



Anti-Bribery and Corruption (“ABC”) Training for Third Party Intermediaries

coinbase

Training Topics:

- Bribery and Corruption Risk Overview
- Coinbase and ABC Compliance
- ABC Expectations for Third Party Performance and Invoices
- TPI Related ABC Risk Factors
- ABC Expectations for Third Party Invoices/Payment Requests
- Coinbase ABC Compliance Contacts



Bribery & Corruption Risk Overview

- **The Risk:** Given our global footprint and regular interactions with government representatives and other decision makers, there is a risk that Coinbase or its employees/directors could be found liable for bribery related offenses.
- **What Bribery Is:** Giving or offering anything of value, whether directly *or indirectly through a third party*, if it is intended (or could reasonably appear as intended) to improperly influence action or obtain an improper advantage.
- **How this Risk Applies to Vendors/Third Parties:** Certain vendors/third parties pose heightened bribery and corruption risk to Coinbase, because they interact with Government Officials, customers or other decision makers on behalf of Coinbase (“*Third Party Intermediaries*” or “*TPIs*”). To the extent that one of these TPIs engages in bribery on behalf of the company, Coinbase and its employees could be liable for the TPI’s corrupt activity. More than 90% of ABC enforcement cases involve TPIs.
- **Why You Are Receiving this Training:** You, or the company that you represent, has been identified as a TPI that Coinbase has (or will) engage. Given this, the additional ABC risk mitigation requirements outlined in the following slides apply to you/your company as you/your company undertake services for Coinbase.

Example ABC Cases Involving TPIs:

The New York Times

Deutsche Bank Will Pay \$125 Million
Over Bribery Violations

RISK & COMPLIANCE JOURNAL

Clear Channel Outdoor to Pay \$26
Million in China Bribery Probe
Settlement

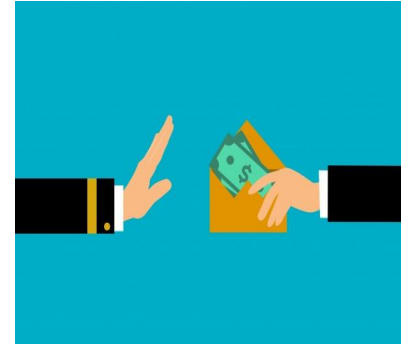
Albemarle to pay more than \$218 mln to
settle bribery probe, U.S. says

Reuters

September 29, 2023 10:18 AM EDT · Updated 2 months ago

Coinbase and ABC Compliance

- Coinbase has a **zero tolerance** for bribery and corruption by employees, vendors, and others acting on its behalf. Even the appearance of bribery must be avoided. To the extent that a TPI engages in bribery, or appears to engage in bribery, Coinbase will take appropriate risk mitigation steps, including potential termination of the relationship.
- To support compliance with applicable ABC laws and requirements by vendors and other third parties acting on its behalf, Coinbase maintains a [Vendor Code of Conduct](#).
- All TPIs and their representatives must comply with the requirements outlined in the Vendor Code of Conduct, including:
 - Prohibition of bribery
 - Prohibition of facilitation payments (i.e., providing something of value to a government official to expedite performance of a routine and non-discretionary duty)
 - Requirement to keep accurate and complete books, records, and accounts
 - Ensure those acting on their behalf also comply with the Vendor Code of Conduct (i.e., employees, sub-contractors, agents)





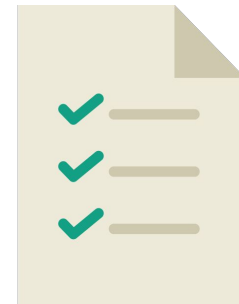
ABC Expectations for Third Party Performance

We take compliance with ABC laws seriously, and we expect that the vendors and third parties acting on our behalf do the same.

Given this, TPIs (and their representatives) must do the following when acting on behalf of Coinbase or otherwise executing services for Coinbase:

- Comply with all applicable ABC laws (e.g., the U.S. Foreign Corrupt Practices Act, the UK Bribery Act)
- Comply with the requirements outlined in the [Coinbase Vendor Code of Conduct](#)
- To the extent that they will seek expense reimbursement, comply with the [Coinbase Non-Employee Travel & Expense Policy](#)
- Notify their Coinbase point of contact if they will subcontract any of the services under the engagement agreement with Coinbase (unless subcontracting is already included in the relevant agreement)
- Submit timely and accurate invoices (see the following slides for additional information)

If you are solicited for a bribe or identify other red flags during the course of performance for Coinbase, you must promptly escalate these issues to Coinbase's ABC Compliance team for review. Simply rejecting the solicitation is not sufficient!



TPI Related ABC Risk Factors

By virtue of the types of services that you (or the company you represent) are providing to Coinbase, ABC risk is heightened. ABC risk may be further heightened if any of the below factors are also present. Consider these factors as you provide services and act on behalf of Coinbase. They may make it more likely that you will be solicited for a bribe.



Operations in Higher ABC Risk Jurisdictions

Certain jurisdictions are higher risk for bribery and corruption. This may be due to a number of factors, including lax anti-bribery laws and endemic bribery within higher levels of government. To the extent that you or your company are located or providing services in one of these countries, you may be more likely to be solicited for bribes. See the [Transparency International Corruption Perceptions Index](#) for general guidance on jurisdictional ABC risk levels.



Interactions with Politically Exposed Persons

Government Officials are often involved in bribery cases and are more susceptible to bribery, because they operate in positions with high levels of influence and are often subject to stricter scrutiny than their commercial counterparts. In addition, interactions with government officials are often subject to strict limitations (e.g., gift rules, lobbying laws). As a result, to the extent that the services you or your company provide to Coinbase involve interactions with government officials, you may have to comply with strict laws and regulations that apply to those interactions and/or may be more likely to be solicited for bribes.



Operations in Higher ABC Risk Sectors

Certain sectors are higher risk for bribery and corruption, because they are highly regulated and/or involve significant government touchpoints. To the extent that you operate in one of these sectors, you may be more likely to be solicited for a bribe. Examples include: aerospace, lobbying, medical/pharmaceuticals, infrastructure, telecommunications, and extractive industries.



ABC Expectations for Third Party Invoices/Payment Requests

Keeping accurate and complete books, records, and accounts are a critical part of performing services for Coinbase. Given this, TPIs must comply with the following minimum requirements related to invoicing and payment.

TPIs must have a valid Purchase Order with Coinbase in order to receive payment

- If you have not already, you will receive notice from the Coinbase team when a Purchase Order has been created

Invoices must be submitted to Coinbase's Source to Pay Team for payment

- US Vendors: email to invoices.us@coinbase.com
- Non-U.S. Vendors: email to invoices.global@coinbase.com

TPI Invoices must include the following information (at a minimum):

- A reference to the appropriate Coinbase Purchase Order number
- The pay period or period of service to which the invoice relates
- A description of the services provided with enough detail so that the reviewer can understand what actions were taken to provide the services (e.g., simply saying “consulting services” is not sufficient)
- A method of payment and a payment recipient that is consistent with the terms set forth in the relevant engagement agreement (e.g., master services agreement or statement of work)
- Supporting documentation (i.e., receipts) for any expenses submitted for reimbursement (see the [Coinbase Non-Employee Travel & Expense Policy](#))





ABC Compliance Contacts and Additional Resources

ABC Contacts:

You can reach to Coinbase ABC Compliance via your Coinbase relationship manager. Alternatively, you may escalate any concerns via [EthicsPoint](#).

Additional Resources:

- [Coinbase Vendors Resource Page](#)
- [Coinbase Vendor Code of Conduct](#)
- [Coinbase Non-Employee Travel & Expense Policy](#)

