

PO-202 28/11/2024 ANTI-CORRUPTION POLICY OF  
CRNOGORSKA KOMERCIJALNA BANKA AD PODGORICA

VERSION NUMBER 3.1

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Approved by:	Management board with consent of Supervisory Board
Owner:	Compliance Department
Applies to:	All employees in the bank and external partners
Confidentiality:	Internal and Public

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## EXECUTIVE SUMMARY

Both the Crnogorska komercijalna banka a.d. Podgorica (hereinafter: the Bank), and OTP Group are committed to combatting corruption and declared zero tolerance towards all forms of bribery and gaining of unfair advantages.

The provisions of this Policy (hereinafter: Policy) have been formulated in accordance with the applicable Montenegrin legislation, OTP Group standards and the Anti-Corruption Guidance of the Wolfsberg Group<sup>1</sup>.

The purpose of the Policy is to define the principles of the Bank's anti-corruption activity, to define the areas especially exposed to the risk of corruption, and to serve as a core document for the formulation of the regulatory documents required for the Bank's anti-corruption efforts and for the affected employees' anti-corruption activity.

The principles and provisions of the Policy apply to the Bank's entire organization, spanning the full spectrum of its operation from the formulation of internal regulatory documents, the contracts to be concluded with partners to the actions of individual employees and are applicable to all of the Bank's activities.

## I. PRELIMINARY PROVISIONS

### I.1. References

- a) Law on Credit Institutions;
- b) Law on Prevention of Corruption;
- c) OTP Group Regulation;
- d) Code of Ethics.

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<sup>1</sup> "The Wolfsberg Group – Wolfsberg Anti-Bribery and Corruption (ABC) Compliance Programme Guidance (2017)"

## II.1. Object

- (1) The object of this Policy to define the principles of the Bank's anti-corruption activity and the areas especially exposed to the corruption risk, and to serve as a core document for the formulation of the regulatory documents required for the Bank's anti-corruption efforts and for the affected employees' anti-corruption activity.

## II.2. Subject scope

- (1) This policy affect all the organizational units and employees of the Bank.
- (2) The scope of the Policy covers all employees and external partners of the Bank as well as all other persons participating in the performance of its activities in any way.
- (3) The provisions set out in the Policy shall be applied in conjunction with the provisions of the Bank's Code of Ethics and Code of Ethics for external partners.

## II.3. Terms and definitions:

- (1) **Bank:** CKB Bank a.d. Podgorica;
- (2) **Intranet portal:** intranet platform to share the Bank's information within the organization;
- (3) **Corruption:** active and passive corruption;
- (4) **Active corruption:** the act of offering or promising to offer a benefit or advantage to exert undue influence over others;
- (5) **Passive corruption:** receiving/accepting/soliciting a benefit or advantage for performing an act that would not otherwise have been performed or for omitting to perform an act that would otherwise have been performed;
- (6) **Management bodies:** the Bank's Supervisory Board and Management Board;
- (7) **Employees:** persons having an employment relationship or other relationship for the purpose of work with the Bank (not limited to members of the Bank's management bodies and its employees);
- (8) **Public official:** a person holding a position at an international, national or municipal level in executive, legislative or judiciary bodies, authorities, armed forces and law enforcement bodies, central banks, international organisations, political parties and state-owned or state-controlled enterprises;
- (9) **External partners:** all third party providers (natural persons and legal entities) contracted to the Bank to participate in the Bank's activities (representatives, suppliers, agents, intermediaries, consultants, experts, job holders, subcontractors, etc.).

### III. DETAILED PROVISIONS

#### III.1. Prohibition on corruption

- (1) In the course of and in connection with the Bank's activities, all employees and all other external partners of the Bank are strictly prohibited from performing any act of corruption and from participating or being involved in corruption. A violation of the prohibition on corruption shall give rise to consequences under labour, civil and criminal law. The Bank consistently and resolutely stands up against corruption. In case of a violation of the provisions set out in the Policy by any person, the Bank shall take all steps necessary to avert potential negative consequences and to avoid similar events in the future.
- (2) The Bank ensures the full enforcement of this Policy and related internal regulations, and requires all of its employees and external partners to comply with such regulations.

#### III.2. Activities most exposed to the risk of corruption

- (1) The list of activities most exposed to the risk of corruption are as follows;
  - a) management of gifts and business hospitality expenses;
  - b) charity and sponsorship;
  - c) liaison with external partners;
  - d) purchase, management and maintenance of investments and assets;
  - e) hiring new employees;
  - f) procurement, management and sale of real estate.
- (2) The list above is non exhaustive, and the Bank shall also devote attention to any other activities that may carry corruption risk.

#### III.3. Expected behaviour

- (1) In order to enforce the zero tolerance towards corruption, the Bank applies the following procedural and operational principles:
  - a) in order to avoid the concentration of decision-making powers in one person's hands, the Bank strictly defines employees' roles and responsibilities by adequately and officially specifying the responsibilities and clearly designating the decision-making levels;
  - b) the Bank formulates officially devised procedures for the performance of specific activities by individual employees, and requires the application thereof;
  - c) in accordance with and to the extent permitted by legal provisions, the Bank monitors the activity, and transactions of individual employees;



d) in all cases where it is required by the relevant policies, the Bank expects all employees to make their decisions on the basis of pre-defined criteria.

### **III.4. Regulation**

- (1) The Bank works out detailed rules and procedures for the efficient enforcement of the provisions set out in the Policy. The Group requires all member companies to adopt the anti-corruption rules and contractual provisions and to implement and consistently adhere to the relevant procedures.

### **III.5. Risk-based approach**

- (1) The Bank's potentially affected organisational units and activities represent different corruption risks. The Bank performs a risk-based assessment at predefined intervals to determine which organisational units and activities are in the current focus of the anti-corruption activity.

### **III.6. Control by management**

- (1) The Bank's management bodies monitor the enforcement of the provisions of the Policy, and in the annual Compliance Report they receive detailed information about the enforcement of the requirements set out in the Policy.

### **III.7. Publicity and access**

- (1) The Policy is publicly available at all times on the Bank's website [www.ckb.me](http://www.ckb.me) and, for the Bank's employees at the intranet portal (internal documents) of the Bank.

### **III.8. Bookkeeping and records**

- (1) The Bank complies with the applicable legal requirements and exercises due care in keeping its books and maintaining its records. The Bank makes certain that its accounting records are based on true and reliable data at all times.

### III.9. External partners

- (1) Since the relationship established or maintained with external partners also carries the risk of corruption, in the course of its cooperation with external partners – thus, in particular, in requesting offers and in the preparatory process of procurements – the Bank exercises due care and strives to minimise the risk of corruption. The Bank enters into a external relationship with its partners based on the assessment of professional quality, expertise and competitiveness and does not apply any selection criteria that may entail the possibility of corruption.

The Bank exercises special care in the case of external partners that are authorised to act for or on behalf of the Bank as they may create substantial legal liability and reputational risks to the Bank.

### III. 10. Application of an anti-corruption clause

- (1) In order to minimise the risk of corruption, group members shall endeavour to use an anti-corruption clause in the relevant agreements with contractors and in their governing documents, which shall include the following provisions, in line with the group-wide expectation:

1. *Relevant concepts* (banking group, public officials) and **Anti-Corruption Legislation**
2. *A clear and informed commitment* from the contractual partner (awareness of and compliance with OTP's Anti-Corruption Policy and relevant legislation, and efforts to enforce it with its business partners)
3. *Commitments*
  - Information commitments
    - a duty to notify if it becomes aware of a breach of the corruption rule(s)
    - provide information on the use of payments within 5 days of a request from a Group Member
  - *Negative undertakings*
    - it will not use the amount paid to it, or any other remuneration, for purposes that are contrary to Anti-Corruption Legislation
    - it will not make, or cause others to make, any direct or indirect offer or payment of any remuneration, money or other payment to any person exercising a public function for the purpose of influencing or causing to be influenced a decision of a body exercising a public function
4. *Termination Events – termination with immediate effect* (breach of anti-corruption commitments or making a false, untrue or misleading statement in this connection)

### III.11. Public officials

- (1) The Bank expects its employees and external partners to take particular care and act in accordance with the Policy in interacting with public officials for any reason.



### **III.12. Gifts and offers**

- (1) Corruption may not necessarily be limited to the offering of financial gains or unfair advantages. Gifts and other offers also pose severe corruption risks. Since gifts are often incidental to facilitating business engagements, their total exclusion from the Bank's operation is unfeasible. In order to safeguard against corruption, it is indispensable to have clearly articulated rules in place to govern the provision and receipt of gifts.
- (2) The Bank considers unacceptable any attempt to influence the administrative process or the independence of decision-making in an improper manner through gifts or business hospitality offers, and accordingly, it strictly prohibits the provision or receipt of such gifts or offers for the purpose of gaining undue advantage.
- (3) The Bank also extends this prohibition to the persons interacting with the Bank's employees or external partners to ensure that the persons concerned may not be influenced through their relatives, friends or any other acquaintances who are in a close relationship with them.

### **III.13. Charity, sponsorship**

- (1) The Bank may only offer donations or sponsorships to beneficiaries in a transparent and traceable manner through its corporate social responsibility activity, thereby ensuring the elimination of potential risks of corruption. The Bank does not offer charitable support and sponsorships in order to gain preferential treatment, and considers such behaviour unacceptable.

### **III.14. Selection procedure**

- (1) The Bank decides on new hires and selects new external partners on the basis of a strictly regulated selection procedure. These standards also assist in the prevention of corruption. In the course of the selection procedure the Bank shall only consider the personal abilities, skills, professional expertise and other relevant experience of the candidate for the given position.

### **III.15. Procurement, management and sale of investments and assets**

- (1) The Bank prohibits non-transparent behaviour for the purposes of gaining or offering preferential treatment during the, management or sale of investments or other procurements and assets.

### **III.16. Procurement, management and sale of real estate**

- (1) The Bank applies transparent real estate management methods that eliminate any possibility of preferential treatment; accordingly, the Bank explicitly rejects any procedure that may entail the offering, donation or





acquisition of real estate at more favourable conditions than those prevailing in the real estate market or that may be intended to give priority to the Bank's interests.

### III.17. Training

- (1) Since standing up against corruption is also a priority concern in business relations, the Bank exercises particular care to ensure that all of its employees and external partners are fully aware of the provisions of the Policy. To that end, the Bank provides free access to the Policy at all times, and expects all of its employees and external partners to familiarise themselves with the provisions thereof.

### III.18. Controls

- (1) The Bank's Compliance Department monitors the enforcement of the Policy during the Bank's activities, as well as its compliance with the applicable legal regulations and any other requirements and business practices. If the Compliance Department detects or becomes aware of any anomaly or irregularity, it shall initiate the review – and modification, as appropriate – of the provision, and notifies the management bodies of the deficiency or irregularity detected.

### III.19. Reporting

- (1) The Bank's employees may report violations of the provisions set out in this Policy through the channels defined in the Code of Ethics and the Code of Ethics for External partners. All such notifications shall be investigated in accordance with the Bank's relevant internal regulatory document on reporting unethical conduct, of which the Bank shall post a notice on its website. Whistleblowers may not be subject to any discrimination or unfair treatment in relation to their report. Offences may also be reported anonymously.

## IV. CLOSING PROVISIONS

- (1) This shall become effective on the day of their adoption by the Management board with consent of the Supervisory Board and shall become applicable on the day of publication on the intranet portal of the Bank and website [www.ckb.me](http://www.ckb.me) of the Bank.
- (2) By adoption of this Policy the provisions of Anti-Corruption Policy of Crnogorska komercijalna banka a.d. Podgorica from 14/12/2022 shall cease to be valid.

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1.0	21.11.2019.	ANTI-CORRUPTION POLICY OF CRNOGORSKA KOMERCIJALNA BANKA AD
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