

# Anti-bribery policy

## Compliance

### INTRODUCTION

Belfius makes every effort to guarantee its integrity and to maintain its good reputation vis-à-vis its customers, other financial players, governments, external partners and counterparties. Belfius aims at complying with all applicable legislation and regulations and develops internal lines of policy accordingly, such as this Anti-Bribery Policy.

Bribery is a crime and as such is subject to criminal law. Bribery is also diametrically opposed to core values, which Belfius finds

extremely important, such as honesty, transparency and trust. Bribery is also a means of achieving other fraudulent purposes. For all these reasons, Belfius applies a zero-tolerance policy in relation to every possible form of bribery. As a result, the principles and rules set out in this policy and in the applicable legislation must be complied within the strictest sense.

### SCOPE

The Belfius Anti-Bribery Policy applies to all activities conducted by or on behalf of the entities belonging to the Belfius group, as well as to:

- > The members of the Board of Directors, both executive and non-executive members, of Belfius Bank;
- > All members of the administrative and governing bodies of the other companies belonging to the Belfius group;
- > All persons employed in the Belfius group, both permanent and temporary employees (e.g. external workers, trainees, etc.).

Belfius also expects its customers, suppliers, external service-providers, intermediaries, business partners or other persons or entities associated with Belfius to apply the same strict rules as stated in this Anti-Bribery Policy.

### DEFINITIONS

**Active Bribery**<sup>1</sup> is proposing an offer, making a promise or offering a benefit of any kind to an individual, for the benefit of that person or of a third party, with the aim of encouraging that person to take certain actions or to refrain from doing so.

**Passive Bribery**<sup>1</sup> is the requesting or accepting of an offer, promise or benefit of any kind for the benefit of oneself or

of a third party, as a condition for taking certain actions or refraining from doing so.

In the Belgian Penal Code, a distinction is also made between private and public bribery, depending on whether the person occupies a position with a private company or is in the exercise of a public office<sup>2</sup>.

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<sup>1</sup> For the exact and full definitions of bribery, please refer to the Belgian Penal Code (art. 504a, 504b for private bribery and articles 246 and 247 for public bribery).

<sup>2</sup> [https://justitie.belgium.be/nl/themas\\_en\\_dossiers/veiligheid\\_en\\_criminaliteit/corruptie](https://justitie.belgium.be/nl/themas_en_dossiers/veiligheid_en_criminaliteit/corruptie)

**Corruption:** the words “corrupt” or “corruption” are often used in situations of bribery, particularly when unauthorised favours are being granted to or by someone in a position of power, in exchange for a service in return.

**Unauthorised Benefit:** in this Policy, the notion of “Unauthorised Benefit” is used in a broad sense to indicate

the benefit being offered, promised or received in exchange for receiving preferential treatment or a service in return; an Unauthorised Benefit may take the form of accepting money, goods or services, commercial or other interests, information, etc.

## PREVENTIVE POLICY

In addition to this specific policy regarding bribery, Belfius also subscribes to other internal rules of ethics that impose on Belfius staff the manner in which they are required to conduct themselves in specific situations and which are also partly intended to combat the risk of bribery:

- > Policy on gifts, benefits and invitations
- > Policy on Ethics for purchasers
- > Policy on Donations and bequests
- > Policy on Whistleblowing
- > Policy on combating Fraud
- > Policy on Money Laundering

Through this specific Anti-Bribery Policy, Belfius states clearly that it takes preventing and combating bribery very seriously. Belfius applies a zero-tolerance policy to the risk of bribery and imposes a strict prohibition, directly or via intermediaries, on:

- > Proposing or offering Unauthorised Benefits;
- > Requesting or accepting Unauthorised Benefits, for any purpose whatsoever;
- > Processing funds that can be reasonably or with certainty suspected of involving Unauthorised Benefits.

In order to limit the risk of possible bribery to a minimum, Belfius is also very careful when it comes to selecting or accepting customers and suppliers.

Anyone who comes under the application of this policy is also strictly forbidden from instructing or encouraging others from indulging in bribery.

Senior management must be notified in the event of doubt or if questions regarding the interpretation or application of this policy arise. If necessary, senior management will ask Compliance for advice.

## SUPERVISION

In addition to establishing and implementing a preventive policy and providing advice and support for training in relation to bribery, the Compliance function is also responsible for supervising that the ethical rules and other rules of conduct are observed. If in the context of his or her work for Belfius a person becomes aware of indications of bribery, he or she must report this immediately to the Compliance function. The principles and procedures contained in the Policy

on Whistleblowing can be followed. Indications of non-compliance with this policy will result in a thorough internal investigation in which Compliance will work closely with other control functions and in particular with Audit Investigations.

Breaches of the rules stated in this policy will result in sanctions, as provided for in the Employment Regulations.

# SITUATIONS THAT REQUIRE CLOSER ATTENTION BE PAID TO THE RISK OF BRIBERY

Bribery can take various forms and occur in a wide range of situations. Below are a number of examples of situations, relationships and collaborations that are traditionally considered as being susceptible to the risk of bribery.

## 1. Business gifts, benefits and invitations

The mutual offering between individuals of small business gifts to mark a particular event, on the occasion of a visit or to celebrate the end of the year is a custom that is generally accepted and legitimate. By exchanging these types of small gifts, people in a business relationship are expressing their mutual appreciation and underlining their wish to maintain their good business relations. The same can be said of offering hospitality (accommodation, meals, etc.) in the context of a visit or for organised meetings. In the business world it is also customary to maintain good commercial relations by organising activities that sometimes take place outside normal business hours and which may be somewhat more informal in nature (e.g. cultural or sporting events with the opportunity of business networking).

However, gifts, certain benefits or invitations can be misused in order to influence a particular decision inappropriately and, in so doing, become bribery in disguise. It is not so much the paying for and giving of a gift or benefit that constitutes the risk per se, but the specific circumstances in which it happens or its disproportionate nature.

More details, guidelines and procedures in this area can be found in the specific policy developed by Belfius ("Policy on Gifts, Benefits and Invitations"). Given the enhanced risk of bribery or inappropriate influence in the context of current procurement procedures, Belfius has also drawn up a separate, stricter Policy in this regard for the purchasing department and for all individuals who are involved in a selection or purchasing process.

## 2. Charity, good causes and sponsorship

Belfius is aware of its social role as a major Belgian bank and hence will sometimes contribute to a good cause, be it in the sports sector, the world of art or culture in general, education, a charitable institution, the care sector, etc. These contributions or donations may be of a monetary nature, although they can also take the form of goods or services. In the same way, Belfius sometimes also becomes involved in

sponsoring certain events, activities or organisations. Through sponsorship, Belfius acquires certain rights and benefits, usually of a publicity-related nature.

The risk that can arise is that these contributions, donations or sponsorship may be used to generate unlawful benefits or to conceal a corrupt act. Indeed, such spending or contributions may create expectations or be seen as asking for something in return, or may be used as a way of transferring certain benefits to a corrupt counterparty.

As a result, when considering whether to make a donation or contribute to a good cause or to a charitable institution, or to agree a sponsorship deal, internal guidelines must always be followed in order to keep possible conflicts of interest and the risks stated above under proper control.

## 3. Personal conflicts of interest and reputational risk

It can sometimes happen that the personal interests of individuals working for Belfius or acting on behalf of Belfius come into conflict with the interests of Belfius. Such conflicts do not necessarily have to result in negative consequences for Belfius, although a risk may be created if the person involved is tempted to place his/her own personal interests ahead of the interests of Belfius, which is not acceptable.

If the personal interest relates to a gift, a benefit or an invitation, such a favour, as stated in the policy in question, must always be of a symbolic nature. In principle, offering or accepting an excessive gift, a benefit or an invitation is not permitted, even if there is no intention of influencing the person receiving it for the purpose of taking a certain action and if the actions cannot be qualified as bribery, legally speaking. Such actions simply contradict the ethics of Belfius and may lead to negative perceptions, both internally and externally. The following paragraphs give a few more examples of sources of conflicts of interest in relation to individuals acting on behalf of Belfius.

**Donations and bequests** constitute a separate category of personal conflicts of interest. It sometimes occurs that customers want to bestow a favour on a person working for Belfius by making a donation or bequest. This particular form of benefit is very strictly controlled and Belfius also has a specific policy in this regard. Accepting a donation or bequest from a customer by an employee who maintains commercial relations with personal customers is forbidden.

**External activities** may lead to situations where there is an unacceptable mixing of interests. Certain external activities, such as exercising a mandate in an establishment or company other than Belfius, are in some case subject to statutory conditions. By exercising a mandate or function in another establishment or company, the aim may be to use the experience and knowledge of these persons. This may be

legitimate, but it can also create a risk, or at least a perception, that Belfius is benefiting from some unlawful advantage, or is providing an unlawful advantage or may acquire privileged information, hence creating the impression of the existence of certain reciprocal benefits. Belfius has developed a specific policy with regard to external activities in general and exercising external mandates in particular.