

# Anti-Bribery & Corruption Policy

## **Disclaimer**

This text is a shortened version of the ABC (Anti-Bribery & Corruption) Policy and is highlighting its main topics. No rights can be derived from this shortened version. The full version of the ABC Policy is published on the internal ABN AMRO Bank's website.

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## **PART A: BACKGROUND AND CONTEXT**

### **1 Introduction**

#### **1.1 What is the purpose of this policy?**

The Anti-Bribery & Corruption Policy (“ABC Policy” or “this policy”) defines ABN AMRO Bank’s framework to manage corruption risks. This policy describes the corruption risks ABN AMRO Bank (hereinafter also referred to as “the Bank”) is exposed to from a client integrity, third party integrity and employee & organisation integrity perspective.

It is ABN AMRO’s policy to refrain from any form of bribery and corrupt practices and to comply with all relevant laws and regulations in this area. For all these reasons, the purpose of the ABC Policy is to protect ABN AMRO Bank from any involvement in bribery and corruption by ABN AMRO entities, its employees, clients (including relevant related parties of a client) or (third) parties with whom the Bank has a relationship or that perform activities on behalf of the Bank, that create significant reputational, compliance and financial damage.

Therefore, ABN AMRO takes these risks seriously and take mitigating measures to limit them. In line with the Bank’s purpose: “Banking for better, for generations to come” and Core Values, ABN AMRO acts with integrity and refrain from any involvement in bribery and corruption.

As a financial institution operating in an international environment, ABN AMRO plays a key role as a gatekeeper in the financial system. The Bank has a duty of care both to clients and to society at large. It is ABN AMRO’s corporate social responsibility to conduct business with integrity and without any form of bribery or corruption.

#### **1.2 What is the scope of this policy?**

This policy applies to ABN AMRO Bank N.V. and all its subsidiaries, branches and representative offices inside and outside the Netherlands (‘entities’) that are under its control (together referred to as ‘ABN AMRO’ or ‘the Bank’), unless explicitly stated otherwise. It applies everywhere, for all locations, roles and seniority levels. Where local requirements are stricter (for example due to the regulatory requirements in the local market) or additional local requirements are in place, these stricter requirements will apply.

## 2 Background

Corruption is a widespread crime that constitutes a serious violation of integrity. Corruption undermines citizens' trust in the government and it hinders economic growth. For instance, it impairs investments that are crucial for the economic development of a country, such as health, water, education and infrastructure. Corruption also undermines fair and competitive business, at national and international level.

Bribery and corruption are illegal acts in the Netherlands, as well as in other countries where the Bank does business. Any involvement in bribery and corruption by ABN AMRO entities, its employees, clients (including relevant related parties) or (third) parties that perform activities on behalf of the Bank, could create significant reputational, and financial damage for the Bank and for our clients.

These terms are often mentioned together:

Corruption is a collective term used to describe unethical behaviour or the situation where there is a misuse of entrusted power or position for private gain or for that of another person or entity. For instance: a political decision-maker taking bribes from a company that wants to do business in a specific jurisdiction. In this example, the government official shows corrupt behaviour and gains from abusing his/her position, and the company that paid the bribes gains an unfair market position over other companies.

Bribery is a form of corruption: it includes giving or receiving something of value to gain an unfair advantage, or to persuade someone to act improperly. A bribe can be given in many forms, such as cash, gifts, an employment or internship contract, or anything else that is valuable to the recipient. There are different types of bribery, such as kickbacks, secret commissions, facilitation payments, influence peddling, electoral bribery.

## PART B: POLICY RULES AND REQUIREMENTS

### 3 Policy principles and rules

Bribery and corruption can occur at all levels of the Bank, therefore everybody within ABN AMRO has the responsibility to prevent, detect and report bribery and corruption.

In order to mitigate the bribery and corruption risks the Bank faces, there are different integrity themes to distinguish:

- organisational & employee integrity, related to all our employees, internal and external;
- client integrity, including relevant related parties;
- third party integrity, meaning all our suppliers and third parties that perform activities on behalf of the Bank.

#### 3.1 Organisational & employee integrity

It is ABN AMRO's policy to conduct its business honestly, without the use of corrupt practices or acts of bribery. The same is expected from all employees. Therefore, staff receives training to recognise red flags of bribery or corruption and to be able to take the right decision. Employees are encouraged to act right and to speak up when they are aware of a (possible) violation of this policy.

The key policy principles for employees are:

1. Employees may not engage in any corrupt dealings.
  - a. Employees are not allowed to offer, promise, give, request, agree to receive or accept a bribe.
2. Employees must not (attempt to) bypass ABN AMRO's anti-bribery and corruption policies and controls.
3. Employees are expected to avoid even the appearance of improper conduct when they are involved in activities with an increased risk of corruption.

Besides these key policy principles for employees, ABN AMRO also has a specific policy stance related to six situations, that could suggest an appearance of corruption and thus could lead to an elevated risk for the Bank from a bribery & corruption point of view. The specific key principles in relation to these six situations are applicable for both employees and the Bank and are listed below.

#### When dealing with public officials

- a) ABN AMRO avoids trying to exert improper influence on or obtain an improper benefit from or unfair advantage from a public official, including a Politically Exposed Person ('PEP'), or even the appearance of that.

With "public official" is meant any official or employee of a state or its agencies, including those who have been selected, appointed, or elected to perform activities or functions in the name of a state or in the service of a state. It also includes a PEP or any official or agent of a public international organisation, private individuals carrying out official state functions, and officials of state owned enterprises. This is a wide definition and (local) Compliance or, if necessary, (local) Legal will be able to provide further guidance.

#### Political donations

- a) ABN AMRO does not make financial contributions (or anything else of value) to a candidate for a public office, an elected official, a political party or a political action committee.

#### Offers of employment

- a) ABN AMRO and its employees are not allowed to make offers of work experience or employment if they create an improper advantage for ABN AMRO or any staff member. Even the appearance of such an advantage should be avoided.

## Charitable donations or sponsorship payments

ABN AMRO contributes to society via i.a. donations, charity and sponsoring. In this respect the following requirements apply:

1. ABN AMRO should not make charitable donations or sponsorship payments which create an improper advantage with clients or public officials – or even the appearance of that.
2. When funds are donated in ABN AMRO's name for charitable purposes, appropriate due diligence must be conducted.
3. Any charitable donation must always be made directly to a recognised charitable organisation and not via another party or individual.

## Gifts

Sometimes, a client relationship or an ABN AMRO relationship involves Gifts (both tangible or in the form of entertainment) as tokens of appreciation. These gestures of goodwill have become part of the business culture around the world. However, a Gift can influence an employee's or relationships' motivation or decision, or it can be perceived as such. A Gift can be perceived as inappropriate or even as a bribe, which may violate the trust that clients, relationships and society place in ABN AMRO and its employees. ABN AMRO has a separate policy related to Gifts.

## Facilitation payments

Facilitation payments are typically small unofficial payments paid to speed up an administrative process or to secure a routine government action by an official (as opposed to legitimate and receipted fast-track payments).

- a) ABN AMRO's policy strictly prohibits any kind of facilitation payments made by employees.

## 3.2 Client integrity

In relation to the client integrity pillar, several risk indicators elevate bribery & corruption risks, e.g.:

- Adverse media on bribery & corruption, including allegations or suggestions thereof;
- Association with a PEP: A PEP presents a higher bribery & corruption and reputational risk as he/she may abuse his/her prominent public function for personal gain;
- Presence or activities in a country with elevated bribery & corruption risks: Although corruption can occur in all jurisdictions worldwide, certain jurisdictions have elevated corruption levels;
- Activities in high corruption risk sectors.

ABN AMRO has a number of processes in place to assess client bribery & corruption risks. If deemed necessary, the relationship with the client will be terminated.

ABN AMRO must duly report any suspicions of bribery & corruption to the relevant authorities in line with external regulatory requirements.

## 3.3 Third party integrity

In this policy, the term "third parties" is used to describe parties that are not clients or employees with whom ABN AMRO has a (potential or existing) business relationship. Some examples of third parties are: agents, contractors, subcontractors, suppliers, vendors, service providers, manufacturers, sponsorship partners and intermediaries.

A third party acting on behalf of ABN AMRO can be involved in the acts of bribery and corruption. As ABN AMRO bears the ultimate responsibility for its activities, the actions of third parties can result in increased bribery and corruption risk and possibly liability for ABN AMRO.

The key policy principles for our third parties are that they must not:

- engage in any corrupt dealings with any other person or company;
- offer, promise, give, request, agree to receive or accept a bribe;
- engage in facilitation payments;
- offer gifts intended to unduly influence another party in order to gain or retain business;
- make political or charitable donations for or on behalf of ABN AMRO;

ABN AMRO has a number of processes in place to assess third party bribery & corruption risks. If deemed necessary, the relationship with the third party will be terminated.

- a. The Bank will require each third party to comply with the Bank's Anti-Bribery and Corruption Policy.

There are certain situations that could lead to a higher risk of bribery and corruption for our third parties, in which ABN AMRO has a specific policy stance, which are listed below.

#### **Fee payments**

1. Where an agent or intermediary is used to make introductions to officials of public or government-bodies and agencies, ABN AMRO ensures that any fee paid by ABN AMRO is proportionate to the activity being performed, transparent and in accordance with local law.
  - a. No such fee payments can be made without an express approval.

#### **Facilitation payments**

1. ABN AMRO strictly prohibits any kind of facilitation payments made by agents or third parties acting on its behalf.

## **4 SIRA**

Bribery and corruption risks are annually monitored via Systematic Integrity Risk Analysis (SIRA).

## **5 Reporting wrongdoing**

Infringements of this policy may result in disciplinary action by ABN AMRO, including dismissal, and may involve criminal or regulatory proceedings for individuals and/or ABN AMRO.

1. If an employee is aware of or suspects an incident or breach in relation to this policy, or any attempt to bribe or otherwise engage in corruption, this must be reported immediately.

## PART C: APPENDIX

### Glossary of terms and abbreviations

Terms and Abbreviations	Definition
ABN AMRO (the Bank)	ABN AMRO Bank N.V. and all its subsidiaries, branches, representative offices and legal entities that are under its control.
Adverse media	Adverse media is unfavourable information pertaining to a client or a relevant related party of the client, which can be found in different media sources and which can lead to a serious threat, reputational damage or financial loss to the Bank.
Agent	An agent can be defined as any third-party individual or organisation (the "agent") who has been legally authorized to represent a company and enter into legal agreements on its behalf.
Bribery	Bribery is an example of corruption: it includes giving or receiving something of value to gain an unfair advantage, or to persuade someone to act improperly. A bribe can be given in many forms, such as cash, gifts, an employment or internship contract or anything else that is valuable to the recipient.
Client	A party with whom a business relationship is or is being established, to whom a service is provided, or for whom a transaction will be carried out. A client may be a natural person, legal entity or legal arrangement.
Corruption	Corruption is a collective term used to describe unethical behaviour or the situation where there is a misuse of entrusted power or position for private gain or for that of another person or entity. Examples of corruption are political decision-makers who abuse their influence or position for personal gain at the expense of others, for instance by taking bribes from a company that wants to do business in their jurisdiction. In this example, the government official shows corrupt behaviour and gains from abusing his/her position, and the company that paid the bribes gains an unfair market position as opposed to other companies.
Employee	All ABN AMRO directors, officers, agents, employees, temporary workers, interns, consultants, contractors or any other person who is employed by ABN AMRO, or otherwise works for ABN AMRO, regardless of the duration of the employment contract or other relationship.
PEP	Politically Exposed Person means a natural person who is or who has been entrusted with a prominent public function.
Third parties	Third-Parties are all parties other than clients with whom ABN AMRO has a business arrangement by contract or otherwise, including business partners, intermediaries, brokers, consultants, agents, finders, introducers, representatives, franchisee, joint venture partner, correspondent Bank, marketing affiliate and any other associated person that provides services to or acts on behalf of the Bank.