

ANTI-BRIBERY AND CORRUPTION POLICY

Joh. Berenberg, Gossler & Co. KG, London Branch

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1. POLICY STATEMENT

1.1 It is widely accepted that bribery and corruption cause poverty and suffering, inhibit economic growth and cause both financial and reputational damage to businesses. A failure to implement adequate procedures may result in criminal and civil liability and penalties for organisations and individuals. This document sets out the policies and procedures of Joh. Berenberg, Gossler & Co. KG, London Branch (referred to as “Berenberg”, “London Branch”, “we”, “our”, “us”) in relation to anti-bribery and corruption. It sets out the principles for the London Branch and provides employees with guidance to ensure that all obligations with respect to anti-bribery and corruption are met.

1.2 It is the policy of Berenberg to conduct all of our business in an honest, transparent and ethical manner. We take a zero-tolerance approach to bribery and corruption and we are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate. We are also committed to implementing and enforcing effective systems to counter bribery and corruption.

1.3 We will uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate. However, we remain bound by United Kingdom (“UK”) law, including the Bribery Act 2010, in respect of our conduct both at home and abroad.

1.4 This policy focuses on the London Branch and is therefore based on the UK Bribery Act 2010 (the “**UK Bribery Act**”), the UK’s primary legislation covering offences relating to bribery and corruption. The UK Bribery Act makes bribery and corruption illegal and holds UK companies liable if they fail to prevent acts of corruption or bribery by those working for them or on their behalf, regardless of where the act takes place¹.

1.5 The Legal and Anti-Financial Crime Compliance (“AFC Compliance”) teams in the London Branch will review this policy on an ongoing basis and amend it as necessary. From time to time, you will therefore be provided with revised versions of this policy and be notified of the respective changes in detail. Revised versions or amendments of this policy may result in changes to other rules and regulations and/or the business practices of the London Branch, individual business units or individual departments. It is your responsibility to know and understand the requirements set out in it.

1.6 This policy should be read in conjunction with Berenberg’s *Guidelines for the prevention of all forms of corruption* (Signavio #50228) (the “**Global Policy**”).

¹ Berenberg is subject to German anti-bribery and corruption legislation and rules and the US Foreign Corrupt Practices Act 1977 (“**FCPA**”). If you are a German employee or organising an event in the US, please contact AFC Compliance as there may be additional obligations you will need to consider.

2. ABOUT THIS POLICY

2.1 The purpose of this policy is to:

- (a) set out our responsibilities, and of those working for us or on our behalf, in observing and upholding our position on bribery and corruption; and
- (b) provide information and guidance to those working for us or on our behalf on how to recognise and deal with bribery and corruption issues.

2.2 It is a criminal offence to offer, promise, give, request, or accept a bribe in relation to anyone including public officials. Individuals found guilty can be punished by up to ten years' imprisonment and/or a fine. As an employer, failure to prevent bribery may result in an unlimited fine, exclusion from tendering for public contracts and damage to our reputation. We therefore take our legal responsibilities very seriously. Corruption under the UK Bribery Act is understood as the misuse of public office or a position of power for private gain, or the misuse of a position of power in connection with business activities outside the realm of government.

2.3 In this policy, **third party** means any individual or organisation that you come into contact with during the course of your work for us, and includes actual and potential clients, customers, suppliers, subsidiaries, joint venture partners, consultants, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

3. WHO MUST COMPLY WITH THIS POLICY?

3.1 This policy applies to all persons working for the London Branch or on its behalf in any capacity, including employees at all levels, directors, officers, agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives and business partners, sponsors, or any other person associated with us, wherever located.

3.2 Any breach of this policy will be regarded as a serious matter by the Bank and may in any individual case result in disciplinary action, up to and including dismissal with or without notice.

3.3 Any questions or queries in relation to this policy or doubts in relation to its application should be referred to AFC Compliance in the first instance.

4. WHO IS RESPONSIBLE FOR THE POLICY?

4.1 The Head of the London Branch has overall responsibility for ensuring this policy complies with our legal obligations and that all those required to comply with it do so.

4.2 AFC Compliance has primary and day-to-day responsibility for implementing this policy, monitoring its use and effectiveness, dealing with any queries in relation to it and monitoring internal systems and controls to ensure they are effective in countering bribery and corruption.

4.3 Management at all levels are responsible for ensuring those reporting to them understand and comply with this policy and are given adequate and regular training on it.

5. WHAT IS 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 The bribe does not need to be purely financial. An **advantage** includes money, gifts, loans, fees, hospitality, services, discounts, the award of a contract, the offer of employment or an internship or anything else of value.

5.3 A person acts **improperly** where they act illegally, unethically, or contrary to an expectation of good faith or impartiality, or where they abuse 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.

Examples:

Offering a bribe

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

This is an offence as you are making the offer to gain a commercial and contractual advantage. We may also be found to have committed an offence because the offer has been made to obtain business for us. It may also be an offence for the potential client to accept your offer.

Receiving a bribe

A supplier gives your nephew a job but makes it clear that in return they expect you to use your influence in our organisation to ensure we continue to do business with them.

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

Bribing a public official

You arrange for the business to pay an additional “facilitation” payment to a public official to speed up an administrative process.

The 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 us. We may also be found to have committed an offence.

6. WHAT YOU MUST NOT DO

It is not acceptable for you (or someone on your behalf) to:

- (a) offer, promise, give, accept or solicit an advantage as an inducement for an action which is illegal, unethical or a breach of trust; or
- (b) abuse your position or entrusted power for private gain or induce or influence someone to abuse their position or entrusted power for private gain.

7. GIFTS, ENTERTAINMENT AND HOSPITALITY

The following section sets out the London Branch policies and procedures in relation to gifts, entertainment and hospitality. It is important to note that the rules for London diverge from the rules governing all other branches. Specifically, there are differences in relation to the value thresholds over which AFC Compliance approval is required (see table below):

AFC Compliance Approval Thresholds for Gifts and Entertainment Received and Given Per Person

These values are **not targets** for expenditure.

Category	Global Policy	London Policy
Gifts	EUR 20	GBP 50
Entertainment/Hospitality	EUR 250	GBP 500

Guidance on when the London Policy will apply can be found in Appendix 6 “*London Branch Gifts and Entertainment Policy Applicability Guidance*”.

7.1 Berenberg allows **reasonable and proportionate** gifts, hospitality and entertainment given to or received from third parties, for the purposes of:

- (a) Establishing, maintaining or enhancing good business relationships;
- (b) Improving or maintaining image or reputation; or
- (c) Marketing or presenting our products and/or services effectively.

7.2 The following General Principles apply to **all** gifts, hospitality and entertainment given to or received from third parties:

- (a) As a general rule, no gifts, entertainment or hospitality may be offered to or accepted from political persons, including government representatives and public officials. If you are in any doubt, in the first instance you should refer to AFC Compliance.

- (b) In **all instances** you must first determine whether the gift, entertainment or hospitality is **reasonable and proportionate** in light of your role as a Berenberg employee or the individual circumstances of the third party. Any surrounding circumstances which may render the gift or entertainment improper, such as pending business relationships, must be taken into account. Gifts and entertainment must not be designed to influence the recipient.
- (c) You must ensure that there is never any actual impropriety, or appearance of impropriety.

7.3 Receiving gifts from third parties

The receipt of gifts from third parties during the **normal course of business** is generally permitted subject to the following:

- (a) the value of the gift must not exceed **GBP 50 (gross)** (this limit applies per gift, per recipient or in aggregate if multiple items are received as part of the same gift);
- (b) where a series of gifts are received during the same calendar year from the same third party, the aggregate value must not exceed **GBP 100 (gross)**;
- (c) the nature of the gift must be **reasonable and proportionate** in relation to your position as a Berenberg employee and must not give rise to any improper performance of your duties with respect to the third party;
- (d) during the bidding or pitch process for a new transaction, business mandate, product, service or relationship the receipt of gifts (of any value) is strictly prohibited;
- (e) the acceptance of cash or cash equivalent gifts (such as gift certificates or vouchers) is **never permitted**;
- (f) Research Analysts and Corporate Finance employees are **never permitted** to receive gifts;
- (g) the offer of non-business related entertainment to Berenberg employees (e.g.: theatre tickets) where the third party will not be in attendance is considered a gift under this policy and therefore subject to the limits above;
- (h) perishable items (i.e. food), in general, must be shared internally within the office of the London Branch;
- (i) gifts offered to family members, relatives or close associates of Berenberg employees may not be accepted;
- (j) gifts must be given openly, not secretly; and
- (k) all gifts must comply with any applicable local law.

Examples of reasonable and proportionate gifts which are deemed to be acceptable (provided they fall below the limit of GBP 50 (gross)) include wine and Christmas food hampers.

If the value of the gift exceeds GBP 50 (gross), you must initially refuse it. If this is not possible, you must inform AFC Compliance to determine the further course of action.

Generally, the adequate course of action will be to raffle the gift internally and donate the proceeds to a Berenberg charity or donate the gift itself to a Berenberg charity.

7.4 Giving gifts to third parties

The giving of gifts to third parties is **generally not permitted** unless, in consultation with AFC Compliance and senior management, a reasonable business justification is determined and the gift is considered appropriate in the circumstances. In such case, the requirements under sections 7.2 and 7.3 must be complied with and the gift must be given in the name of Berenberg and not from you personally. A gift of nominal value, such as the provision of Berenberg promotional material (for example, stationary, golf balls, calendars, diaries etc.) is generally not deemed to have any influence over the recipient, and so is usually permitted.

7.5 Receiving entertainment and hospitality from third parties

Berenberg employees may be invited to attend external events (including a business lunch or dinner) or participate in recreational activities by third parties. Accepting such entertainment or hospitality during the normal course of business is permitted, subject to the following requirements:

- (a) its true value (i.e. the 'face value' of the ticket rather than the costs borne by the third party) must not exceed **GBP 500 (gross)** per head;
- (b) the invitation must be sent to you at your Berenberg business address;
- (c) the nature of the entertainment or hospitality must be **reasonable and proportionate** in relation to your position as a Berenberg employee and must not give rise to any improper performance of your duties with respect to the third party (for example, for a business lunch or dinner it would generally be considered to be reasonable and proportionate where the value is less than GBP 100 (gross) per head);
- (d) the invitation must not be extended to your family members or close associates outside of Berenberg;
- (e) you must not accept an offer to reimburse your travel and/or accommodation expenses without prior authorisation from AFC Compliance;
- (f) Research Analysts are **never permitted** to accept any travel or accommodation. If Research Analysts accept entertainment or attend events hosted by third parties, **all associated costs must be borne by Berenberg (please refer to AFC Compliance in the first instance)**; and
- (g) all entertainment and hospitality must comply with any applicable local law.

Examples of reasonable and proportionate entertainment deemed to be acceptable (provided its value falls below the limit of GBP 500 (gross) per head) include conferences, marketing road-shows, forums, sports hospitality, and invitations to a business lunch or dinner (which would generally be considered to be reasonable and proportionate where the value is less than GBP 100 (gross) per head).

Please note that for it to be considered entertainment, the third party **must** be in attendance, otherwise the invitation will be considered a gift.

7.6 Providing entertainment and hospitality to third parties

Berenberg-hosted entertainment/events and 'normal course of business' hospitality – such as one-on-one third-party lunches and dinners – are permissible provided that the cost of the entertainment/event or hospitality **does not exceed GBP 500 (gross) per head** and the following requirements are met:

- (a) Berenberg-hosted events such as conferences, speeches or forums are organised in conjunction with the relevant departments;
- (b) even if the overall cost per head is below GBP 500 (gross), the provision of entertainment and hospitality is only permitted if it is reasonable and proportionate (for example, for a business lunch or dinner it would generally be considered to be reasonable and proportionate where the value is less than GBP 100 (gross) per head) such that it is unlikely to have any influence on any invitee(s) in consideration of their individual circumstances (such as their professional position and financial circumstances), and does not appear improper;
- (c) invitations to companions of third parties such as their spouse/partner/children are only permitted in exceptional circumstances with prior approval from senior management and AFC Compliance;
- (d) the invitation is made in a transparent manner, using Berenberg's logo;
- (e) third party expenses such as travel and/or accommodation may only be paid for/reimbursed by the Bank where such costs are genuine, reasonable and necessary (for example, where a conference is run over two days or as a result of the location, travelling on the day of the event is impractical) and where acceptance will not result in the third party receiving more than their reasonable costs, with prior approval from AFC Compliance (approval from AFC Compliance is not required for pre-arranged shuttle services to/from an event location which are reasonable, for example, Berenberg conference locations which are difficult to reach by public transport alone); as a general rule, third party expenses for pure client entertainment (such as organised shoots) should not be paid by the Bank as such costs are not considered to be necessary, reasonable or proportionate (exceptions may be approved by AFC Compliance on a case by case basis); and
- (f) all entertainment and hospitality complies with any applicable local law (i) where the event is taking place or (ii) which applies for any reason that you become aware of.

All entertainment/events and hospitality **exceeding GBP 500 (gross) per head** require **prior approval** by the Head of the London Branch and AFC Compliance, in addition to complying with the requirements set out above. The Events Team and persons responsible for organising events should refer to the internal guidance for information on events and entertainment exceeding GBP 500 (gross) and speak to AFC Compliance when seeking prior approval.

7.7 What you must not do

It is **never** acceptable for you (or someone on your behalf) to:

- (a) give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, 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 intending or likely to influence the outcome;
- (c) accept a payment, gift or hospitality from a third party that you know or suspect is offered with the expectation that we 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;
- (e) give a gift to (or accept a gift from) government or public officials or representatives, politicians or political parties. This includes paying for accommodation and/or travel expenses;
- (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 activity that might be a breach of this policy.

8. INDUCEMENTS

There is a separate policy on inducements and this policy should be read with the policy *Handling of inducements related to investment services (Signavio #50212)*.

9. SPONSORSHIP AND INTERNSHIPS

Sponsorship of third-party events, such as sporting events and conferences, must be transparent and agreed formally by contract in conjunction with Legal. All sponsorship activities must be referred to the Corporate Communications Department in advance and must be approved by the Head of the London Branch, AFC Compliance and Legal.

If you intend to offer an internship to relatives or associates of (potential) third parties, please refer to section 7.10 of the Global Policy.

10. PROCURING CONTRACTS

10.1 Business units responsible for procurement (for example, HR, IT and Operations) must not accept or give any gifts or entertainment in relation to any pending contracts or renewals.

10.2 In the course of procuring a contract for the supply of services or goods to Berenberg, such business units must ensure that they comply with the following requirements;

- (a) evaluate the background, experience and reputation of the third party;

- (b) understand the services to be provided to Berenberg and the methods of compensation and payment;
- (c) evaluate the business rationale for engaging the third party; and
- (d) ensure there is a written agreement in place which acknowledges the third party's understanding and compliance with Berenberg's Anti-Bribery and Corruption Policy.

11. FACILITATION PAYMENTS AND KICKBACKS

You must not make or accept facilitation payments or "kickbacks" of any kind.

- 11.1 Facilitation payments are typically small, unofficial payments made in return for a business favour or advantage to secure or expedite a routine or necessary action. They are not common in the UK but are common in some other jurisdictions.
- 11.2 You must avoid any activity that might lead to a facilitation payment or kickback being made or accepted by Berenberg or on its behalf, or that might suggest such a payment will be made or accepted. If you are asked to make a payment on behalf of Berenberg, you should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. You should always ask for a receipt or invoice that details the reason for the payment. If you have any suspicions, concerns or queries regarding a payment, you should raise these with AFC Compliance in the first instance. You must not make or accept facilitation payments or "kickbacks" of any kind.

12. DONATIONS

- 12.1 We do not make contributions to public officials, public service employees, government officials, government representatives, members of parliament, politicians, or representatives of political parties.
- 12.2 We only make charitable donations that are legal and ethical under local laws and practices. No donation may be offered or made without the prior approval of the Corporate Communications department. In case of any doubt, Legal and AFC Compliance must be consulted.

13. RECORD-KEEPING

- 13.1 We must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties and for accepting or giving gifts, hospitality or entertainment to third parties. You are required to keep a written record of all hospitality and gifts given or received, so that this can be reviewed by AFC Compliance.
- 13.2 You must submit all expenses claims relating to hospitality, gifts or payments to third parties and record the reason for expenditure, in accordance with our expenses policy.

- 13.3 Reimbursing a third party's expenses or accepting an offer to reimburse our expenses will not usually amount to bribery. However, any payment in excess of genuine and reasonable business expenses is never acceptable.
- 13.4 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.

14. TAXATION

Any employees who are temporarily seconded to the London Branch may be subject to the relevant tax laws in Germany, in relation to any gifts or hospitality received from third parties. It is the responsibility of such individuals to ensure that they comply with any such obligations.

15. YOUR RESPONSIBILITIES

- 15.1 You must ensure that you read, understand and comply with this policy. If you are in any doubt as to whether you can offer or accept a gift, entertainment or hospitality invitation, please consult with AFC Compliance.
- 15.2 The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for us or on our behalf. You are required to avoid any activity that might be, or have the appearance of, a breach of this policy.
- 15.3 If you have any concerns or questions about this policy, please speak to your manager or AFC Compliance.

16. HOW TO RAISE A CONCERN

- 16.1 You are encouraged to raise concerns about any issue or suspicion of bribery or corruption at the earliest possible stage.
- 16.2 If you are offered a bribe, or are asked to make one, or if you believe or suspect that any bribery, corruption or other breach of this policy has occurred or may occur, you must refuse it and report it immediately to your manager and AFC Compliance, use the procedure set out in the policy *Internal reporting channels for employees (whistleblowers)* (Signavio #50239) as soon as possible. Reports can be submitted both openly and on an anonymous basis.
- 16.3 If you are unsure about whether a particular act constitutes bribery or corruption, raise it with your manager and AFC Compliance.

17. PROTECTION

- 17.1 Individuals who refuse to accept or offer a bribe or who raise concerns or report another's wrongdoing may have concerns over possible repercussions. We aim to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.
- 17.2 We are committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offence has taken place or may take place in the future. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform your manager, HR or AFC Compliance immediately. If the matter is not remedied, and you are an employee, you should raise it formally using Berenberg's Grievance Procedure, which can be found in the *Guide for UK Colleagues: Employee Handbook October 2022*.

18. TRAINING AND COMMUNICATION

- 18.1 Training on this policy forms part of the induction process for all individuals who work for us. Regular training will be provided as necessary by AFC Compliance.
- 18.2 Our zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter.

19. BREACHES OF THIS POLICY

- 19.1 Any employee who breaches this policy may face disciplinary action, which could result in dismissal for misconduct or gross misconduct.
- 19.2 We may terminate our relationship with other individuals and organisations working on our behalf if they breach – or appear to have breached – this policy.

20. EXTRA-TERRITORIAL SCOPE

- 20.1 While the UK Bribery Act is the UK's primary legislation covering offences related to bribery, it is extra-territorial in scope. As such, the offence need not have taken place in the UK to still fall within the remit of the legislation and a UK court. There are three means through which this can occur:
- (a) **Close connection with the UK:** If the bribe does not take place in the UK but would constitute an offence if it had occurred here, and the person has a "close connection with the UK" (including being a British citizen, resident or national or legally constituted body incorporated in the UK, including Scottish partnerships).

- (b) **Associated Persons:** There is no requirement for the bribe to have been committed by a person with close connection to the UK – it is enough to prove that the “associated person” was performing services for the entity with a close connection to the UK to make the latter liable, regardless of where it took place.
- (c) **Commercial organisations not incorporated under UK law or set up as Scottish partnerships:** these will be subject to the UK Bribery Act if it can be demonstrated that they carry on a business or part of a business in the UK regardless of where they are incorporated or formed.

20.2 In this context, please bear in mind that when you are travelling outside the UK on business, you must additionally comply with the local laws on bribery and corruption. Further information is provided in the Global Policy.

21. **POTENTIAL RISK SCENARIOS: "RED FLAGS"**

The following is a list of possible red flags that may arise during the course of your employment with us and which may raise concerns under various anti-bribery and anti-corruption laws. The list is not intended to be exhaustive, is for illustrative purposes only and may be updated from time to time.

For a list of potential risk scenarios regarding gifts, entertainment and hospitality, please refer to Appendix 7 *“London Branch Gifts and Entertainment Guidance and Practical Scenarios”*.

If you encounter any of the red flags while working for us, you must report them promptly to your manager and/or AFC Compliance or use the procedure set out in the policy *Internal reporting channels for employees (whistleblowers)* (Signavio #50239).

	You become aware that a third party engages in, or has been accused of engaging in, improper business practices.
	You learn 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.
	A third party insists on receiving a commission or fee payment before committing to sign up to a contract with us or carrying out a government function or process for Berenberg.
	A third party requests payment in cash and/or refuses to sign a formal commission or fee agreement or provide an invoice or receipt for a payment made.
	A third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business.
	A third party requests an unexpected additional fee or commission to "facilitate"

	a service.
	A third party requests that a payment is made to "overlook" potential legal violations.
	You receive an invoice from a third party that appears to be non-standard or customised.
	A third party insists on the use of side letters or refuses to put terms agreed in writing.
	You notice that we have been invoiced for a commission or fee payment that appears large given the service stated to have been provided.
	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 us.