

Anti-Bribery and Corruption Policy

1. PURPOSE

- (a) This Policy sets standards to ensure compliance with the bribery and corruption laws in all countries in which the Medibank Private Limited group of companies (the “Group”) operate and to ensure best practice in applying these standards.
- (b) Medibank’s values are at the centre of everything we do, from the decisions we make to the way we serve our customers and community. Medibank’s values can be found on [our website](#). Our values have informed the development of this Policy.

2. APPLICATION OF THIS POLICY

- (a) This Policy applies to Medibank and its controlled subsidiaries and the Directors (including all executive and non-executive Directors of the Group), officers, employees and contractors (“Group Personnel”). A version of this Policy that contains additional matters related to employees is also available on our internal document management systems.
- (b) This Policy prohibits bribery by Group Personnel both within and outside of Australia.
- (c) Care must be exercised in accepting hospitality, entertainment or gifts over and above that required for the normal conduct of business or which may compromise your impartiality. In addition, receiving a gift or benefit may create, or appear to create a conflict of interest.

3. PRINCIPLES

- (a) Medibank has zero tolerance for bribery and corruption.
- (b) Bribery involves the provision, or offer to provide, an undue benefit to another person with the intention of influencing that person or a person associated with that person (e.g. a relative) in the exercise of their duties, with the aim of attracting new business, keeping existing business or securing a business advantage, which is not legitimately due.
- (c) The benefit that is offered, given or accepted may be monetary or non-monetary. For example, benefits can include non-cash gifts, political or charitable contributions, loans, reciprocal favours, business, scholarship or employment opportunities (given to the Government Official or other person that the giver intends to influence or their relatives), payment or reimbursement for travel expenses or lavish corporate hospitality.
- (d) It is irrelevant if the bribe is accepted or ultimately paid. Merely offering the bribe will usually be sufficient for an offence to be committed.
- (e) Bribery can encompass both direct and indirect forms. For example, the following can constitute bribery under anti-bribery law:
 - (i) a person procures an intermediary or an agent to make an offer which constitutes a bribery to another person; or
 - (ii) an offer which constitutes a bribe is made to an associate or a person who is sought to be influenced.

4. REQUIREMENTS

4.1. Responsibilities

- (a) All Group Personnel must:
 - (i) not accept any money or opportunity or other benefit which could be interpreted as an inducement, secret commission or bribe;
 - (ii) not accept gifts, hospitality, entertainment or anything of value that might have or appear to have obligations attached;
 - (iii) not offer or give anything of value, or solicit any inducement, that may conflict with your work or your duties to Medibank;

- (iv) ensure any approved grants or donations to charities or organisations made on behalf of Medibank are recorded in Medibank's register for gifts, entertainment, grants and donations;
- (v) not cause or authorise any conduct that is inconsistent with this Policy.
- (b) Each People Leader is responsible for ensuring that they and each person who reports to them complies with this Policy. This includes communication of the policy requirements to your teams, role modelling the requirements of the policy and monitoring of compliance with requirements (e.g. review of gift register on a regular basis).
- (c) All Group Personnel are also individually responsible for their own compliance with this Policy, including ensuring that they attend all required training in connection with this Policy.
- (d) Overall responsibility for the administration of this Policy lies with the Chief Risk Officer.

4.2. Risk Assessment

- (a) A risk assessment must be conducted on, at least, an annual basis to identify key anti-bribery and corruption risks associated with Medibank's business. The risk assessment must be conducted for all business units and relevant entities of the Group.
- (b) The risk assessment will be facilitated by the Chief Risk Officer. Key business stakeholders are responsible for identifying and managing the risks identified as well as ensuring compliance with applicable legislative and regulatory requirements.

4.3. Prohibited conduct

- (a) Most countries have laws prohibiting bribery of public officials and, sometimes, private individuals. There are potentially serious consequences, including fines and imprisonment, for contravention of such laws both on the part of the individual involved and the Group. To this end:
 - (i) you must not offer, promise, pay, solicit or accept bribes, kickbacks, secret commissions to agents or improper payments in any form;
 - (ii) you must not engage in any form of corrupt business practice, whether for the benefit of the Group, yourself or another party;
 - (iii) facilitation payments are prohibited (see section 4.10);
 - (iv) requests for bribes or facilitation payments must be immediately reported to the Chief Risk Officer.
- (b) Gifts, hospitality and entertainment, donations, sponsorships and political contributions have the potential to be misused as a cover for bribes or improper payments for the purpose of influencing business decisions or obtaining preferential treatment. For this reason, the Group has adopted special rules in relation to these types of payments to ensure openness and transparency (refer to sections 4.4 to 4.7 below).

4.4. Gifts, hospitality and entertainment

- (a) Gifts, hospitality and entertainment, but are not limited to, the receipt or offer of gifts, meals, tokens of appreciation and gratitude, or invitations to events, functions, or other social gatherings, exchanged between Group Personnel and an external party. While the giving or accepting of gifts, hospitality or entertainment is a legitimate means to develop and maintain good business relationships, there are limitations imposed by Medibank upon such conduct.
- (b) The practice of accepting or offering gifts, entertainment or hospitality varies between countries, jurisdictions and industries. What may be normal and acceptable in one may not be in another. It is therefore a matter to be approached conservatively and prudently by Group Personnel.
- (c) In principle:
 - (i) the authorising, offering, promising, giving or accepting of anything of value (gifts, hospitality or entertainment) to or from a Government Official or an external party which may unduly influence business decision-making or cause others to perceive that there has been undue influence is prohibited.

- (ii) the authorising, offering, promising, giving or accepting of cash or items readily convertible into cash to or from a Government Official or an external party, either directly or indirectly, (except in the form of legitimate payment for a good or service under a contract) will almost always be suspicious and indicative of an improper motive and is prohibited.
- (d) Group Personnel may offer or accept gifts, hospitality and entertainment, provided they:
 - (i) are not prohibited or limited by applicable laws and regulations;
 - (ii) are not given knowingly that they breach the recipient's internal policies and standards;
 - (iii) are given or received in good faith without expecting any benefit in return;
 - (iv) do not influence, or are not perceived to influence objective business judgement;
 - (v) are for the sole purpose of general relationship building;
 - (vi) are tasteful, decent and consistent with generally accepted standards of professional courtesy; and
 - (vii) fall within reasonable bounds of value and relevant internal approval is received and given or received in a transparent manner.
- (e) Medibank prohibits Group Personnel from, amongst others:
 - (i) accepting or providing cash, gifts readily convertible to cash or payments for personal benefit;
 - (ii) accepting or providing gifts, hospitality and entertainment to potential and existing clients/service providers that are parties to a contract that is in the negotiation phase, or potential and existing clients/service providers participating in a tender process;
 - (iii) accepting or providing gifts, hospitality or entertainment that is lavish and/or frequent, that creates a real or implied obligation;
 - (iv) extending or accepting business terms or arrangements that are more favourable than those normally offered;
 - (v) accepting gifts at home; and
 - (vi) offering and accepting entertainment and hospitality for events at which Group personnel will not be present.
- (f) Subject to paragraphs (c), (d) and (e) above, Group Personnel may offer or accept gifts, hospitality and entertainment of:

Estimated Value*	Record in Register	Approval
Under \$200	No	No
Over \$200	Yes	Senior Executive's (or above) prior approval. Senior Executives require Group Executive approval. Group Executives require CEO approval. CEO and Directors require the Board Chair's prior approval. Board Chair requires CEO approval.

*The value of gifts should be estimated in good faith based on fair market value (inclusive of all applicable taxes) in the local jurisdiction. Where the value of the gift cannot be readily determined, the retail cost of other similar items should be used as a comparison. Where there is doubt as to whether a gift exceeds a particular limit, it should be treated as if it does.

- (g) Any gifts, hospitality and/or entertainment offered to or by Medibank Group Personnel above \$200 that are accepted must be recorded in the Register of Gifts, Entertainment and Hospitality along with the relevant prior written approval. In addition, declined gifts, hospitality and/or entertainment offered to or by Medibank Group Personnel above \$200 must be recorded in the Register of Gifts, Entertainment and Hospitality if the intended recipient considers that there was a clear risk of a conflict of interest involved in the offer. If unsure, the intended recipient should escalate to their approval point for consideration.

4.5. Business Travel

- (a) Group Personnel must not accept offers of travel related to their role as an employee of Medibank. If an invitation to attend an event, visit business partners, supplier or customer is offered, approval should be requested from the relevant Group Executive. Group Executives should obtain approval from the Chief Executive Officer (CEO). The CEO should obtain approval from the Chair of the Board.
- (b) The relevant Group Executive will assess whether the travel would serve a valid business purpose and whether the offer of travel could influence, or could be perceived to influence, decision making by the Group, employees or contractors. If concerns exist in relation to the suitability of the offer of travel, the offer should be declined. Where an inappropriate gift or offer has been made but declined by a Medibank employee or contractor, the employee or contractor must inform their manager and Group Executive about the offer.
- (c) The Group Personnel must not offer travel or entertainment in any circumstance, with intent to influence decision making by a person outside the Group in relation to a decision that affects the Group.

4.6. Political donations and attendance at functions

- (a) The Group does not make political donations to any political party, politician or candidate for public office within and outside of Australia. Unless otherwise approved by the Board, all Group Personnel are prohibited from making such donations:
 - (i) for and on behalf of Medibank; or
 - (ii) using Medibank funds; or
 - (iii) if it can be construed to be made for and on behalf of, or for the benefit of, Medibank.
- (b) Attendance at political functions, as a Medibank representative, is permitted where there is a legitimate business reason. Authority levels and approval requirements are set out in the Delegation Register. All individuals attending political functions as a Medibank representative are required to notify the Senior Executive, Policy, Advocacy & Reputation prior to attending the functions. Details of the attendance, including the cost of attendance and the approval, must be recorded on the Register of Gifts, Entertainment and Hospitality maintained by the Chief Risk Officer.

4.7. Grants, Sponsorship or Donations

- (a) Grants, sponsorships or donations serve to strengthen community relations, but can be misused to inappropriately influence business relationships.
- (b) No donation, sponsorship or other financial contribution should be made in circumstances that could be reasonably regarded as unduly influencing the recipient (or associated entity) or creating a business obligation on the part of the recipient (or associated entity). For example, do not make donations or other financial contributions to people or organisations (or entities associated with them) with whom you are involved in a decision-making process.

4.8. Use of Business Partners to Engage in Corrupt Conduct

- (a) Third parties who interact with others on behalf of the Group or distribute the Group's products, such as agents, brokers, consultants, intermediaries, distributors, joint venture partners or co-investors (all called "Business Partners"), must be chosen especially carefully and engaged appropriately, as any improper conduct on their part could damage the Group's reputation and potentially expose the Group and individual employees to criminal or civil liability or other penalties.

- (b) It is never permissible to engage or do business with a Business Partner if there is a material risk, they will violate anti-corruption laws or the Group's anti-corruption policies when acting on the Group's behalf with Government Officials or individuals or companies in the private sector.

4.9. Sanctions and other Restrictions on Trading Activities

- (a) The Group must take care in choosing which countries it intends to do business with as sanctions¹ and other restrictions may prohibit it from doing so. A breach of these prohibitions is a strict liability offence subject to significant penalties.
- (b) If Group Personnel intends to do business with any person in any of the sanctioned countries or regimes, they should notify the Chief Executive Officer.

4.10. Facilitation Payment

- (a) A facilitation payment is a small payment relevant to the country in which the payment is made. They are typically made to expedite a routine administrative function of a minor nature such as telephone connection, issuing a driver's licence or visa.
- (b) While some countries laws permit facilitation payments, others do not. The Group follows the stricter approach and prohibits Group Personnel from making facilitation payments to Government Officials or private parties even where these payments are customary in the country where the payment is made and are intended to expedite or secure the performance of permitted routine government or other action that does not involve the exercise of discretion.
- (c) This prohibition on making facilitation payments applies to Group Personnel acting within or outside Australia.

5. POLICY BREACHES

- (a) Group Personnel who become aware of a violation or potential violation of this Policy or the law, for example a request by a Government Official for a facilitation payment or a payment made under duress, must report the matter in writing within 24 hours to their manager and to the Chief Risk Officer or to the Whistleblower Hotline.
- (b) Disclosures made by Group Personnel making a bona fide report of an alleged violation in compliance with this Policy will be protected under the Group's Whistleblower Policy.
- (c) All Group Personnel are responsible for compliance with this policy and must adhere to the following escalation protocols. Escalations should be actioned immediately or as soon as possible upon identification. The following table defines the escalation requirements.

Staff Member Implicated	Escalate and Report	
	Individual reporting breach escalates to:	Chief Risk Officer escalates to:
Group Executive	Chief Risk Officer	Board Chair, Chief Executive Officer (if Chair is implicated)
Senior Executive		Applicable Group Executive
Manager/Head of Function		Applicable Senior Executive

- (d) The Chief Risk Officer will also provide regular reports to the Risk Management Committee regarding all outstanding matters to enable effective monitoring of action taken.

¹ Refer to the Department of Foreign Affairs and Trade [website](#) for applicable countries.

6. WHISTLEBLOWER PROTECTION

- (a) Disclosures made by Group Personnel making a bona fide report of an alleged violation in compliance with this Policy will be protected in accordance with the Group's Whistleblower Policy.

7. MAINTENANCE ELEMENTS

7.1. Training and communication

- (a) Requirements of employees under the Policy are embedded within annual mandatory training and included within the Code of Conduct. Employees will be provided with training about the policy and their rights and obligations under it.
- (b) This Policy will be communicated and made available to all relevant stakeholders through Medibank's intranet and external websites.

7.2. Waivers and exceptions

- (a) If Group Personnel have any concerns or believe an action or inaction is improper, unlawful or otherwise in breach of this Policy, Group Personnel are required to contact the Chief Risk Officer for guidance.
- (b) If the Group experiences a loss of business as a result of any Personnel refusing to offer or accept a bribe or engage in any other conduct which would be a breach of the Policy, the relevant Personnel will not be penalised.
- (c) Exceptions to this Policy will be rare and requests should be made in writing to the Chief Risk Officer.

8. REVIEW AND PUBLICATION OF THIS POLICY

- (a) This Policy will be reviewed by the Board on a periodic basis to ensure it is operating effectively.
- (b) This policy is available on Medibank's website and the key features are published in the annual report.