

# Anti-bribery and corruption policy



People & Culture

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## OVERVIEW

The *Group* corporate values include integrity and the *Group* is committed to the highest standards of ethics and conduct, which includes not engaging in bribery or corruption, and complying with anti-bribery and corruption laws, including the Australian Criminal Code Act 1995 and Proceeds of Crime Act 2002 as well as State legislation. Serious criminal and civil penalties may apply, as well as reputational damage, if the *Group* is involved in bribery or corruption.

A clear and transparent corporate policy in relation to anti-bribery and corruption is expected by the *Group's* stakeholders, including customers, partners and regulators.

### PURPOSE

This policy provides clarity in relation the *Group's* expectations about standards of conduct to protect the reputation of the *Group* and Staff.

This policy is designed to complement the *Group's* Gift and Entertainment Policy and Code of Conduct and provide guidance to ensure that there is an understanding of the circumstances that may comprise bribery or corruption and the constraints.

### APPLICATION

This policy applies to the *Group*.

### INTERPRETATION

Terms defined within this policy and the Risk Business Glossary and are represented in italics.

## POLICY

### 1. Bribes and corruption

The Group and staff must not give, offer, authorise, accept or request a *Bribe* and must not engage in *Corruption*. It is irrelevant whether the *Bribe* is accepted or ultimately paid.

### 2. Gifts and entertainment

Gifts and entertainment may give rise to perceptions of improper influence. The Group and staff must comply with the Gift and Entertainment policy.

### 3. Political donations

Political donations may give rise to perceptions of cash for influence. Staff of the Group must not make any political donations on behalf of the Group.

### 4. Inaccurate records

All accounts and records of financial and non-financial dealings must be prepared and maintained with accuracy and completeness. The *Group* and staff must not make, alter, destroy or conceal an accounting document to facilitate, conceal or disguise corrupt conduct. The *Group* and staff must not keep accounts or records relating to dealings with third parties “off-book” to facilitate or conceal improper payments.

# GOVERNANCE

## RESPONSIBILITIES

Role	Responsibilities
<b>FIRST LINE OF DEFENCE</b>	
<b>All staff</b>	All staff of the Group (including Community Bank staff) are responsible for complying with this policy.
<b>Executive</b>	The Executive are responsible for overseeing the <i>Group's</i> compliance with this policy.
<b>Business Unit Heads</b>	<p><i>Business Unit Heads</i> are responsible for:</p> <ul style="list-style-type: none"> <li>Ensuring the Business Unit is operating in a manner that protects the integrity of staff and the integrity of the Group in accordance with the requirements of this policy. This includes ensuring all staff receive the appropriate training and supervision and understand the requirements of this policy;</li> <li>Reporting of any potential breaches of this policy to the next level of management and action taken to minimize the risk of future non-compliance.</li> </ul> <p><b>Note</b> – Potential breaches must also be reported in accordance with subsidiary governance frameworks, where applicable.</p>
<b>Learning and Development</b>	Learning and Development are responsible for ensuring training and education on this policy is included in the Code of Conduct training module.

## SECOND LINE OF DEFENCE

<p><b>Group Operational Risk</b></p>	<p><i>Group Operational Risk</i> is responsible for:</p> <ul style="list-style-type: none"> <li>• Assisting the <i>Group</i> (including subsidiaries) by providing guidance, support and advice to comply with this policy;</li> <li>• Monitoring compliance with this policy across the <i>Group</i>;</li> <li>• Assessing and reporting breaches of this policy; and</li> <li>• Regular review of this policy.</li> </ul>
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## GOVERNANCE COMMITTEES

<p><b>Board and Board Risk Committee (BRC)</b></p>	<p>The <i>Board</i> and <i>Board Risk Committee (BRC)</i> are responsible for overseeing the <i>Group's</i> compliance with this policy.</p>
<p><b>Operational Risk Policy Committee (ORPC)</b></p>	<p>The <i>Operational Risk Policy Committee (ORPC)</i> is responsible for:</p> <ul style="list-style-type: none"> <li>• Ensuring the adequacy and effectiveness of this policy; and</li> <li>• The approval of this policy.</li> </ul> <p>The ORPC exercises its responsibility through the delegated authority of the <i>Operational Risk Committee</i>. Specific responsibilities are detailed in the <i>Operational Risk Committee Charter</i>.</p>
<p><b>Subsidiary Board and applicable Board Committee/s</b></p>	<p>The subsidiary board and applicable board committee may be responsible for overseeing the subsidiary's compliance with this policy.</p>

## REVIEW

This policy will be reviewed biennially by *Group Operational Risk* and any changes approved by the *Operational Risk Policy Committee*.

## RELATED DOCUMENTS

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The following are related documents.

- Business *Division* Gift Registers
- Conflicts of Interest Policy
- Code of Conduct
- Disciplinary Policy
- Financial Crimes Policy
- Operational Risk Management Framework
- Reporting of Concerns Whistleblower Policy
- Sandhurst Management of Conflicts of Interest and Related Party Transactions Policy

## DEFINITIONS

<p><b>Bribe</b></p>	<p>A benefit (monetary or otherwise) given, offered, authorised, accepted or requested as an inducement for action which is illegal, unethical or a breach of trust. It may be direct or indirect. Examples include the following.</p> <ul style="list-style-type: none"> <li>- Gifts, hospitality, loans, fees, offers of employment, rewards. Examples: You are offered an unusually generous gift or lavish hospitality by a supplier of services to the <i>Group</i> at the time of contract renewal. A business customer requests that the <i>Group</i> provide employment for a friend or relative in the context of taking out additional significant business with the <i>Group</i>.</li> <li>- Secret commissions i.e. accepting a benefit (monetary or otherwise) from a third party, which is not disclosed to the <i>Group</i>, in return for agreeing to depart from a duty owed to the <i>Group</i>. Example: A tenderer offers a secret cash payment to a colleague to influence the recommendation they make about tenderers, and the colleague agrees to recommend the tenderer instead of the providing independent advice on the merits of the tender to the Bank.</li> <li>- Facilitation payments i.e. a small sum to expedite or facilitate the performance by a public official for a routine government service or action to which the <i>Group</i> is legally entitled.</li> </ul>
<p><b>Corruption</b></p>	<p>The abuse of entrusted power for private gain. Example: Manipulating the records for a customer account and siphoning off money to your account.</p>

## DOCUMENT CONTROL TABLE

Version No.	Approved by:	Date approved:	Date applicable:	Next review date:	Document owner:
1.0	Operational Risk Committee	25 July 2019	1 July 2019	June 2020 (then Biennially thereafter)	People and Culture