

Anti-Bribery and Corruption

Bribery and corruption involve ML offences and Banks have similar obligations to ensure that their business partners and contractual counter parts have a robust framework to ensure compliance of anti- bribery and corruption legislations. Towards the same, the policy establishes comprehensive, consistent and effective standards that are to be adhered to in the conduct of Bank's day to day operations.

Key Principles

- i. The Bank prohibits its employees and Associated Persons from offering, promising, accepting or requesting any bribe or being involved in any activity or participating in corruption in any form, whether directly or via third parties.
- ii. Prohibits its staff from making or receiving Facilitation Payments, even where this represents local practice or custom. "Facilitation Payment" is a payment which is not officially required or sanctioned but which is made to a Public Official to speed up or otherwise facilitate the performance of duty or function, which the Official is required to perform in any case.
- iii. Prohibits the offering, promising, transferring or acceptance of Anything of Value including gifts, hospitality or entertainment as an inducement to anyone including Public Officials to act improperly so as to obtain or retain business or a business advantage for the group.
- iv. Prohibits making of political donations undertaken by or on behalf of the Bank.
- v. Requires that appropriate risk assessment and /or due diligence must be conducted in respect to Associated Persons, who are Service Providers for the Bank and appropriate contractual terms and governance arrangements must be applied to Associated Persons on a risk – sensitive basis.
- vi. Prohibits the use of employment opportunities- whether permanent or temporary – as an inducement to act improperly to obtain or retain business or business advantage for the Bank, or to influence a Public Official for this purpose. Care must be taken where employment opportunities are referred by or extended to Public officials, close associates of Public Officials and those closely associated with customers (current or prospective).
- vii. Requires maintenance of books and records of transactions and decisions.
- viii. Will not sanction or otherwise disadvantage any employee or Associated Person for refusing to commit (or assist others in committing) Bribery or Corruption.

Meeting the Standards

- i. The Bank fosters an attitude of zero tolerance to corruption and bribery.
- ii. The Bank has ‘business line champions’ responsible for anti-bribery work in their area of business; making public aware of the organization’s anti – bribery policies by publishing them online; and governance by ensuring that the Senior Management is equipped to fulfil the role required to assist with anti- bribery actions.
- iii. Due diligence on Associated Persons /Third Parties and risk assessment based on the volume and complexity of associated person relationships and related payment flows are in place and the presence of ‘heightened’ risk factors necessitate additional due diligence including supplementary background and screening searches; conducting direct interrogative enquiries; validating direct requests for information and ascertaining the financial standing and credibility of the associated person.
- iv. The Bank has clear policies detailing the principles for giving and receiving gifts, entertainment and hospitality as well as maintaining adequate records. The intent behind gifts, entertainment and hospitality is a key consideration, in particular whether these actions are to induce or reward someone to improperly perform their duties with a view to obtaining a business advantage.
- v. Targeted training of employees including the organization’s policies and procedure with reference to the provisions of the laws, penalties for committing an offence under the Act; social and economic effects of failing to prevent bribery and explaining how and when to seek advice and report any concerns or suspicions of bribery shall be undertaken.

Reporting

The Bank will report all Bribery and Corruption incidents in accordance with regulatory requirements and as per the policy and process.

ABC Red Flags

The instances of ABC red Flags include are not limited to

- i. Agents/consultants for the bank with little experience in the relevant sector or whose experience cannot be verified.
- ii. Services include action on Bank’s behalf to obtain or retain business or Government approval, authorization, permit etc.
- iii. Nexus to Government (Eg. Connection to Govt officials or entities or services will require frequent engagement with Government agencies or state – owned or controlled entities)
- iv. Subject organized in or doing business in a Country High Risk for Corruption and in an industry High Risk for Corruption to Agents/consultants engaged by the Bank
- v. Compensation based on performance (Eg. Success fee)

- vi. Subject requests anonymity or is not forthcoming in providing relevant or key information
- vii. Unusual payment terms requested (Eg. Payment requests in country other than where subject operates or to a separate entity)
- viii. Subject recommended by or encouraged for us to use by a customer or government official
- ix. Objection to inclusion of ABC clauses in contract
- x. Shell company.