



# **Anti-Bribery and Corruption Policy**

Bank of Queensland

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**Approver**

Board Risk Committee

**Owner**

Chief Risk Officer

**Functional Owners**

General Manager, Group Compliance

**Hierarchy Classification**

Level 1b

**Revision History**

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**Mandatory Stakeholders**

Not applicable

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# 1 Introduction

## 1.1 Scope

Bank of Queensland Limited (**BOQ**) and its wholly-owned subsidiaries have a vision and core values that are incompatible with bribery and corruption.

This Anti-Bribery & Corruption Policy (**Policy**) applies to all BOQ activities in all jurisdictions in which BOQ operates. This Policy applies to:

- BOQ, its subsidiaries and all entities under the control of BOQ (**BOQ Entities**); and
- All directors, officers and employees (which includes temporary or contract staff) of BOQ Entities, and individuals (including Non-Executive Directors) acting as an Accountable Person for BOQ (as defined in the Banking Executive Accountability Regime within the Banking Act 1959) (**BOQ Personnel**).

BOQ seeks to encourage and influence all of its non-controlled interests (such as non-controlled joint ventures) to have and implement anti-bribery and corruption policies and procedures to an equivalent standard as this Policy.

## 1.2 Purpose

The purpose of this Policy is to set out BOQ's approach to preventing risks of bribery and corruption by BOQ Entities, BOQ Personnel and Business Partners. BOQ is committed to countering bribery and corruption in all forms. BOQ operates a zero tolerance approach to any form of bribery and corruption, and will treat potential instances of bribery or corrupt behaviour as a threat to BOQ's reputation and integrity as a business. In accordance with these commitments and to support a culture of compliance, BOQ has developed this Policy and the Anti-bribery & Corruption Standard (**Standard**).

The Policy focuses on bribery and corruption risks within BOQ and its Business Partners. It does not relate to bribery and corruption risks in relation to its customers or their transactions which is otherwise dealt within by way of:

- the BOQ Group Fraud Control Policy, which focuses on internal and external fraud and corruption risks by BOQ customers; and / or
- BOQ's AML/CTF Program – Part A and B, which focuses on anti-money laundering risks and counter terrorist financing in connection with customer accounts.

## 1.3 What is bribery and corruption?

At a high level, corruption is the abuse of position and/or trust to get an improper advantage or gain.

Under the law, bribes and bribery have a very wide definition. Bribery involves (either directly or indirectly) improperly offering or providing a benefit or something of value to a public official, someone in business or a close relative of such a person in order to obtain or retain business or an advantage or to induce or reward improper conduct or an improper decision. While a bribe may involve a monetary payment or offer, it covers anything of value such as:

- cash or cash equivalents (e.g. gift vouchers or loans);
- some gifts, hospitality, entertainment or travel;
- donations or scholarships;
- offers of employment;
- the provision of favours (e.g. discounted or 'free' use of BOQ's services, facilities or property);
- training; or
- anything else that is of value to the recipient.

## 1.4 Related policies

This Policy should be read in conjunction with the BOQ policies and key documents detailed below.

- AML/CTF Program Part A
- AML/CTF Program Part B
- Anti-Bribery & Corruption Standard
- BOQ Group Compliance Management Framework
- BOQ Group Fraud Control Policy
- Code of Conduct
- Conflicts of Interest Standard
- Conflicts of Interest Policy
- Group Board Risk Appetite Statement
- Group Procurement Policy
- Performance Management Standard
- Referrer Policy
- Whistleblower Policy
- Political Engagement Policy
- Fit and Proper Policy
- Sponsorship Policy & Guidelines
- Expenditure Approval Policy
- Banking Executive Accountability Regime (BEAR) Policy

## 2 Risk Appetite

BOQ has a Board approved Risk Appetite Statement which sets out the level of risk the Board is willing to accept when pursuing BOQ's strategic objectives. As with any involvement with activities that are illegal, BOQ's risk appetite for bribery and corruption is **zero**.

Breaches of anti-bribery and corruption laws attract serious criminal and civil penalties, both in Australia and under the laws of foreign countries. Any association with bribery and corruption can also result in serious reputational damage to the individuals involved and BOQ.

BOQ is committed to countering bribery and corruption in all forms, and promotes a culture of compliance and genuine engagement with anti-bribery and corruption standards. BOQ seeks to establish and maintain rigorous policies, procedures and controls to assist it to operate within its risk appetite at all times. BOQ recognises that different jurisdictions, sectors, transactions, business opportunities and business partnerships pose greater bribery and corruption risks, and seeks to identify and manage these risks by way of this Policy and the Standard.

## 3 Obligations

Corrupt conduct by BOQ Entities and BOQ Personnel is absolutely prohibited. It is strictly prohibited for any BOQ Entity or BOQ Personnel to pay or accept bribes to obtain any improper business or other advantage.

BOQ Entities and BOQ Personnel must comply with anti-bribery and corruption standards established by this Policy and the Standard.

All BOQ Entities and BOQ Personnel must not:

- pay, offer, promise or accept, directly or indirectly, any bribe, kickback, secret commission or other form of improper payment (however small) in order to obtain any improper business or other advantage for BOQ, for themselves, or for others;
- make facilitation payments. Facilitation payments are payments (typically of low value) made to a public official with the purpose of expediting or facilitating the performance of a routine governmental action;
- provide or accept benefits including gifts, hospitality, entertainment, meals, travel/accommodation, training or other things of value which are contrary to the Standard;
- provide or offer any gifts or benefits in circumstances where it is known or suspected that the recipient cannot accept the gift or benefit pursuant to law or to any duties that they owe others;
- make political, charitable or community donations or sponsorships which are contrary to the Standard;
- enter into or continue, a business relationship with a Business Partner if they cannot be satisfied that the entity will behave in a manner consistent with this Policy;
- engage or make a payment to a Business Partner, or any other third party, knowing or suspecting the Business Partner or third party may use or offer all or a portion of the payment directly or indirectly as a bribe, kickback, secret commission or other form of improper payment;
- falsify or mis-describe any book, record or account relating to BOQ's business. All receipts and expenditures must be supported by documents that describe them accurately and properly; or
- cause or authorise any of the above conduct or any other conduct which is inconsistent with this Policy or the Standard.

BOQ Personnel must not do any of the above in their 'personal capacity' in an attempt to evade the requirements of this Policy.

No BOQ Personnel will be penalised, or be subject to other adverse consequences, for refusing to pay bribes or engage in any other conduct which would be a breach of this Policy or the Standard, even if that refusal may affect BOQ business.

All BOQ Entities and BOQ Personnel must keep accurate and complete records of all steps that have been taken towards compliance with anti-bribery or corruption standards.

Individual and corporate entities associated with BOQ, which act for or on behalf of BOQ, or who perform functions in relation to or on behalf of BOQ are expected to have and comply with policies managing bribery and corruption risk. This includes, but is not limited to, contractors, consultants, third party agents, third party introducers, referrers, persons acting in a fiduciary capacity, suppliers and joint venture partners in any of BOQ's operations globally (collectively, **Business Partners**).

It is a requirement that the appropriate division within BOQ managing the contractual arrangement with each Business Partner request copies of a Business Partner's anti-bribery and corruption policy and related materials in circumstances where:

- the Business Partner is a Tier 1 Vendor (as set out in the [Procurement Policy]);
- the Signing Authority Matrix would designate that the contract be signed by 2 tier 1 Schedule 1 Attorneys; or
- Legal, Strategic Sourcing and/or Group Compliance indicate that a review should be undertaken.

In each case, the appropriate division within BOQ must pass these materials to Group Compliance for review.

Where BOQ identifies that a Business Partner does not have policies managing bribery and corruption risks, or Compliance identifies that the Business Partner's policies are inadequate, then best endeavours will be used to ensure that the identified issues are resolved prior to entering into the contractual arrangement. Where the identified issues cannot be resolved or can only be partially resolved, the contract will only be executed with the prior approval of the Material Contracts Council or Board Risk Committee.

### 3.1 Anti-Bribery & Corruption Standard

BOQ has developed the Standard to support this Policy, ensure that anti-corruption laws are not breached and ensure that BOQ's reputation is not damaged. BOQ Personnel must comply with the Standard when undertaking any of the following activities on behalf of BOQ Entities:

- offering or accepting any benefits, including gifts, entertainment, meals, travel/accommodation, training or any other things of value;
- engaging and monitoring Business Partners;
- procuring goods and services;
- commencing activities in new countries or entering into new business ventures; and
- making political, charitable or community donations or sponsorships.

## 4 Non-compliance with this policy

BOQ has zero tolerance for conduct in violation of this Policy or the Standard.

A breach of any of the provisions of this Policy may lead to disciplinary action and will be investigated in line with BOQ's Performance Management Standard. It may be treated as gross misconduct and could render you liable to summary dismissal. Conduct in violation of this Policy may also breach applicable anti-corruption laws and result in criminal or civil penalties, including fines and imprisonment.

BOQ Personnel must cooperate fully and openly with any investigation by BOQ into alleged or suspected corrupt activity or breach of this Policy. Failure to cooperate or to provide truthful information is a breach of this Policy.

## 5 Reporting suspected or actual breaches

If any BOQ Personnel becomes aware of any actual or suspected breach of this Policy, the Standard or any relevant anti-corruptions laws, or any request or demand for any undue financial or other advantage, this must be reported:

- to the person's Business Unit Manager and their business unit Risk Management Team with escalation to Group Compliance when required.
- in accordance with BOQ's Whistleblower Policy.

Material breaches of the Policy will be reported to the Board Risk Committee in accordance with the BOQ Group Compliance Management Framework and in accordance with the requirements of BOQ's Whistleblower Policy.

Processes are in place to ensure that reports are logged, investigated and appropriate action is taken. Measures are in place to ensure complaints are treated confidentially to the extent possible, and consistently with legislative protections.

In circumstances where the bribery or corruption relates to BOQ's customers, BOQ may have obligations to report the conduct to government bodies. These obligations are detailed in BOQ's AML/CTF Program – Part A and B. Where potentially relevant, BOQ Personnel should consider whether BOQ has additional reporting obligations in line with these requirements.

BOQ will not permit retaliation of any kind against any BOQ Personnel where they have reasonable grounds to suspect a violation of this Policy. Any actual or attempted retaliation is also a breach of this Policy.

## 6 Exception and variations from policy requirements

BOQ Personnel will not be penalised for providing a payment or benefit in circumstances where they fear imminent physical injury to themselves or another person if the payment or benefit is not provided. If any payment or benefit is provided in these circumstances, you must:

- immediately contact either the Chief Risk Officer, Group Executive for People & Culture, and/or the Head of Compliance
- promptly record it (including the amount of the payment or identification of the benefit provided, the identity of the person to whom it was made and the circumstances in which it was made).

Any other variations from the above policy requirements must be approved in advance by the General Manager, Group Compliance.

## 7 Responsibility for Policy

The prevention, timely detection and prompt reporting of bribery and corruption are the responsibility of all BOQ Personnel. All BOQ Personnel are responsible for complying with this Policy and the Standard.

In addition, BOQ adopts a three line of defence (**LOD**) approach to the management of bribery and corruption risk as described below:

LOD Structure	Responsibilities
<b>1. Business</b>	<ul style="list-style-type: none"> <li>• Takes primary accountability for the identification, ownership, management and control of anti-bribery and corruption risks including management of Business Area Sub-registers, embedding a supportive risk culture and completion of annual compliance risk assessments.</li> <li>• Undertakes enhanced due diligence where required in accordance with this Policy and the Standard</li> <li>• Notifies the General Manager, Group Compliance where a material bribery and corruption risk has been confirmed by enhanced due diligence and the action proposed to be taken to address such risk</li> <li>• Monitors controls to ensure the anti-bribery and corruption risk controls are continually implemented and followed</li> <li>• Ensures all staff complete required anti-bribery and corruption training, have a practical understanding of this Policy and the Standard and, within the ambit of their role, are competent in detecting and responding to bribery and corruption</li> <li>• Implements and follows procedures for notifying the Group Compliance team of bribery and corruption (suspected or actual), or the Strategic Sourcing team where the bribery and corruption relates to suppliers</li> <li>• Collaborates with 2nd LOD on implementing and improving processes and controls for the management of bribery and corruption risks</li> </ul>
<b>2. Group Compliance</b>	<ul style="list-style-type: none"> <li>• Responsible for the Compliance Management Framework and ensuring it remains up-to-date and relevant to the business of BOQ</li> <li>• Responsible for this Policy and the Standard and ensuring that they remain up-to-date with legislative changes and relevant to the business of BOQ</li> <li>• Advises on the compliance obligations under anti-bribery and corruption legislation and associated regulatory guidance, assists the business to assess its bribery and corruption risk, and provides oversight of BOQ's activities in respect of bribery and corruption risks</li> <li>• In accordance with the BOQ Group Compliance Management Framework, assists Business Unit Managers to develop Business Area Sub-registers in relation to bribery and corruption risks</li> <li>• Monitors the progress of actions identified in Management Action Plans arising from annual compliance risk assessments</li> <li>• Assists BOQ Entities and BOQ Personnel to identify activities (including procedures and controls) to mitigate bribery and corruption risks</li> <li>• Monitors the effectiveness of the controls designed to address bribery and corruption risks</li> </ul>



	<ul style="list-style-type: none"> <li>Assists Head of Workplace Support to ensure that BOQ's employment integrity screening process, including ongoing employee due diligence and re-screening, addresses anti-bribery and corruption risk</li> <li>Develops anti-bribery and corruption training materials and delivers training (in relation to Suppliers, with the Strategic Sourcing team in attendance where relevant)</li> <li>Reviews Supplier's and other Business Partner's anti-bribery and corruption policies and procedures for adequacy and advises the relevant stakeholder of the outcome of the review</li> <li>Conducts annual review of the maturity of compliance within Business Areas</li> <li>Reports to the Group Operational Risk Committee and the Board Risk Committee in accordance with the requirements of the BOQ Group Compliance Management Framework</li> <li>Acts as the contact point for relevant authorities, regulators and law enforcement with regard to anti-bribery and corruption related matters</li> <li>Monitors and performs reviews of gifts and entertainment registers, owned by People and Culture.</li> </ul>
<b>3. Group Assurance</b>	<ul style="list-style-type: none"> <li>Provides the business with independent objective assurance on the overall effectiveness of the design and operation of internal controls to deal with bribery and corruption risk</li> <li>Conducts periodic independent testing and evaluation that risk management practices and internal controls are functioning as intended in accordance with the Group Assurance Audit Program</li> </ul>

## 8 Training and guidance on this Policy

BOQ will ensure that, BOQ Personnel are informed about this Policy and the Standard.

BOQ Personnel will receive or be provided with access to a copy of this Policy and the Standard, and will be provided with training on bribery and corruption awareness. Additional training will be provided to BOQ Personnel identified for specific anti-bribery and corruption training.

Any questions in relation to this Policy or the Standard should be directed to the General Manager, Group Compliance.

## 9 Governance

Group Compliance will regularly report to the Monthly Business Unit Operation Risk Committees, Bi-Monthly Group Operational Risk Committee and the Board Risk Committee in accordance with the requirements of the BOQ Group Compliance Management Framework.

This Policy, Standard and related procedures will be reviewed annually by the Compliance team to:

- ensure they remain effective and relevant to BOQ;
- ensure that they continue to comply with relevant laws, regulatory guidance and industry standards;
- ensure reports of breaches were appropriately recorded, investigated and responded to; and
- determine if any changes are required.

The results of this review will be provided to the Board Risk Committee.