



# NIBC ANTI-BRIBERY AND CORRUPTION POLICY SUMMARY

November 1, 2021

# 1. SUMMARY OF POLICY

## 1.1 Purpose and Scope of Anti-Bribery and Corruption (ABC) Policy

Prevention, detection and deterrence of bribery and corruption comprise the key elements to an effective ABC Framework.

This Anti-Bribery and Corruption (ABC) Policy applies to all business and activities carried out by NIBC or on behalf of NIBC by its associated persons, which includes NIBC's subsidiaries and employees.. We place particular focus on prevention and deterrence as the most effective up-front controls, as we do not wish bribery or corruption to arise within our business.

## 1.2 Core principles and guidance

Responsibility for the prevention, detection and deterrence of bribery and corruption lies with every individual employee. Employees must be aware of the types of misconduct, impropriety and criminal behaviour that might occur within their area of responsibility and be alert for any indication of irregularity. The need for awareness will increase in accordance with employees' seniority, role and extent of responsibilities.

Managers and employees are legally obliged to report actual, attempted or suspected bribery or corruption without delay.

## 1.3 Definitions

- Bribery is an act of giving money or a gift that alters the behaviour of the recipient. Bribery constitutes a crime and is defined by the offering, giving, receiving, or soliciting of any item of value to influence the actions and/or to gain an illicit advantage of an official or other person in charge of a commercial, public or legal duty.
- Corruption is the abuse of entrusted power for private gain. It negatively affects everyone who depends on the integrity of people in a position of authority.

## 1.4 Prevention of Bribery and Corruption

Although it is entirely proper to win business by explaining the benefits of our services and/or, where appropriate, by offering discounts or commercial incentives, you must not promise, offer or grant benefits of any kind to an individual (whether a director, officer, employee or agent) if such a benefit could induce that party improperly to perform a function or activity. Neither can you give a gift or hospitality where you know or suspect the acceptance of a gift or hospitality may breach NIBC's or the recipient's employer's gifts and entertainment policy or applicable law and regulations.

You should take care to avoid authorising or approving any unusual or suspicious requests for payment or action on behalf of NIBC that may invite suggestions of bribery or corruption. For example, any attempt to circumvent existing processes for authorisation and approval should be treated as potentially suspicious.

## 1.5 Acceptable vs. unacceptable practices

We adhere to all provisions of the U.K. Bribery Act 2010 and other applicable anti-corruption laws wherever we do business.

It is never acceptable to give, receive or offer a bribe, nor is it ever acceptable for a third party to do so on our behalf.

Bribes are not limited to cash payments and can include anything of value or advantage to the recipient, such as gifts, travel & accommodation, entertainment, the promise of a job, favourable treatment or consideration. These are by no means the only examples of bribery and corruption.

Employees, business partners, suppliers and associated persons operating on our behalf may not, directly or indirectly, offer, provide, promise or accept anything of value (including the examples given above) in exchange for favourable business treatment or to obtain or retain business.

Bribery should not be confused with legitimate inducements, as defined and set out within NIBC's Inducements Policy. These are subject to regulatory restrictions and oversight, and are permitted where the intention and purpose is clearly to benefit the interests of clients.

All gifts, entertainment, travel, marketing and corporate events must conform to our Policies, be clearly intended for legitimate business purposes, should not be excessive or frequent and must be offered, provided, or received transparently, with appropriate records retained as applicable.

Cash payments associated with bribery or corruption are a form of money laundering. You must escalate without delay any unusual or suspicious activities or transactions involving a client or counterparty where bribery or corruption may be a factor, such as:

- attempted payments in cash and/or involving an unusual financing source; arrangements that involve any unusual or unexplained transfer of funds to or from countries; or
- entities unrelated to the transaction or customer;
- unusually complex transfers that don't reflect a real business purpose; or
- attempts to evade or disguise record-keeping or reporting of unusual payments.

## 1.6 Interpretation of these requirement in practice

It should be clearly understood, in any interpretation of the above requirements, that:

1. It is imperative to avoid not just any act of bribery itself but also any circumstance or course of action that may give rise to the appearance of a bribe;
2. The intention behind gifts or hospitality being given/received should always be considered. If there is any uncertainty, Compliance advice should be sought: and

Where Compliance advice or guidance is required, this will be considered final and binding.

## 1.7 Criminal penalties and sanctions

Offering or receiving a bribe (and failing to have adequate procedures to prevent the giving of a bribe) can have extremely serious consequences for NIBC and/or its employees such as:

- Criminal sanctions including imprisonment and unlimited fines;
- High value civil law claims by third parties disadvantaged by the corruption; Blacklisting of NIBC from public and private tendering opportunities;
- The avoidance or termination of contracts "tainted by corruption" by our counterparties;
- Further criminal sanctions for money-laundering offences; and • Serious reputational damage.

Because of the seriousness of the potential consequences of corruption, breach of NIBC's ABC Policy in this context is a disciplinary matter with sanctions up to and including dismissal.

# 2. NIBC ANTI-BRIBERY AND CORRUPTION FRAMEWORK

## 2.1 Key principles and requirement

Bribery and corruption are contrary to NIBC's values and Code of Conduct, and have no place within our organisation, our business activities and relationships with clients, contractors, suppliers or other parties. Managers and employees are obliged to report actual or suspected bribery or corruption. If suspicions of NIBC Anti-Bribery and Corruption policy summary 3 bribery or corruption are established, appropriate action will be taken against violators.

## 2.2 Key High-level controls and responsibilities

The specific roles and responsibilities in the Anti-Bribery and Corruption Policy are as shown:

### Senior Management

- Overall responsibility for the implementation of an Anti-Bribery and Corruption Framework.
- Determine and implement appropriate training in prevention of bribery and corruption.
- Action and disclosures as recommended by the Special Investigations Council.

### Compliance

- Ownership and oversight of Anti-Bribery and Corruption.
- Sets the tone at the top: maintains an internal culture that is aware and responsive to the risks of bribery and corruption.
- Respond to notification of incidents or suspicions regarding bribery or corruption.
- Monitor and report as required on the effectiveness of the policy.

## Operational Risk Management

- Review and challenged measures in place to address and mitigate risks of bribery and corruption.

## Line Management

- May receive initial escalation of suspected / known cases of bribery or
- Responsible for informing Compliance in the event of any incident or suspicion of bribery or corruption

## Individual Employees

- Responsible for the prevention and detection of bribery and corruption.
- Responsible for the initial escalation of suspicions and irregularities.
- Ensure that NIBC's reputation and its assets are safeguarded, alert line management in case of irregularities, report details of suspicions, assist in investigations and comply with relevant controls.

## 2.3 Training and Communication

NIBC will provide awareness training on this policy as part of the induction process for all new employees. Employees will also receive regular, relevant training on how to adhere to the ABC Policy.

NIBC 's ABC Policy and approach to the prevention of bribery and corruption will be clearly communicated to all suppliers, contractors, business partners, and any third parties at the outset of business relations, and as appropriate thereafter.

## 2.4 Monitoring and Review

NIBC's Compliance department monitors risks related to the Policy and periodically reports on such matters including via the annual bank-wide Systematic Integrity Risk Analysis ("SIRA"). NIBC Compliance is also responsible for monitoring the effectiveness of this policy and will review the implementation of it on a regular basis. They will assess its suitability, adequacy, and effectiveness.

Internal control systems and procedures designed to prevent bribery and corruption are subject to regular audits to ensure that they are effective in practice.