

BII's Commitment to Anti-Bribery & Corruption

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BII complies with all applicable laws, both nationally and internationally. Bribery is a criminal offence under the UK Bribery Act 2010 (UKBA). BII, its staff and Associated Persons¹ such as agents are prohibited from engaging in Bribery² and Corruption³. These practices are in violation not only of the law but also of BII's internal policies and continued mission to help improve the quality of people's lives within developing countries.

BII considers Bribery and Corruption to be unethical and contrary to good corporate governance. The importance of preventing bribery and corruption within the organisation's operations is evidenced by requirements and controls within BII's internal policies.

BII's internal controls are informed by the six key principles of UKBA: proportionate procedures, top-level commitment, risk assessment, due diligence, communication and ongoing monitoring. Additionally, as a regulated firm, BII has responsibilities to manage risk exposure to money laundering, including risks associated with predicate offences such as Bribery. This is to prevent association with individuals or entities against whom there are credible and material red flags of Bribery or Corruption.

As a result, key Group-wide controls include, but are not limited to:

- Maintenance of a global Anti-Bribery and Corruption and Anti Money Laundering policy.
- Conducting risk-based due diligence on Investees and Associated Persons, applying internal risk management measures proportionate to the risk identified.
- Ensuring the fairness, openness and competitiveness of procurement activity.
- Adequate processes for approving expenditure, including an Authorised Signatories policy and a robust Gifts, Hospitality and Entertainment policy.

¹ As per the UK Bribery Act 2010, the definition of Associated Person is broad and can embrace a wide range of business relationships, including an employee acting in the capacity of an employee, an agent (other than an employee) acting in the capacity of an agent, and any other person who performs services for or on behalf of the firm.

² One of the key bribery offences includes offering, giving, receiving or soliciting any item of value to influence the actions of a person in charge of a public or legal duty, whether committed in the UK or abroad.

³ The UKBA also includes a corporate liability offence of Failure to Prevent Bribery by commercial organisations. Corruption is a form of dishonesty involving a person who is entrusted with a position of authority in order to acquire illicit benefits or abuse power for personal gain.

- A Three Lines of Defence risk management model with First Line documenting procedures to ensure appropriate collection and assessment of information.
- BII staff receive regular training on Anti-Bribery and Corruption matters, enabling them to protect BII from potential threats of Bribery or Corruption and provide the skill to recognise and report on matters that require escalation to Compliance.
- BII maintains clear whistleblowing policies and processes, as well as a Reports and Complaints mechanism, to ensure that individuals can confidentially report any concerns associated with adherence to the Policy on Responsible Investing.

BII's commitment to preventing and deterring financial crime applies not only to BII's own operations but extends to all investments to which BII proposes to commit capital to. As a responsible investor, BII requires a commitment from prospective and existing investees to implement robust anti-bribery and corruption standards, as demonstrated by the Policy on Responsible Investing. An investee's commitment towards managing financial crime risk is a key driving factor for BII in deciding whether to invest and BII continuously monitors these commitments within the investment portfolio.

