

1 Introduction

BMC is committed to conducting its business in an honest and ethical manner and in compliance with all applicable laws and regulations, including anti-corruption and anti-bribery laws such as the U.S. Foreign Corrupt Practices Act (the “FCPA”), the United Kingdom’s Bribery Act 2010 (the “Bribery Act”), local anti-corruption laws and other applicable laws that prohibit bribery. In doing business anywhere in the world, no BMC employee, officer or member of the Board of Directors shall directly or indirectly offer, pay, promise, authorize or receive any bribe, kickback or other illicit payment or benefit in violation of this Policy, the FCPA, the Bribery Act or the anti-corruption laws of any other country in which we do business. Compliance with these laws protects BMC and BMC Personnel from fines, exclusion from tendering for public contracts, prosecution and irreparable damage to reputation. This Policy supplements the [BMC Code of Conduct](#) which remains fully effective.

2 Scope and Compliance

This Policy is applicable to all BMC employees (whether permanent or temporary), officers and members of the Board of Directors (“BMC Personnel”) and its purpose is to set out the responsibilities required to observe and uphold BMC’s position on bribery and corruption. Bribery is a criminal offense in most countries in which BMC operates, and penalties can be severe and can be levied against BMC and/or individual BMC Personnel in the form of fines and/or imprisonment. Failure to comply with this Policy may result in disciplinary action, including termination of employment.

3 Definitions

- A. Bribery is the offer, promise, giving, demanding or acceptance of a payment, benefit or other advantage as an inducement for an action that is illegal, unethical or a breach of trust.
- B. Corruption is the misuse of public office or power for private gain; or the misuse of private power in relation to business outside the realm of government.

Acts of Bribery or Corruption are designed to influence an individual in the performance of his or her duty and incline them to act dishonestly. For the purposes of this Policy, it is irrelevant whether the payee or recipient of an act of Bribery or Corruption works in the public or private sector.

- C. Government Officials include (i) any person holding an executive, legislative, judicial or administrative office; (ii) employees of public enterprises and employees of state-owned businesses, whether partially or wholly state-owned; and (iii) political parties, officials of such parties and candidates for political office.
- D. Third Parties are persons or entities who are either doing business with or acting for or on behalf of BMC anywhere in the world who are not BMC Personnel, including but not limited to distributors, resellers, sales representatives, agents, intermediaries, consultants, subcontractors, and joint-venture partners.

4 Policy Statement

4.1 General Policy

BMC takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all its business activities and relationships and to operating and enforcing systems and policies to detect and deter bribery. BMC prohibits payments, offers or promises of payment, as well as giving, offering or promising of anything of value directly or indirectly to any representative of a customer, potential customer, Government Official, supplier, or other person or entity in connection with any BMC transaction or business with such person or entity to assist BMC in obtaining or retaining an improper business advantage, whether or not any benefit is received. Prohibited payments include (but are not limited to):

- Payments made with the intention of influencing others to obtain or secure an improper advantage, including a decision to select BMC to provide any products or services, or to reward the retention of business, or to provide BMC with more preferential terms, including, but not limited to, providing any confidential, proprietary or competitor information that may provide BMC an improper advantage;
- Gifts, hospitality or other non-monetary items that do not comply with this Policy;
- Any gifts, hospitality or other non-monetary items that knowingly violate the policies of a customer, potential customer, Government Official, supplier, or other person or entity in connection with any BMC transaction or business with such person or entity;
- Payments to influence any act or decision of a Government Official in his or her official capacity;
- Payments to induce a Government Official to perform or fail to perform any act;
- Payments to influence a Government Official to abuse his or her power for private gain;
- Payments inducing a Government Official to use his or her influence with a government or government instrumentality to affect or influence any act or decision of a government or instrumentality;
- Any travel expenses of any Government Official unless expressly pre-approved by the Legal Department for legitimate business needs;
- Any political or charitable contribution by BMC unless approved as described in Sections 4.3 and 4.4; and
- Requiring or encouraging any of the above payments to be made by a Third Party on behalf of BMC.

4.2 Gifts, Entertainment, & Hospitality

It is BMC's goal that all procurement and other business decisions are made objectively based on quality, service, price and other competitive factors. This Policy does not prohibit normal and

appropriate hospitality and occasionally BMC Personnel may offer appropriate gifts, entertainment or other hospitality to customers, potential customers, suppliers, or other persons connected to BMC business or transactions to foster goodwill and enhance business relationships. Gifts, entertainment, and hospitality include the receipt or offer of gifts, meals or tokens of appreciation and gratitude, or invitations to events, functions or other social gatherings, where they are appropriate in the circumstances and are in connection with matters related to BMC business.

Acceptable

The following guidelines describe what is generally acceptable and requires no advance approval for the giving of gifts, entertainment and hospitality with customers, potential customers, suppliers, or other persons connected to BMC business or transactions:

- Modest, occasional meals;
- Occasional attendance at ordinary sports, theater and other cultural events; and
- Gifts of nominal value that may promote BMC's business, such as items with BMC's logo (e.g., pens, portfolios, golf balls).

BMC conducts business in many jurisdictions across the globe. Gifts, entertainment and hospitality that may be modest, normal and acceptable in one region may not be in another. When employees are uncertain whether proposed gifts, entertainment or hospitality is modest, normal and acceptable in a particular region, a member of the Compliance & Ethics Office should be consulted.

Unacceptable

The following guidelines describe what is unacceptable with respect to the giving of gifts, entertainment and hospitality with customers, potential customers or other persons connected to BMC business or transactions and are prohibited, even if an employee does not seek reimbursement for the expense from the Company:

- A "quid pro quo" (offered for something in return);
- Gifts in the form of cash or cash equivalents (such as gift cards, vouchers, stock, etc.);
- Gifts, entertainment or other hospitality immediately prior to, during or immediately following an expected or actual tender issued by a government entity or other similar formal bidding process if (i) prohibited by the tender or formal bid documents or recipient's employer's policies, guidelines or standards; (ii) prohibited by local law; or (iii) doing so would give rise to the appearance of impropriety;
- Entertainment of an unsavory or potentially offensive nature; or
- Gifts, entertainment or other hospitality that are knowingly in violation of the recipient's employer's

policies, guidelines or standards.

For gifts, entertainment and hospitality that do not fall within the Acceptable or Unacceptable listings, prior written approval from both your department vice president and the Compliance & Ethics Office are required. Employees who are vice presidents or higher will need to obtain prior written approval from both their supervisors and the Compliance & Ethics Office. Such prior approval is required even if the employee does not intend to seek reimbursement for the expense from the Company. If a situation arises where it is not possible to obtain advance written approval and does not involve Unacceptable gifts, entertainment or hospitality BMC Personnel should use good judgment in making the expenditure and then coordinate with their supervisor and the Compliance & Ethics Office as soon as practicable.

BMC Personnel should contact a member of the Compliance & Ethics Office to discuss and resolve ambiguous situations.

4.3 Political Contributions

Contributions of BMC funds to Government Officials, candidates for political office or political parties are prohibited unless the contribution has been approved in writing and in advance in accordance with the procedures established and monitored by the BMC Community and Government Relations Director. BMC will not reimburse personal political contributions.

4.4 Charitable Donations

BMC only makes charitable donations that are legal under the FCPA, the Bribery Act and applicable local laws. Any charitable contribution made by or on behalf of BMC must be made in accordance with the procedures established and monitored by the BMC Community and Government Relations Director. Monetary or in-kind contributions should not be given directly or indirectly to a Government Official, an individual or to a bank account in the name of an individual. A contribution must not be a disguised way of conferring a personal benefit on any Government Official or individual with whom BMC does business. If any Third Party or individual with whom BMC does business has promised or implied the possibility of a benefit or issued a threat in connection with a contribution request, the request must be denied and promptly reported to the [Compliance & Ethics Office](#).

4.5 Accurate Books and Record Keeping

BMC Personnel must maintain accurate and complete books, records and financial reporting within all of BMC's operations. Although the requirement to maintain accurate and complete books and records applies to all corporate transactions, BMC Personnel should take special care to ensure that any expenditure of BMC funds related to any representative of a customer, potential customer, Government Official, supplier or other person or entity in connection with any BMC transaction or business with such person or entity is accurately and completely documented in accordance with this Policy and BMC's [Travel and Business Expense Policy](#), regardless of the amount of such transaction.

4.6 Questions Regarding Anti-Corruption Policy

Questions about the Anti-Corruption Policy, its application or anti-corruption laws such as the FCPA and the Bribery Act, should be directed to BMC's Legal Department or Compliance & Ethics Office.

4.7 Approval of Exceptions

Exceptions to this policy must be expressly approved by the CEO, CFO or General Counsel. To obtain any such exception, you must submit a completed [Corporate Policy Exemption Form](#) to the [Compliance and Ethics Office](#) at Compliance&Ethics@bmc.com.

4.8 Reporting Mechanism

If you have reason to believe that BMC's Anti-Corruption Policy has been or probably will be violated in any way, you should promptly notify the BMC Legal Department. You may also contact a member of BMC Internal Audit, [Compliance & Ethics Office](#) or the BMC Ethics HelpLine via telephone at +1-800-461-9330. Web submission is also available at www.bmcHelpline.com. [The HelpLine is](#) offered in multiple languages.

5 Related Information

[BMC Code of Conduct](#)

[BMC Third Party Code of Conduct](#)

[Travel and Business Expense Policy](#)

6 Document Information

Category:	Corporate
Oversight Executive:	Patrick Tagtow, SVP, General Counsel, Corporate Secretary, and Chief Compliance & Ethics Officer
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