

SCB GHANA ABC PROGRAM

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Group recognizes the **critical importance** of **protecting the integrity** of the global financial system **from financial crime**, particularly from the **laundering** of the proceeds of crime, **terrorist financing**, and **Bribery and Corruption**.

Financial Crime Risk

The potential for legal or regulatory penalties, material financial loss or reputational damage resulting from the failure to comply with applicable laws and regulations relating to International Sanctions, Anti-Money Laundering and Anti-Bribery

FC Risk Appetite

The Group has no appetite for breaches in laws and regulations related to Financial Crime, recognising that whilst incidents are unwanted, they cannot be entirely avoided

FC Risk Type Framework

Sets out the overall risk management approach to FC as a Principal Risk Type

FC Risk Type Framework

The Group measures the inherent and residual FC risk through the Group Risk Assessment and implements Policies, Standards and Controls to manage FC within its approved risk appetite.

The Bank's commitment in this area ensures it's long-term stability and fulfils the Group's 'Here for good' Promise

Group's Board Risk Statement for ABC:

“The Group will demonstrate that it is leading the way in combating financial crime, whilst providing quality service for its Clients. The Group will also continuously improve the design and execution of its Anti-Bribery and Corruption compliance framework and benchmark consistently against peer practices.”



ABC Mission

Leading the fight against bribery and corruption through a best in class ABC programme that protects the Bank whilst partnering to raise ethical business standards across our markets

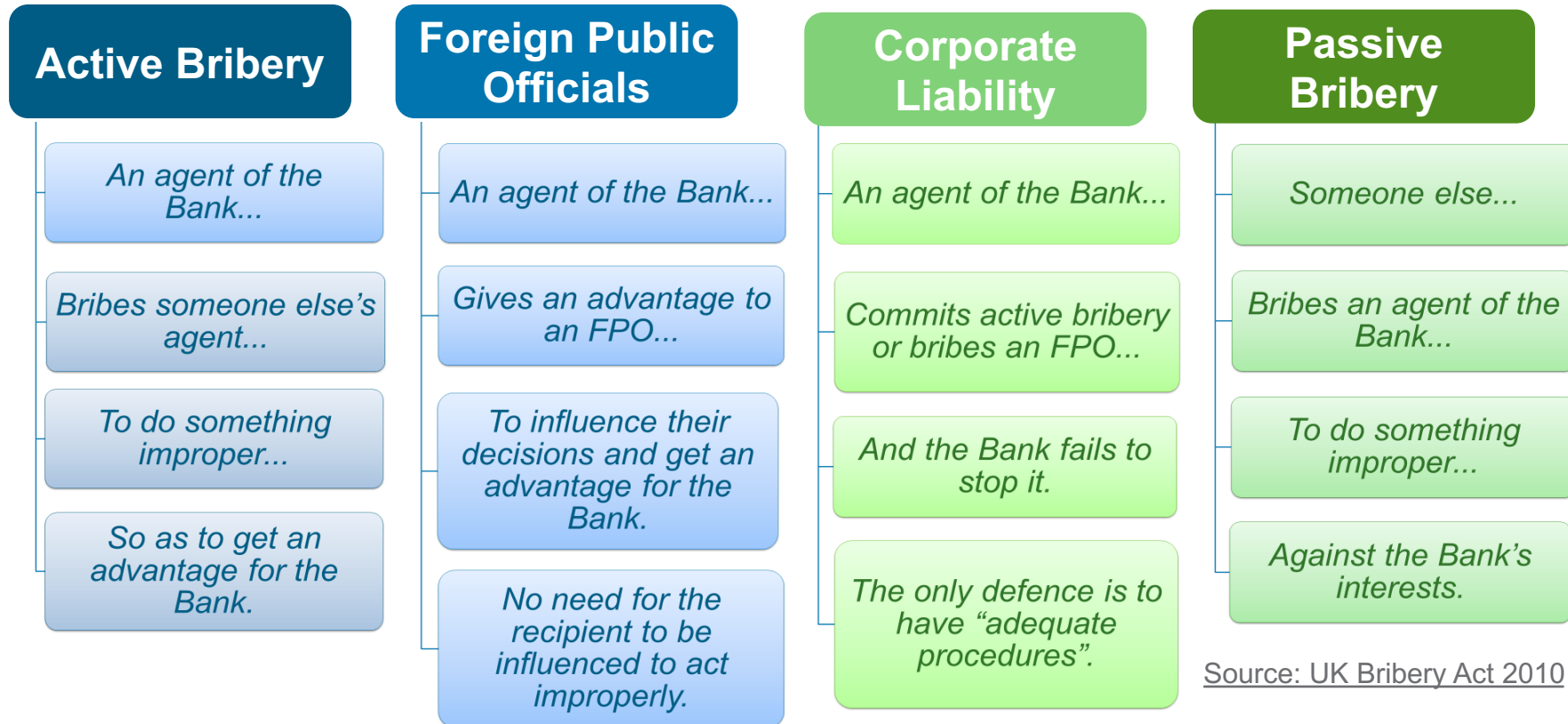


A Group Anti-Bribery and Corruption Policy defines statements of principle to reflect a **zero-tolerance approach**.

ABC risk vs. AML/Sanctions risk



What do we mean by “bribery”?



Bribes can be anything of value....



Money or cash.

Jobs, or even unpaid internships.

Lavish gifts or entertainment.

Trips for family members / extra accommodation.

Invitations to training and / or seminars.

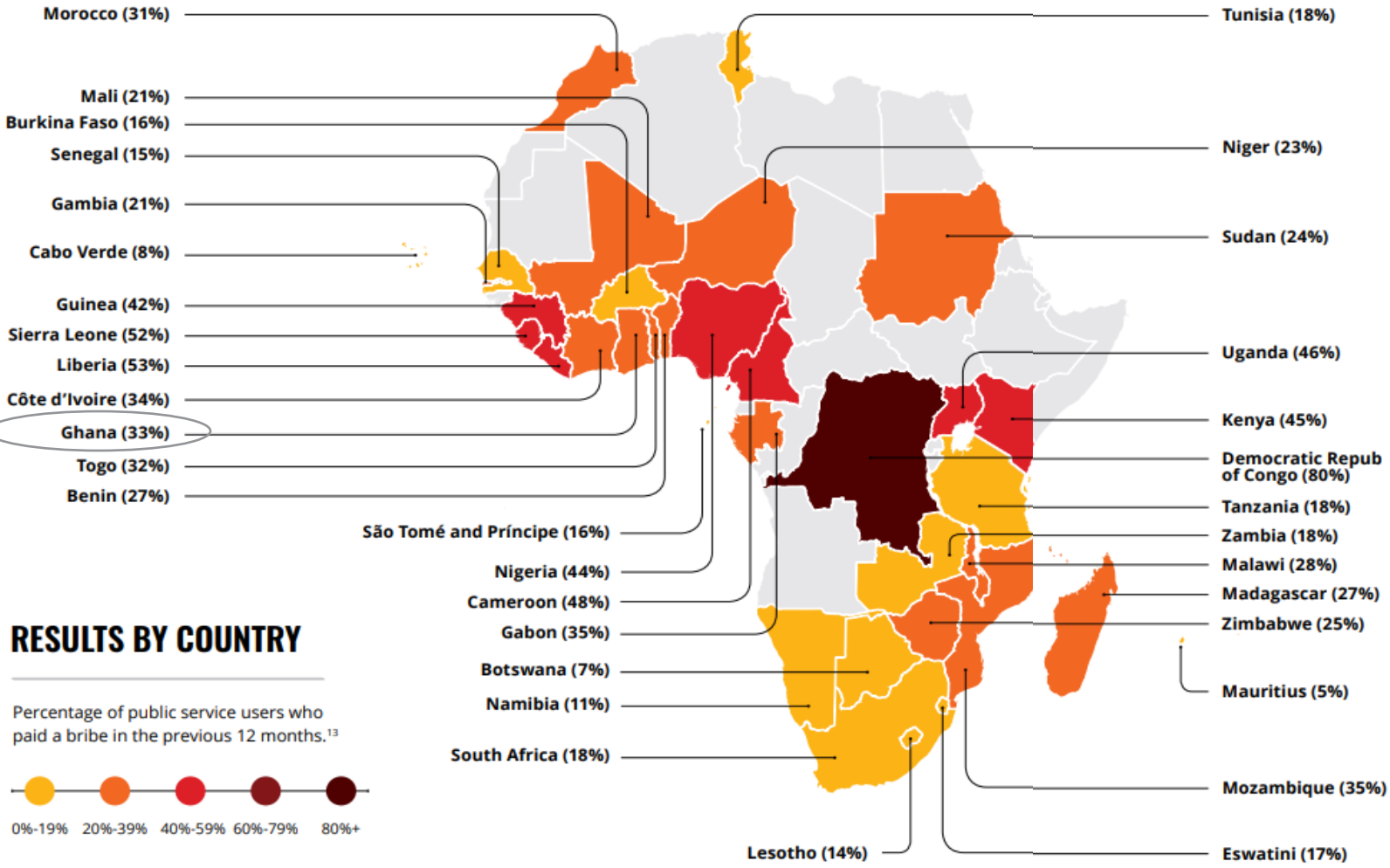
Charitable donations or sponsorships.

Free use of facilities and / or office space.

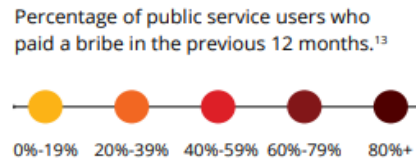
Loans at preferred rates.

Insider information.


Global Corruption Barometer Africa 2019



RESULTS BY COUNTRY



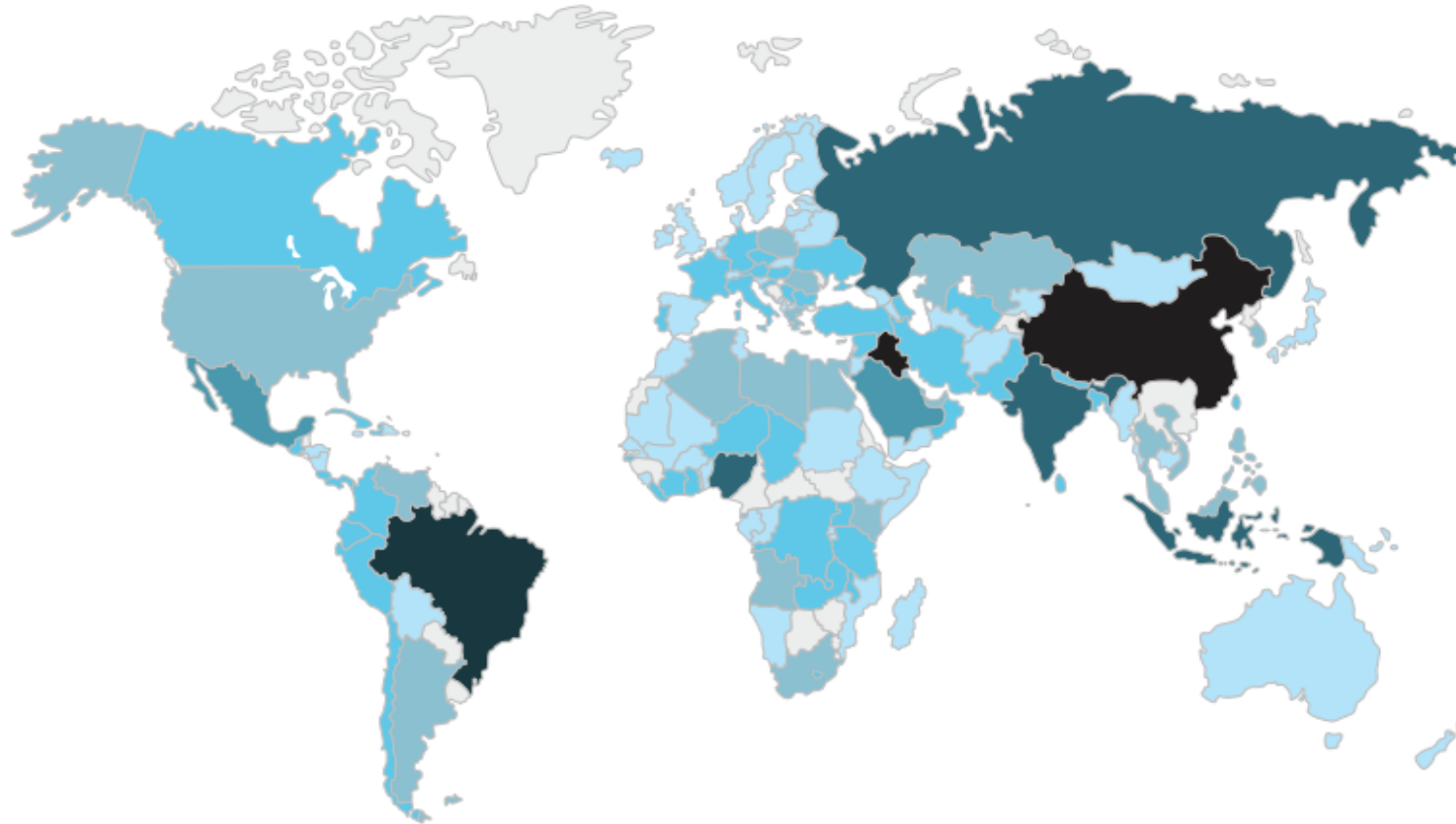
55%  OF PEOPLE THINK CORRUPTION INCREASED IN THE PREVIOUS 12 MONTHS

23%  THINK CORRUPTION DECREASED

59% THINK THEIR GOVERNMENT IS **DOING A BAD JOB** AT TACKLING CORRUPTION

67% FEAR RETALIATION IF THEY REPORT CORRUPTION

ABC Enforcement Trends



- ❖ Total record fines of \$2.9 billion in 2019
- ❖ Visible collaboration among cross-border enforcement agencies
- ❖ Increasing enforcement actions under FCPA being brought against individuals

Number of Enforcement Events

■ 0-4
 ■ 5-14
 ■ 15-24
 ■ 25-34
 ■ 35-54
 ■ 55-74
 ■ 75+
 N/A

Source: 2019 Trace Global Enforcement Report

ABC Programme Framework



ABC Internal Risk Areas

Procurement, Suppliers & Intermediaries\

Engaging a vendor to perform services and that vendor engages in bribery.
Heightened risk for intermediaries, who are engaged to obtain clients or government approvals, licenses,

Hiring Practices

Hiring a candidate for employment (as staff, intern, etc.) as a way of making a bribe

Business Deals

Joint Ventures, Equity Investments, M&A, Project Finance

Gifts & Entertainment

Business hospitality including meals, travel, gifts conferences, training, will be used to, or create the appearance it is being used to, make a bribe

Sponsorships & Donations

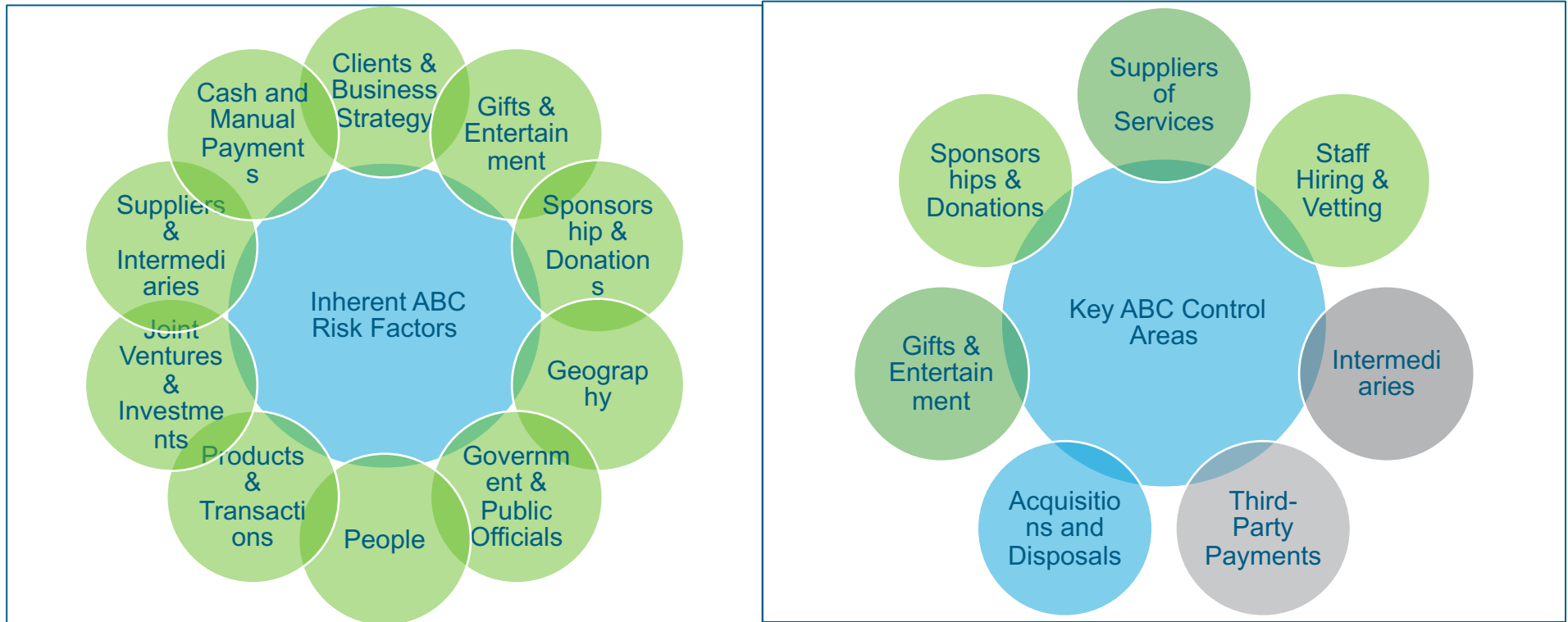
The giving of a sponsorship or donation is used to disguise a bribe or it creates the appearance that it is being used as a bribe

Other Payments

Facilitation payments, Lobbying payments, or other payments constitute a bribe or may be perceived to be a bribe

Group ABC team works with business & functions to develop and implement new controls relating to the following risk areas which are regularly assessed and updated.

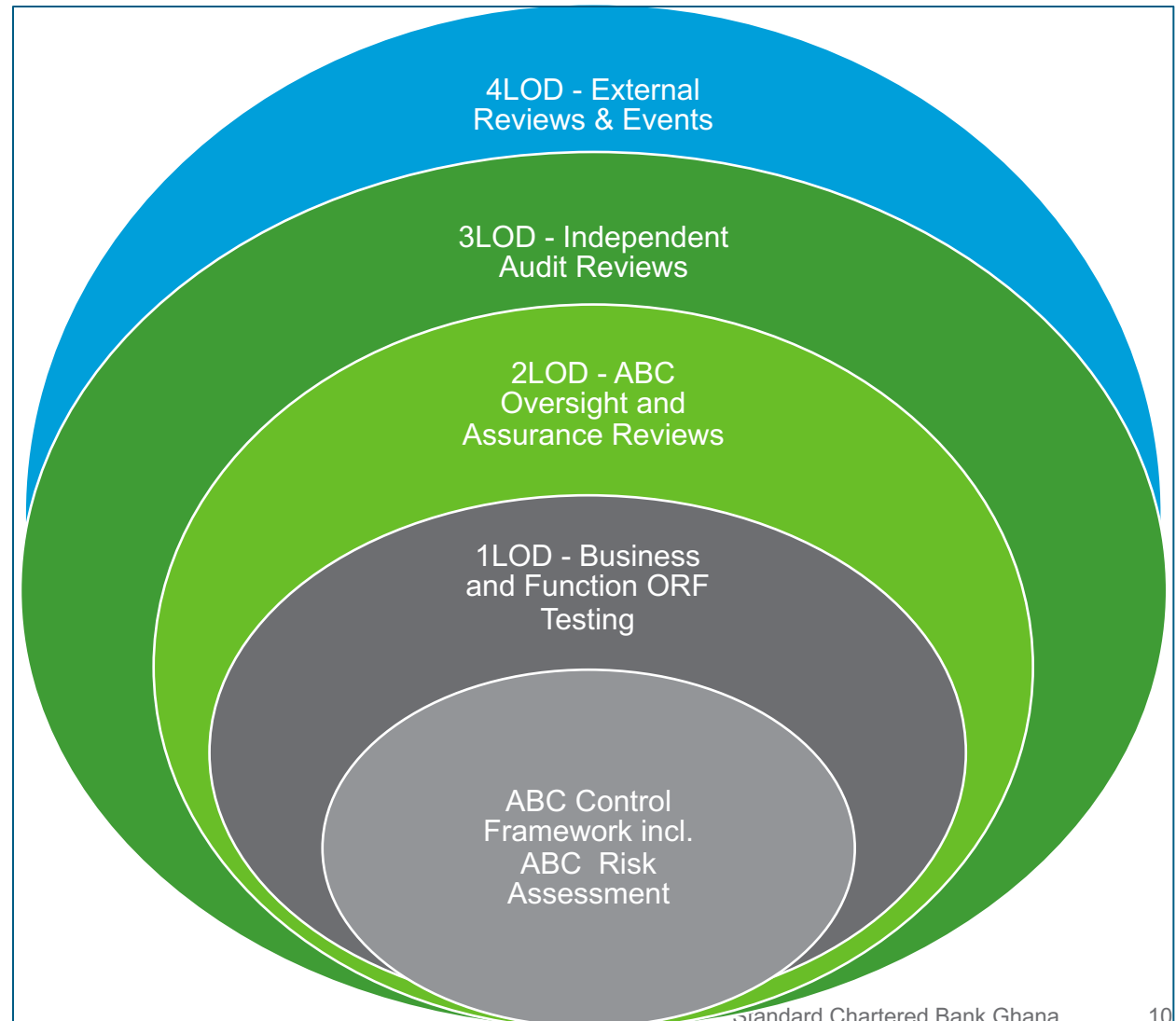
Establishing the Foundation & Objectively Assessing Risk



“FI’s can manage ABC Risk, but to do so requires a lens that is ABC focused, illuminates the critical ABC risks and reflects how successful the Bank is in mitigating those risks, using objective criteria set against thoughtful tolerances and within an overall risk appetite.”

ABC Risk Management

- ❖ Identify the inherent risk
- ❖ Develop controls to manage the risk, using an ABC lens
- ❖ Implement and utilise the Lines of Defence to test the effectiveness of that framework
- ❖ Obtain a view on residual risk



Tone from the Top



“ We have a responsibility to the broader communities in which we operate.

Our ethical standards must be beyond reproach and we must play a robust role in the global fight against financial crime.

That is a key role for any bank in the world today and is one that we will continue to embrace. We must remain Here for good.”

-Bill Winters, Group Chief Executive

Deutsche Bank AG & Barclays PLC – \$16million & \$6.3million – Hiring Practices

These financial institutions provided employment positions to the family members of foreign public officials through official or specially-devised hiring programs with the intended goal to retain business opportunities, despite some candidates being unqualified.

Internal accounting controls around the firms' hiring practices didn't provide reasonable assurances to prevent the bribery to government officials.

Rather, internal corporate records were falsified to conceal the true source and reason of the hiring.

Staff responsibilities

Speaking Up

All Staff are responsible for Speaking Up if you suspect non-compliance with any Group policies & procedures and/or the Group Code of Conduct .



Group Code of Conduct

- Living the code day by day by Staff
- Reject Bribery and Corruption

