



Anti-Bribery & Corruption Policy

Owner	Group Chief Compliance Officer
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1. POLICY STATEMENT

- 1.1 It is the policy of NCB Financial Group Limited (hereinafter referred to as “NCBFG”, which term shall also include N.C.B. Foundation and NCBFG’s subsidiaries to the extent that those subsidiaries do not have their own ABC Policy) to conduct all of its business in an honest and ethical manner. NCBFG therefore takes a zero-tolerance approach to bribery and corruption and is committed to operating professionally, fairly and with integrity in all its business dealings and relationships wherever it conducts business, and to implementing and enforcing effective systems to counter all forms of illegal and unethical behaviors, including bribery and corruption.
- 1.2 NCBFG will uphold and abide by all laws relevant to the countering bribery and corruption in all the jurisdictions in which it has a presence.

2. ABOUT THIS POLICY

NCBFG has adopted a Code of Business Conduct which seeks to provide guidelines for appropriate professional, legal, ethical and socially responsible behavior by all employees.

- 2.1 The purpose of this Anti-Bribery and Corruption (“ABC”)policy is to specifically:
- (a) set out NCBFG’s responsibilities, and of those working for NCBFG, in observing and upholding NCBFG’s position on bribery and corruption; and
 - (b) provide information and guidance to those working for NCBFG on how to recognise and deal with bribery and corruption issues.
- 2.2 It is a breach of this policy to offer, promise, give, request, or accept a bribe.
- 2.3 In this policy, **third party** means any individual or organisation with which employees may come into contact during the course of their work for NCBFG, and includes actual and potential clients, customers, suppliers, distributors, consultants, contractors, service providers, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.
- 2.4 This policy should be read in conjunction with the Anti-Money Laundering/Counter-Financing of Terrorism, Proliferation and Related Risks Policy & Procedures, Whistleblower Policy, Procurement Policy & Procedures, Expenditure & Write-Off Approval Limits & Guidelines, and Procedures governing Political Contributions as well as any other policies and/or procedures adopted by Companies within NCB Group tailored to the requirements of their specific businesses or jurisdiction.

3. WHO MUST COMPLY WITH THIS POLICY?

This policy applies to all persons working for NCBFG or on NCBFG’s behalf in any capacity, to the extent that those subsidiaries do have their own ABC Policy, including employees at all levels, directors, officers, agency workers, temporary or part-time workers, seconded workers, volunteers, interns, agents, contractors, external consultants, service providers, third-party representatives and business partners, sponsors, or any other person associated with NCBFG, wherever located.

4. WHO IS RESPONSIBLE FOR THE POLICY?

- 4.1 The Board of Directors has the ultimate responsibility for ensuring this policy complies with the legal and ethical obligations of NCBFG and that all those under NCBFG’s control comply with it to

the extent that those subsidiaries do not have their own policy. The Board may delegate certain of its responsibilities to the Compliance Management Committee and/or the Risk Committee.

This policy shall be reviewed at least every three years by the Board of Directors to ensure that:

- NCBFG continues to meet its compliance obligations in respect of the policy
 - The policy maintains its relevance to the current and future business environment
- 4.2 The Group Chief Compliance Officer (“GCCO”) is responsible for preparing and undertaking the technical review of this policy and for obtaining the requisite approvals. The review should involve performing an Enterprise Wide ABC risk assessment utilizing a risk-based approach. The GCCO is also responsible for disseminating information and/or updates to this policy to all relevant personnel as well as responding to both internal and external enquiries regarding the policy.
- 4.3 The Heads of Divisions and Subsidiaries have the day-to-day responsibility for implementing this policy and monitoring its use and effectiveness within their respective Divisions and/or Companies.
- 4.4 Management at all levels is responsible for ensuring those reporting to them understand and comply with this policy as well as participate in any mandatory training sessions provided.
- 4.5 The Group Internal Audit Division is responsible for auditing internal control systems and procedures to ensure they are effective in countering bribery and corruption.

5. WHAT ARE BRIBERY AND CORRUPTION?

- 5.1 **Bribery** is offering, promising, giving or accepting any financial or other advantage, to induce the recipient or any other person to act improperly in the performance of their functions, or to reward them for acting improperly, or where the recipient would act improperly by accepting the advantage.
- 5.2 An **advantage** includes money, gifts, loans, fees, hospitality, services, discounts, the award of a contract or anything else of value.
- 5.3 A person acts **improperly** where he/she acts illegally, unethically, or contrary to an expectation of good faith or impartiality, or where he/she abuses a position of trust. The improper acts may be in relation to any business or professional activities, public functions, acts in the course of employment, or other activities by or on behalf of any organisation of any kind.
- 5.4 **Corruption** is the abuse of entrusted power or position for private gain.

Most territories in the region have enacted legislation, which criminalizes acts of corruption. For example, under the Jamaican Corruption Prevention Act, a public servant commits an act of corruption if he corruptly solicits or accepts, whether directly or indirectly, any article or money or other benefit, being a gift, favour, promise or advantage for himself or another person for doing any act or omitting to do any act in the performance of his public functions. Conversely, a person commits an act of corruption if he offers or grants, directly or indirectly, to a public servant any article, money or other benefit, being a gift, favour, promise or advantage to the public servant or another person, for doing any act or omitting to do any act in the performance of the public servant's public function.

The Act explicitly provides that any citizen or resident of Jamaica or any corporation, either aggregate or sole, any club, society or other body of one or more persons, who offers or grants, directly or indirectly, to a person performing a public function in a foreign state, any article or money or other benefit, being a gift, favour, promise or advantage in connection with any economic or

commercial transaction for any act to be performed by or for the omitting to do any act by that person in the performance of that person's public functions, commits an act of corruption.

Politically Exposed Persons (“PEPs”)

PEP is a term describing someone who has been entrusted with a prominent public function. A PEP generally presents a higher risk for potential involvement in bribery and corruption by virtue of his/her position and the influence that he/she may hold. Enhanced Due Diligence (“EDD”) must be applied prior to entering into any form of relationship with PEPs (e.g. as a customer, supplier, business partner) which should involve screening, at a minimum, to ensure that their wealth is not ill-gotten and that there is no adverse/negative publicity associated with them so that NCBFG does not facilitate any form of money laundering or experience any form of reputational damage.

Examples:

Offering a bribe

You offer a potential client tickets to a major sporting event, but only if they agree to do business with NCBFG.

This would be a breach of this policy as you are making the offer to gain a commercial and contractual advantage.

Receiving a bribe

A supplier gives your nephew a job (or unpaid work experience, such as an internship), but makes it clear that in return they expect you to use your influence in NCBFG to ensure it continues to do business with them.

It is an offence for a supplier to make such an offer. It would be a breach for you to accept the offer as you would be doing so to gain a personal advantage.

Bribing a public official/Act of Corruption

You arrange for the business to pay a business "facilitation" payment to a public official to influence a public decision, such as obtaining a licence or permit required to operate in a foreign market.

The act of corruption/offence of bribing a public official is committed as soon as the offer is made. This is because it is made to gain a business advantage for NCBFG. Legally imposed sanctions in various territories in which NCBFG has a presence include imprisonment and/or a fine.

Engaging in bribery exposes NCBFG, its directors, executives, and employees to serious legal and reputational risks.

6. PROHIBITED ACTIVITIES

Employees (or anyone acting on their behalf) are not permitted to:

- (a) give, promise to give, offer, solicit or receive anything inappropriate of value, such as a payment, gift or hospitality, directly or indirectly through third parties, if such acts are intended to influence action or obtain a business advantage or to reward a business advantage already given;
- (b) give or accept a gift or hospitality during any commercial negotiations or tender process, if this could be perceived as intended or likely to influence the outcome;
- (c) accept a payment, gift or hospitality from a third party that it is believed, known or suspected that is offered with the expectation that NCBFG will provide a business advantage for them or anyone else in return;
- (d) accept hospitality from a third party that is unduly lavish or extravagant under the circumstances.
- (e) offer a gift to or accept a gift from government officials or representatives, or politicians or political parties, without the prior approval of the Head of the Unit/Subsidiary;
- (f) threaten or retaliate against another individual who has refused to commit a bribery offence or who has raised concerns under this policy; or
- (g) engage in any other activity that might lead to a breach of this policy.

7. FACILITATION PAYMENTS AND KICKBACKS

7.1 NCBFG does not make, and will not accept, facilitation payments or "kickbacks" of any kind.

7.2 **Facilitation payments**, also known as "back-handers" or "grease payments", are typically small, unofficial payments made to secure or expedite a routine or necessary action (for example by a government official).

7.3 **Kickbacks** are typically payments made in return for a business favour or advantage.

7.4 Employees must avoid any activity that might lead to a facilitation payment or kickback being made or accepted by NCBFG or on NCBFG's behalf, or that might suggest that such a payment will be made or accepted. If asked to make a payment on NCBFG's behalf, employees should always be mindful of what the payment is for and whether the amount requested appears proportionate to the goods or services provided. Payments should only be made in respect of invoices that sufficiently detail the reason for the payment and a receipt should be requested reflecting the payment made. If there are any suspicions, concerns or queries regarding a payment, the employee should raise these with the Head of the Unit/Subsidiary and to Group Chief Compliance Officer, where considered appropriate.

8. GIFTS, HOSPITALITY AND EXPENSES

8.1 "Hospitality" in business generally includes meals, entertainment, transportation, lodging/accommodation, training as well as invitation to events and conferences.

8.2 Reasonable and appropriate hospitality or entertainment may be given to or received from third parties, for the purposes of:

- (a) establishing or maintaining good business relationships;
 - (b) improving or maintaining NCBFG's image or reputation; or
 - (c) marketing or presenting NCBFG products and/or services effectively.
- 8.3 Employees are prohibited from accepting a gift from or giving a gift to a third party **unless** the following requirements are met:
- (a) it is not made with the intention of influencing a third party to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits;
 - (b) it is given in NCBFG's name, not in the employees' own name(s);
 - (c) it does not include cash or a cash equivalent (such as gift certificates or vouchers);
 - (d) it is appropriate in the circumstances, taking account of the reason for the gift, its timing and value. For example, it is customary for small gifts to be given at Christmas;
 - (e) it is given openly, not secretly; and
 - (f) it complies with any applicable local law.
- 8.4 Promotional gifts of low value such as branded stationery to or from existing customers, suppliers and business partners will usually be acceptable.
- 8.5 Reimbursing a third party's expenses, or accepting an offer to reimburse NCBFG expenses (for example, the costs of attending a business meeting) would not usually amount to bribery. However, a payment in excess of genuine and reasonable business expenses (such as the cost of an extended hotel stay) is not acceptable.
- 8.6 Notwithstanding paragraphs 8.2 and 8.3, employees are prohibited from accepting a gift or receiving a gift or other hospitality, except in the cases mentioned in paragraphs 8.4 and 8.5, unless prior permission has been obtained, in writing, from the respective Head of the Unit/Subsidiary or in the case of the Head of the Organisation, the Chair of the Risk, Compliance or similar Committee of the Board of Directors. A copy of the written permission received should be uploaded to the respective employee's electronic file maintained in Oracle or other repository within the Group companies for employees' records.

9. DONATIONS

- 9.1 Donations to political parties and candidates require the prior written approval of the Chief Digital and Marketing Officer, who must refer the requests to the relevant Chief Executive Officer for Board approval to be obtained. These donations include the purchase of tickets for fundraising events for political parties and candidates. No commitment to make any donation should be made prior to the receipt of written approval.
- 9.2 Donations are not to be made for the purpose of securing any benefit (including business) from the political party or candidate, or from any present or future government or government agency. Any request for a donation to be received on that basis must be declined and should not be submitted for approval.
- 9.3 NCBFG shall only make contributions or donations to political parties and candidates on the basis that these contributions or donations are subject to public disclosure and that all required regulatory reporting related to the donation should be made by the recipient and NCBFG, where

relevant. There should be upstream reporting of all contributions or donations made to political parties and candidates by Chief Executive Officers of the Holding Companies within the Group to the President and Group Chief Executive Officer of NCB Financial Group Limited. This will be in a form to be agreed with the President and Group Chief Executive Officer.

- 9.4 NCBFG only makes charitable donations that are legal and ethical under local laws and practices. No donation must be offered or made without the prior approval of the Chief Executive Officer or his designate.

10 RECORD-KEEPING

- 10.1 NCBFG must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.
- 10.2 Employees must ensure that copies of all approvals obtained to accept gifts and/or hospitality are uploaded to their files maintained in Oracle or equivalent tool within the organisation.
- 10.3 Employees must submit all expenses claims relating to hospitality, gifts or payments to third parties in accordance with NCBFG's expenses policy and record the reason for such expenditure.
- 10.4 All accounts, invoices, and other records relating to dealings with third parties including suppliers and customers should be prepared with strict accuracy and completeness. Accounts must not be kept "off-book" to facilitate or conceal improper payments.

11 EMPLOYEES' RESPONSIBILITIES

- 11.1 All employees or third parties working for NCBFG are required to read this policy and to ensure the contents are understood and complied with. All employees will be required to confirm doing so as part of the annual staff declarations.
- 11.2 All those employed or contracted to NCBFG or working on behalf of NCBFG are required to avoid any activity that might lead to, or suggest, a breach of this policy.
- 11.3 If it is believed or suspected that a conflict with this policy has occurred, or may occur in the future, the respective manager or the Group Chief Compliance Officer should be notified as soon as possible. For example, if a client or potential client offers an employee anything of value in order to gain a business advantage with NCBFG, or indicates that a gift or payment is required to secure their business. Further "red flags" that may indicate bribery or corruption are set out in clause 16.

12 HOW TO RAISE A CONCERN

- 12.1 Employees, and third parties, where applicable, are encouraged to raise concerns about any issue or suspicion of bribery or corruption at the earliest possible stage. Concerns may be raised by employees or third parties with privacy concerns to the Group Chief Compliance Officer, who has been appointed as the Designated Officer and is responsible for the coordination of the Anti-Bribery and Corruption programme. All disclosures are to be made in writing and addressed to the Designated Officer (or Chief Executive Officer, Deputy Chief Executive Officer or General Counsel if it is in relation to the Designated Officer). All identities will be kept confidential.
- 12.2 The Designated Officer will report all significant matters to the Group Risk Committee on a quarterly basis.
- 12.3 Where a bribe is offered, or a request made to make one, or if it is believed or suspected that any

bribery, corruption or other breach of this policy has occurred or may occur, the respective manager or the Group Chief Compliance Officer must be notified as soon as possible.

- 12.4 If there is uncertainty surrounding whether a particular act constitutes bribery or corruption, guidance should be sought from the Group Chief Compliance Officer.
- 12.5 NCBFG will ensure that no officer or employee who, in good faith, reports an improper or suspected improper conduct or violation of any relevant Policy and/or Procedure shall suffer harassment, retaliation or adverse employment consequence. An employee or officer who retaliates against someone who has reported a violation in good faith is subject to disciplinary action up to and including termination of employment. An employee who, having made a report of improper conduct and who reasonably believes that he or she has been or is being ostracized, vilified, victimized or is otherwise being retaliated against, shall report that experience to the Designated Officer (or to the General Counsel if the employee considers this behaviour is occurring with the participation or consent of the Designated Officer).

The Designated Officer (or other person) shall have the report investigated and communicate the findings to the Group Human Resources & Facilities Division for advice as to such action as might be appropriate to be taken. The findings will also be shared with the complainant, if identified and if the Designated Officer (or other person) finds it appropriate to do so. Any such proven retaliation shall be treated as an offence under the Group's Disciplinary Policy and Grievance Procedure.

Anyone filing a complaint concerning a violation or suspected improper conduct must do so acting in good faith and must have reasonable grounds for believing the information disclosed indicates improper conduct. Any allegations which are proven to have been made maliciously or with knowledge that they are false will be viewed as a serious disciplinary offence, which could lead to sanctions and be dealt with under the Group's Disciplinary Policy and Grievance Procedure.

- 12.6 The Designated Officer, having received a report under this Policy, should give consideration to whether the filing of a suspicious transaction report with the Designated Authority is warranted.

13 SENSITIZATION AND COMMUNICATION

- 13.6 Sensitization regarding this policy and the obligations it imposes shall form part of the onboarding process for all new hires by NCBFG. On an annual basis thereafter, all employees shall be required to confirm that they have read, understood and agree to abide by this policy as part of the annual declarations that staff members are currently required to provide.

- 13.7 The sensitization will include:

13.7.1 The relevant definitions (e.g. bribery and corruption, public officials, intermediaries);

13.7.2 References to applicable internal policies, procedures and/or laws and regulations;

13.7.3 Case studies, practical examples and/or "lessons learned" which present potential scenarios that employees may encounter;

13.7.4 Reporting procedures

- 13.8 NCBFG's zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors and business partners at the outset of NCBFG's business relationship with them and as appropriate thereafter.

14 BREACHES OF THIS POLICY

- 14.6 Any employee who breaches this policy will face disciplinary action, which could result in dismissal for misconduct or gross misconduct.

14.7 NCBFG may terminate relationship with individuals and organisations with which it has contracted for behavior or actions that amount to a breach this policy.

15 INDEPENDENT REVIEW

Periodic audits will be conducted by the Group Internal Audit Division. The audits will include a review and testing of the control structure for effectiveness. The Group Chief Compliance Officer may give consideration to having the adequacy of the programme tested by the external auditors.

16 DUE DILIGENCE REQUIREMENTS AND POTENTIAL RISK SCENARIOS: "RED FLAGS"

Senior management is responsible for monitoring the third party due diligence process and for reassessing due diligence measures to ensure they are adapted to the changing circumstances of NCBFG.

Due diligence comprise three key elements:

- (i) Data collection – to include screening of parties and administration of questionnaires as outlined in the AML/CFT/PF and Procurement Policies
- (ii) Verification and validation of data – to involve an independent business function, such as legal, compliance or internal or external parties conducting background checks, for example
- (iii) Evaluation of results, including the identification of red flags – Following the verification and validation steps, a certain degree of judgment will be necessary to determine whether or not to proceed. Testing against red flags may be useful in determining the most appropriate action, i.e. not proceeding, instituting mitigating measures/controls or reporting.

The identification of a red flag does not mean that the business may not proceed. However, no red flag should be left unaddressed or unresolved.

The following is a list of possible red flags that may arise during the course of working for NCBFG. The list is not intended to be exhaustive and is for illustrative purposes only.

If any of these red flags are encountered and cannot be resolved or addressed, the matter should be promptly reported in accordance with this policy:

- (a) a third party being engaged has (or appears to have) little to no relevant experience regarding the services to be provided (e.g. years in business, types of services provided, staffing levels etc.);
- (b) Becoming aware that a third party engages in, or has been accused of engaging in, improper business practices;
- (c) Learning that a third party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a "special relationship" with foreign government officials;
- (d) a third party insists on receiving a commission or fee payment before committing to contract with NCBFG, or carrying out a government function or process for NCBFG;
- (e) a third party requests payment in cash and/or refuses to sign a formal engagement/contract or fee agreement, or to provide an invoice or receipt for a payment made;
- (f) a third party requests that payment be made in cash, advance payments, payment to an individual or entity that is not the contracting individual/entity or payment into a country or geographic location different from where the third party resides or conducts business;
- (g) a third party requests an unexpected additional fee or commission to "facilitate" a service;
- (h) a third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- (i) a third party requests that a payment is made to "overlook" potential legal violations;
- (j) a third party requests that an employee provide employment or some other advantage to a friend or relative;
- (k) Receipt of an invoice from a third party that appears to be non-standard or customized in a manner that does not seem justifiable;
- (l) a third party insists on the use of side letters or refuses to put certain agreed terms agreed in writing

- or insisting on other conditions (benefits) not included in the contract;
- (m) observing that NCBFG has been invoiced for a commission or fee payment that appears large given the service stated to have been provided;
 - (n) a third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to NCBFG;
 - (o) Being offered an unusually generous gift or offered lavish hospitality by a third party; or
 - (p) A third party refusing to sign a contract or agree to the ABC provisions in the contract
 - (q) Being asked/directed by someone to use a specific third party
 - (r) A third party having family or business ties with government officials (mitigating measures could be appropriate in this instance).

17 REVISION HISTORY

Rev.	Name	Description	Date (DD/MM/YYYY)
1.0	M Seymour-Senior	POLICY CREATED	30/04/2019
		<p>Policy reviewed by Compliance Management Committee and recommended for approval with the following amendments:</p> <ul style="list-style-type: none"> I. Insertion of a requirement for board approval for donations to political parties and candidates. II. Insertion of a provision for filing a Suspicious Transaction Report III. Insertion of wording regarding donations being subject to public disclosure and regulatory reporting requirements to be satisfied by the recipient. 	11/06/2019
		<p>Policy reviewed by Audit Committee and the following amendments required:</p> <ul style="list-style-type: none"> I. Insertion of clause that the policy applies to NCBFG and subsidiaries to the extent that they do not have their own policy. II. Insertion of reporting requirement for NCB, where relevant (Clause 9.3) 	01/2020
		<p>Policy reviewed by Group Risk Committee. Policy amended to reflect a requirement for CEOs of Holding Companies to report all donations and contributions made to political parties and candidates to the President & Group Chief Executive Officer of NCBFG.</p>	02/2020
		<p>Policy reviewed by the Board of Directors. Policy amended to reflect:</p> <ul style="list-style-type: none"> I. Inclusion of N.C.B. Foundation II. Insertion of 'appropriate' in paragraph 6(a) III. A shifting of the order in which paragraphs 8.4-8.6 appear V. Revision of paragraph 12 to include reference to protections similar to those given under the Whistleblower Policy 	