will monitor the effectiveness and review the implementation of this policy, regularly considering its suitability, adequacy and effectiveness. Any improvements identified will be made as soon as possible. Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.

All workers are responsible for the success of this policy and should ensure they use it to disclose any suspected danger or wrongdoing.

Policy last updated January 2016.