

Anti-Bribery and Corruption: Summary of Policy

Standard Chartered Bank (“Standard Chartered” or the “Group”) is fully committed to the fight against financial crime and makes every effort to remain in full compliance with all applicable financial crime compliance laws, regulations and standards in all of the jurisdictions in which it operates. The Group understands the critical importance of having effective and sustainable controls to combat financial crime in order to protect its reputation and to meet its legal and regulatory obligations.

Prevention of financial crime

As an organisation committed to the prevention of financial crime, the Group establishes clear lines of internal accountability, responsibility and reporting. Primary responsibility for the prevention of financial crime rests with the business, which must ensure that appropriate internal controls are in place and operating effectively and that staff are adequately trained. The business is supported in meeting this responsibility by the Financial Crime Compliance (FCC), Legal and Compliance functions. In addition, a comprehensive Global Financial Crime Compliance Risk Assessment is completed on an annual basis to analyse and determine the areas of the Group which present financial crime risk and to support the effective management of such risk.

Anti-Bribery and Corruption

Standard Chartered has a Group-wide Anti-Bribery and Corruption (“ABC”) Policy that is based upon the UK Bribery Act and the U.S. Foreign Corrupt Practices Act. This Policy is supplemented by the Group ABC Procedures, which define minimum standards for compliance with the ABC Policy. The ABC Policy and Procedures are binding on all Group offices unless a specific dispensation has been formally approved in accordance with the applicable requirements. In addition, all overseas offices of the Group are required to comply with their local financial crime laws and regulations, which may be more stringent.

Compliance with such procedures and controls, and with the ABC Policy and Procedures, are monitored locally and at Group level. The ABC Policy and Procedures are subject to regular review to support continuous improvement.

Key aspects

Key aspects of the ABC Policy and Procedures include:

- oversight and governance;
- a risk assessment process;
- communication and training;
- review and pre-approval processes;
- risk rating of and due diligence on third party relationships;
- confidential reporting;
- financial controls and record-keeping;
- and independent testing processes.

The Group strictly prohibits bribery in any form – including the use of ‘facilitation payments’. The Group does not allow charitable donations, sponsorships and direct or indirect contributions to political parties or organisations to be used as a subterfuge for bribery.

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Employees

Employees are prohibited from offering, requesting, or accepting bribes and other improper financial advantages. Employees may not provide anything of value to obtain or retain business or any advantage, financial or otherwise. “Anything of Value” extends beyond cash to include improper gifts, entertainment, charitable and political contributions, and employment or internships for clients, government officials, or their related persons. The prohibition against the provision of “Anything of Value” applies not only to government officials and employees or officials of organisations with government ownership or control, but also includes clients, suppliers, and any person with whom Standard Chartered does or anticipates doing business. Standard Chartered expects all of its agents and suppliers to act at all times in compliance with applicable anti-bribery and corruption laws and regulations.

Risk Management

The Group adopts a risk based approach to the assessment of bribery and corruption risks. The Group’s approach to risk management is set out in the Risk Management Framework (“RMF”) and applies to the management of all business risks, including bribery and corruption. The Group will ensure that there are adequate skilled resources in all three lines of defence to manage ABC risk within the Group’s RMF.

Employment

Employment opportunities, whether permanent or temporary in nature, must not be used as an inducement to anyone to act improperly so as to obtain or retain an advantage in business. Staff must retain accurate books and records of transactions or decisions relating to the Policy or any associated procedures. Staff must report any concerns they may have with respect to non-compliance with this Policy. The Group maintains processes to enable staff to raise such concerns in confidence.

Third Parties

The Group prohibits bribery committed by third parties acting on its behalf. The Group mandates appropriate due diligence on all such third parties, and the application of suitable contractual terms and governance to reduce the risk of bribery. The Group will consider whether to terminate its relationship with an associated person (including an intermediary) who commits, or is suspected to have committed, bribery.

The Group will not disadvantage any Staff or other person associated with the Group on account of their refusal to commit bribery. Staff found to have breached this Policy will be subject to disciplinary proceedings. Potential penalties include the termination of employment.

Speaking Up

The Group is committed to maintaining a culture of the highest ethics and complying with our Code of Conduct. We encourage Staff and any other person who has a genuine concern about misconduct to raise it through our Speaking Up programme at www.intouchfeedback.com/speakingup.

Speaking Up disclosures, including the identity of the discloser and the subject of the Speaking Up disclosure, will be kept confidential and will be disclosed only a strict need to know basis. The Group prohibits any form of victimization of, or detriment against, disclosers for Speaking Up.