

## Anti-Bribery and Corruption

Virgin Money has a zero-tolerance approach towards both bribery and corruption and is committed to complying with applicable legal and regulatory requirements; primarily the UK Bribery Act 2010 which also enables the prosecution of individuals and commercial organisations that fail to maintain appropriate controls to prevent bribery and corruption, including the prohibition of facilitating payments. This constitutes the offering, promising, or giving of a financial advantage.

Virgin Money is committed to acting with integrity and fairness in all business dealings and commercial relationships. This includes business activities conducted by external parties supplying services for or on behalf of the Bank or acting on the Bank's behalf.

Virgin Money considers third parties such as a supplier as an Associated Person (AP) where they provide services 'for or on behalf' of the VM Sub-Group. These third parties are subject to Virgin Money's zero-tolerance approach to bribery & corruption.

## Virgin Money's definition of bribery and corruption

Bribery is offering, promising, giving, requesting, agreeing to receive, or accepting any financial or other advantage (benefit) that either:

- Induces or intends to induce the recipient or any other person to perform a function or activity improperly, or
- Rewards that person for acting improperly, or
- Itself constitutes the improper performance of a function or activity and the briber knows or believes this.

Corruption, whilst not a separate offence defined under the Bribery Act 2010, is defined by Transparency International as the abuse of entrusted power or position for private gain. It can be classified as grand, petty, and political, depending on the amount of money involved and the sector where it occurs.

Broadly, whilst the difference between bribery and corruption can be perceived as minimal, bribery could be committed by anyone, whilst corruption relates to the actions of someone in power who abuses that power or trust.

## What is Virgin Money doing?

Our Anti Bribery and Corruption Policy and supporting Standards are designed to provide coherent and consistent detection and preventative practices, articulate requirements that must be adhered to across the Virgin Money VM Sub-Group and serve as a reference guide for Virgin Money colleagues when identifying, understanding, and addressing bribery and corruption.

Our Policy and supporting Standards apply to the entire Virgin Money Sub-Group and to anyone we call a colleague, including our employees, contractors, agency workers, and directors. These are reviewed at least annually and approved by senior management.

We provide mandatory financial crime training covering bribery & corruption for all colleagues including temporary staff and contractors and ensure third parties acting on our behalf are provided with training on a regular basis. We also deliver periodic training sessions, have enhanced training for specific roles, issue relevant communications, and have regular forums and engagement with stakeholders across the bank to ensure we maintain awareness of our obligations and maintain focus on economic crime risk management.

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We keep records of any internal bribery and/or corruption investigation, or resultant external report made to an external body (i.e., the Serious Fraud Office (SFO), HMRC, NCA) in line with internal data retention policies and procedures or as required by a government agency.

To mitigate our risk to bribery and corruption, Virgin Money are committed to:

- Encouraging colleagues to firmly reject any attempt to offer or accept bribes and report via internal reporting mechanisms (i.e., whistleblowing procedures)
- Conducting a bank wide risk assessment on an annual basis which identifies and assesses the bribery and corruption risks associated with the Bank's products, jurisdictional exposure, customers, suppliers, and procurement process.
- Operating to a three lines of defence model which ensures appropriate segregation of duties and effective oversight of controls, oversight, assurance, and audit programmes to demonstrate compliance.
- Regular reporting of our economic crime position to our committees.
- We have risk-based procedures in place to manage, and oversee, the procurement and supplier process.
- We maintain a register to record gifts, entertainment and hospitality, and any conflicts of interest (this includes any circumstance where personal or corporate interests may unfairly influence or compromise decisions that may harm customers and/or diminish confidence in the Group).
- We clearly define prohibited activity including facilitation payments (payments made to induce an official to perform, or speed up the performance of, a routine function that they are otherwise obligated to perform), engaging in corrupt activity, and the offer, request, giving or receiving of a bribe.
- Ensuring our suppliers are aware of our stance on bribery and corruption during the procurement process
- No colleagues are permitted to make political donations of any kind on behalf of the VM Sub-Group, except the Board of Directors for which appropriate authority will be required.
- Where it is permissible to make charitable or sponsorship payments, these can only be made having obtained the appropriate authorisations.
- The Bank has supporting policies and standards around Conflicts of Interest, Political Contribution and Whistleblowing.
- Supporting law enforcement and regulatory bodies in any prosecutions by investigating and reporting promptly.