



BMG Resources Limited

ACN 107 118 678

Anti-Bribery and Corruption Policy

A policy for directors, senior executives, officers, employees, agents and contractors (each and collectively referred to as **Personnel**) of BMG Resources Limited (**Company**) and its subsidiaries.

Purpose and scope

- 1.1 The Board of Directors of BMG Resources Limited (together with its subsidiaries, the **Company** and **we**) has adopted this Anti-Bribery and Corruption Policy (**Policy**) to:
 - (a) promote high standards of personal integrity and honest, ethical and responsible conduct;
 - (b) promote behaviour in accordance with the values and best interests of the Company;
 - (c) promote fair dealing practices;
 - (d) maintaining a high standard of integrity, investor confidence and good corporate governance;
 - (e) deter wrongdoing;
 - (f) avoid the commission of criminal conduct; and
 - (g) ensure accountability for adherence to the Policy.
- 1.2 This Policy applies to anyone who is employed by or works at the Company, including directors, officers, employees (whether permanent, fixed-term or temporary), contractors and consultants wherever located (collectively referred to as **Personnel** or **you** in this Policy).
- 1.3 This Policy forms part of the Company's risk management and compliance policies and procedures.
- 1.4 Under the Policy you must:
 - (a) not give or accept gifts and/or benefits that will compromise, or appear to compromise, your integrity and objectivity in performing your duties; and
 - (b) not give or accept gifts and/or benefits that cause, or appear to cause a conflict of interest.

- 1.5 The Policy also applies globally. If travelling outside of Australia, Personnel are subject to the laws of the country they are in; however, the principles of this Policy must be followed regardless of whether or not that country has specific bribery and corruption laws. Where a country has specific bribery and corruption laws which are of a lesser standard to this Policy, this Policy prevails.
- 1.6 Personnel must also act in accordance with the Company's Code of Conduct available at <http://www.bmgl.com.au/corporate/corporate-governance.html>

What is bribery and corruption?

- 1.7 Bribery is the offering, promising, giving, accepting or soliciting of an advantage as an inducement for action which is illegal, unethical or a breach of trust.
- 1.8 A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage and can take the form of gifts, loans, fees, rewards or other advantages.
- 1.9 A bribe does not actually have to take place – a promise to give a bribe or agreeing to receive a bribe constitutes a breach of this Policy and may constitute a criminal offence.
- 1.10 Corruption is the abuse of entrusted power for private gain.

Policy

Bribes

- 1.11 Personnel are not permitted to give, offer, promise, accept, request or authorise a bribe, whether directly or indirectly.

Gifts and benefits

- 1.12 Personnel must declare all gifts and benefits, valued at \$500 or more, to the Company Secretary.
- 1.13 Personnel are also expected to decline (or avoid accepting) gifts and benefits which will compromise, or appear to compromise, their integrity and objectivity in performing their duties, with the exceptions being:
- (a) work related conferences;
 - (b) invitations to speak at a professional seminar, conference or business function (including flights and accommodation);
 - (c) working lunches;
 - (d) where they are part of the Company sponsorship arrangements; and
 - (e) gifts and benefits approved by the Company's Managing Director (**MD**), an executive Director or the Chairman - approval for any gifts and entertainment above \$500 may only be provided by the MD, and for the MD or any other Director, by the Chairman.

- 1.14 Personnel should, where possible, discuss with their manager the fact that they have been offered a gift/benefit before accepting it, in order to determine the appropriate action.
- 1.15 Managers need to action any gifts and benefits reported to them within 5 working days of receiving the disclosure from an employee.
- 1.16 Gifts and benefits should not be accepted on a re-occurring basis or broken down into parts of less than \$100.

Acceptable gift and entertainment expenditure

- 1.17 Gifts and genuine hospitality and entertainment expenditure that are reasonable and proportionate are allowed provided they comply with the following:
 - (a) made for the right reason - it should be clearly given as an act of appreciation or common courtesy associated with standard business practice;
 - (b) no obligation - it does not place the recipient under any obligation;
 - (c) no expectation - expectations are not created by the giver or an associate of the giver or have a higher importance attached to it by the giver than the recipient would place on such a transaction;
 - (d) made openly - if made secretly and undocumented then the purpose will be open to question;
 - (e) reasonable value - its size is small and in accordance with general business practice;
 - (f) appropriate - its nature is appropriate to the relationship;
 - (g) at "arm's length" - all transactions should be at an "arm's length" basis with no special favours and no special arrangements; and
 - (h) legal - it complies with relevant laws.

Facilitation Payments

- 1.18 Facilitation payments are a form of bribery made for the purpose of expediting or facilitating the performance of a public official for a routine governmental action, e.g. processing papers, issuing permits and other actions of an official in order to expedite performance of duties of a non-discretionary nature (i.e. which they are already bound to perform). The payment or other inducement is not intended to influence the outcome of the official's action, only its timing.
- 1.19 Facilitation payments, whether legal or not, are prohibited under this Policy.

Political Contributions

- 1.20 The Company may make donations to political parties from time to time.
- 1.21 Donations to political parties must be approved by Board before they are made.

- 1.22 The Company will disclose all political donations in the Company's Annual Report under 'Corporate Governance', and to national and state/provincial electoral authorities as required.

Charitable donations and contributions

- 1.23 The Company can only make charitable donations that are legal and ethical under local laws and practices.
- 1.24 The Company allows Personnel to support causes and charities of their choice from a broad list of charity partners. Charitable support and donations are acceptable (and indeed are encouraged), whether of in-kind services, knowledge, time, or direct financial contributions. However, Personnel must be careful to ensure that charitable contributions are not used as a scheme to conceal bribery.
- 1.25 No donation must be offered or made on behalf of the Company without the prior approval of the MD, an executive Director or the Chairman. However, there is no need to obtain this prior approval for donations made under any workplace giving scheme.

Your responsibilities

- 1.26 You must ensure that you understand and comply with this Policy. The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all Personnel.
- 1.27 You are required to avoid any activity that might lead to, or suggest a breach of this Policy.
- 1.28 You must notify your manager and/or the Company Secretary as soon as possible if you believe or suspect that a conflict with, or breach of, this Policy has occurred, or may occur in the future. Any employee or officer who breaches this Policy will face disciplinary action, up to and including in termination of employment or engagement.

Record-Keeping

- 1.29 We must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.
- 1.30 You must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with our expenses policy and specifically record the reason for the expenditure.
- 1.31 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. Noting it is an offence under the *Crimes Legislation Amendment (Proceeds of Crime and Other Measures) Act 2016* for a person to make, alter, destroy or conceal an accounting document (including being reckless in their conduct which allowed such an act} to facilitate, conceal or disguise the corrupt conduct.

How to raise a concern

- 1.32 Under the Policy, all Personnel have a responsibility to help detect, prevent and report instances of bribery and corruption as well as any other suspicious activity or wrong doing in connection with the Company's business.
- 1.33 The Company is committed to ensuring that all Personnel have a safe, reliable and confidential way of reporting any suspicious activity. You are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage with your manager. If you are unsure whether a particular act constitutes bribery or corruption, or if you have any other queries or concerns, these should be raised with your manager and/or the Company Secretary.
- 1.34 If you are not comfortable, for any reason, with speaking directly to your manager, the Company has a Whistleblower Policy which affords certain protections against reprisal, harassment or demotion for making the report.

Amendment

The Board of Directors may, from time to time, change, modify or delete provisions of this Policy without notice. The Board will ensure that the updated Policy is made available on the Company's website.

Policy administration

The Company Secretary is responsible for the administration of this Policy. If you have any questions about this Policy generally or any questions about reporting a suspected breach of this Policy, you may contact the Company Secretary.

Adopted: 12 November 2020



Signature

Sean Meakin

Full Name