



Banca Transilvania Financial Group:
Anti-Bribery And
Corruption Policy

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Zero-tolerance

We have a very clear position: zero tolerance for any form of bribery and corruption.

All employees and members of management bodies of companies within the Banca Transilvania Financial Group („BT”) must refrain from engaging in any form of bribery or corruption, regardless of nationality, domicile or location. Anti-bribery laws also prohibit corrupt payments made by any third parties acting on BT’s behalf, including suppliers, consultants, contractors or other business partners.

1. Regulatory and Legislative Framework

Bribery and corruption are prohibited by law and can result in major legal and reputational risks for BT, but also for individuals, including in the form of substantial fines and possible prison sentences.

1.1. European Framework

Instruments listed below are available to all EU Member States, demonstrating the alignment on certain standards in the fight against corruption:

1. United Nations Convention against Corruption (UNCAC), 2003;
2. OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, 1997;
3. OECD Recommendation for Further Combating Bribery of Foreign Public Officials in International Business Transactions, 2009;
4. Good Practice Guidance on Internal Controls, Ethics, and Compliance (adopted as annex II of the 2009 recommendation);
5. OECD Guidelines on Multinational Enterprises originally adopted in 1976;
6. Rules on Combating Corruption adopted by the International Chamber of Commerce, 2011.

1.2. Romanian Legislation

1. The Romanian Criminal Code
2. The Romanian Criminal Procedure Code
3. Law 7/2004 regarding the Code of Conduct for public officials

2. Internal ABC Framework of Banca Transilvania Financial Group

To prevent acts of corruption, the following policies and internal procedures were enforced:

2.1. Code of Ethics and Conduct

BT takes reasonable steps to ensure that the bank's compliance and ethics program is followed, including monitoring and auditing to detect acts of bribery and corrupt conduct. As such, BT's Code of Ethics and Conduct, clearly states that it does not tolerate, under no circumstances, any type of bribery and /or corruption.

No employee/member of the management body of a company within Banca Transilvania Financial Group shall accept or grant any improper advantage of any kind (incentives), regardless of whether the person offering or requesting such an advantage works in the public or private sector. It is also forbidden to offer or receive any form of bribe, or to practice influence peddling, directly or through intermediaries.

Therefore, any of the following **activities** are **strictly prohibited**:

- Receiving money or other benefits from customers or third parties for the performance of work duties or for intervening with an employee/manager to do or not something that falls within the scope of his or her work duties;
- Paying or giving a benefit in violation of laws or internal regulations;
- Paying or giving a benefit for „obtaining” business.

Employees/members of the management body of a company within Banca Transilvania Financial Group will not make any facilitation payments.

Facilitation payments are „acceleration payments” or „additional fees”, usually small, unofficial sums of money given to public or government officials in order to obtain, expedite or delay a routine action to which someone has access by virtue of a legal right.

BT Financial Group companies will avoid any kind of political involvement in the normal course of business. At the same time, they will avoid associating the image of BT with any kind of political option or activity through direct or indirect support or involvement.

Involvement of any employee/member of the management body of a company within Banca Transilvania Financial Group in political activities is only possible with the prior approval of the designated structures with proper competence within company.

In the normal course of business, BT companies shall not grant any special facilities or conditions to political parties, political organizations, or politically exposed persons. Business relations with politically exposed persons shall strictly comply with the provisions of the national (Law 129/2019) and European regulatory framework.

2.2. Whistleblower Policy

At Banca Transilvania Financial Group level, the process for reporting situations of internal regulations/legal provisions violations or the lack of compliance within the Bank and its subsidiaries is described by the Whistleblower Policy.

The objectives of the Whistleblower Policy include providing support for an internal whistleblowing mechanism, which can be used by the BT's staff to communicate legitimate and material concerns about its business and to encourage the reporting of behavior /situations that may have serious consequences for the Banca Transilvania Financial Group, while ensuring the confidentiality and security of employees who report situations of risk so that they avoid possible repercussions.

The communication means made available to the employees are:

- myalert@btrl.ro – dedicated e-mail address;
- MyAlert – internal application within BT.

myalert@btrl.ro is a dedicated e-mail address that enables the confidential reporting of legitimate concerns. Each reported case is analyzed by a dedicated working group and, if it qualifies under the internal procedures, it is submitted for investigation via the specific application.

Messages can be sent from any e-mail address (internal or external). The sender receives a reply with a unique reference code that he/she can use to track the status of the reported case.

The information provided this way must comply with the principles below:

- adequate quality, both in terms of volume and detail, to present a fair image of the reported aspects; description of facts, date, time, place where the event occurred, infringer's name and possible means of evidence (e.g. witnesses, video/audio recordings, written documents, etc.) if such things are known. The chances to carry out a successful investigation is very small if the alert is made in the form of general affirmations without supporting evidence;
- the facts are reported as soon as possible.

The received referrals are registered, analyzed, and submitted for resolution to the competent organizational structures:

- Chief Executive Officer – CEO;
- Deputy Chief Executive Officer – CRO;
- Senior Executive Director – Corporate Governance and Litigations.

If the received information is considered to be particularly relevant, the information shall be forwarded to the manager of the department to which the infringer belongs to; the manager will follow the analysis, verifications and the decisions made in accordance with the applicable internal regulations.

2.3. Conflict-of-Interest Policy

The policy for the prevention and management of conflict-of-interest situations at the level establishes, implements, and maintains effective criteria to identify actual and potential conflicts of interest by detecting relationships, services, activities, or transactions where conflicts of interest may arise, as well as the mitigation manner of such conflict of interest.

The provisions of the policy are binding for all BT employees and for all members of the management bodies, starting from the date of employment/acceptance of office until the date of contractual employment relationship termination (in some specifically mentioned cases, the obligations may extend beyond the date of termination of the contractual relationship).

Conflict of interest, as defined internally, is considered any situation or circumstance in which the personal interest, direct or indirect, of the staff or members of the management bodies contravenes

the interest of the bank, so that it affects or could affect the independence and impartiality of the decision-making process or the timely and objective performance of duties in the exercise of functions.

A conflict of interest arises when there is a situation of incompatibility between the status of employee and the personal status of the employee, reflected in any action or inaction that may affect the BT's reputation.

The Compliance Department, through the Conflict-of-Interest Management Office, analyses whether a situation of an employee/member of the management bodies falls within the scope of conflicts of interest and is responsible for managing these situations (forwarding the result of the analysis to the decision-making committees, following up on the implementation of the decision, monitoring the situations declared by employees).

All employees must act responsibly and are obliged to act in the best interests of the bank/bank's subsidiaries and their customers, without inappropriate behavior of any kind. The coordinators and management structures must act as a good example to employees.

At the Banca Transilvania Financial Group level, different communication channels to submit complaints are made available, both for the shareholders and investors. As such, claims can be sent using the email address investor.relations@bancatransilvania.ro, as well as through other alternative channels available on BT's website and BT's Call Center.

2.4. Procurement Policy

As a rule, all purchases of works, goods and services are made by choosing the supplier based on at least three offers obtained from the same number of different and independent bidders.

For the newly engaged services, agreements with an estimated value exceeding a certain limit, the approval of the Compliance Division – Compliance Risk Management Service is required in terms of potential conflicts of interest and reputational risk.

In the selection process or verification of the new suppliers, ISO14001 Certification is an important component of suppliers' quality assessment for the offered goods and services.

3. ABC Tools in Banca Transilvania Financial Group

All members of management of any kind, together with employees, have access to and are informed of Banca Transilvania Financial Group policies in the area of anti-bribery and corruption.

3.1. Ongoing Improvement of Procedures and Standards

Banca Transilvania Financial Group takes reasonable steps to periodically assess the effectiveness of the compliance and ethics program. The periodical reviews of these standards are performed to implement processes meant to mitigate potential or adverse ABC issues impacting the BT's operations, products, and services.

3.2. Effective ABC Communication

ABC procedures and standards are established and supervised at the highest management level. The management body is periodically informed on the ABC programme and exercises reasonable oversight with respect to the implementation and effectiveness of the compliance and ethics program.

As such, all members of management of any kind, together with employees, have access to and are informed of the BT's policies in this area. In addition, when the regulatory framework in this area is updated, the targeted personnel are informed and provided with the relevant standards.

3.3. Training and Assessment

All involved categories of personnel are instructed by effective training programs in what regards ABC standards.

Fit-for-purpose training sessions are developed and implemented to address ABC related issues.

3.4. Risk Assessment

Starting with the significant areas of identified risks, BT applies specific mitigating measures to prevent any possible adverse impacts.

The undertaken in-depth, de-risking assessments are backed by enhanced due diligence measures such as:

- approval of the business relationship at a higher management level within BT;
- management approval for high-risk products granted to high-risk clients;
- ongoing monitoring of customers / transactions, depending on the allocated risk level, to determine whether the transactions are compliant with the information held about the client and with the client's activity profile.