

COMPLIANCE WITH AUSTRALIAN LAWS (EXTERNAL CONDUCT STANDARD 1)

MCC is required to comply with the following Australian laws while operating overseas:

- Anti-money laundering;
- Financing of terrorism;
- Sexual offences against children;
- Slavery and slavery-like conditions;
- Trafficking in individuals and debt bondage;
- People smuggling;
- International sanctions;
- Taxation; and
- Bribery.

MCC will maintain the following internal control procedures to ensure compliance with relevant Australian laws:

- (a) undertaking partnership assessments in order to manage its connections (refer to Tool 6 in MCC's Risk Management Policy (Local & Overseas Operations)).

Relevant considerations will include:

- whether the organisation is registered as a charity;
- whether the organisation's funds and projects are approved by more than one person;
- the policies and procedures the organisation has in place for the recruitment of staff and volunteers;
- whether the organisation has a complaints process;
- whether the organisation is willing to provide information on the organisation's progress and finances;
- the organisation's governance documents and policies, including whistleblowing and conflicts of interest (at the Board, management and employee levels);
- whether the organisation's accounts are audited;
- whether the receipt and payment of funds are overseen by separate staff members;
- steps taken by the organisation to minimise the risk of fraud, corruption and bribery; and


- whether the organisation is transparent; and
- (b) where joint projects are being undertaken, MCC will develop written agreements. The terms of these agreements will detail:
- Australian law requirements, standards and codes of conduct with which the overseas organisation must agree to comply; and
 - minimum standards expected of partners, staff, volunteers and supplies, including:
 - no forced or bonded labour;
 - no child labour;
 - wages, benefits and transparent record keeping;
 - working hours;
 - no discrimination;
 - no harassment or abuse;
 - grievance mechanisms;
 - working conditions;
 - no bribery
 - sub-contracting;
 - environmental compliance;
 - animal welfare;
 - migrant workers; and
 - hiring and regular employment;
- (c) educating staff, volunteers and overseas partners on relevant Australian laws, including the *Australian Criminal Code Act*, which details Australia's anti-corruption regulatory framework and the *Modern Slavery Act 2018* (Cth);
- (d) demonstrate a "top down" commitment to compliance with Australian laws;
- (e) as part of its due diligence, the Board will identify risks in MCC's, overseas local governments' and overseas contractors' and subcontractors' supply chains and operations. When risks are identified, the Board will implement steps to mitigate these risks.
- (f) the Managing Director will ensure overseas partners, contractors, subcontractors etc. satisfy MCC's due diligence requirements and will keep detailed records of investigations, assessments, decisions, approvals and ongoing compliance and audits.

MCC has implemented relevant policies that set out processes by which MCC complies with its obligations under External Conduct Standard 1. These Policies include a Child Safety Code of Conduct, Conflicts of Interest Policy (see also further conflicts of interest processes detailed in part 3 below), Due Diligence and Monitoring and Verifying End Use Policy, Financial Transactions Policy, Fraud Risk Management Policy, Internal Financial Control Checklist and a Risk Management Policy for local and overseas operations. MCC will educate its staff and volunteers on these policies.

MCC will also implement:

- a Whistleblower Policy, pursuant to which MCC staff and volunteers will be encouraged to report suspected wrongdoing;
- policies and procedures requiring checks as to whether overseas partners, organisations and individuals have violated sanctions imposed by the Australia Government, check against the Criminal Code list of terrorist organisations and DFAT's consolidated list of individuals and entities subjected to targeted financial controls; and
- undertake regular compliance audits.

In undertaking the above, MCC considers it will have taken all of the reasonable steps to meet its obligations to comply with Australian laws in accordance with External Conduct Standard 1.

Name:	Nic Matich	Position:	Chairperson
Signature:		Date:	4/06/2025
Next Review date:	04/06/2026		