At ABANCA we believe in a new way of working ethically and transparently, we defend it and share it through our style of doing and communicating things based on the values of reliability, innovation, quality and responsibility.
INTRODUCTION

Since the establishment of ABANCA, we have faced the challenges of our daily work with enthusiasm and commitment, always respecting the principles set out in the ABANCA Code of Ethics and Conduct, which is one of the essential keystones of our ethical corporate culture based on values of reliability, innovation, quality and responsibility.

Additionally and as a signatory of the United Nations Global Compact (1), ABANCA has committed to comply with the 10 principles established in the aforementioned Compact, but for the purposes of this Policy we want to focus on the 10th principle, which establishes that "Businesses should work against corruption in all its forms, including extortion and bribery", thus giving the initiative to companies to fight against this scourge.

ABANCA is committed to achieving a more just, ethical and sustainable society and to address this matter, ABANCA has decided to take up the gauntlet and increase its commitment to eliminating any type of corruption that it may witness, as we believe that any conduct that is detrimental to the reputation of the Entity and also harmful to society should be rejected and we should fight against them.

For such purpose, in applying the principles set out in the ABANCA Code of Ethics and Conduct, as well as the experience acquired in these years, the Board of Directors decided to approve a specific policy and procedure in anti-corruption matters that will help us to solve any doubts we may have and comply with our obligations and also complement the existing regulations in the Bank (anti-fraud regulations, prevention of money laundering, etc ...)

As one more sign of compliance with these principles, the Board of Directors approved such Policy, which must be understood as an essential tool to prevent both the Entity and the rest of the people who fall within its scope from committing a fault that may be contrary, not only to regulatory provisions but also, where appropriate, to the aforementioned basic principles of action. For this reason, this Policy regulates the actions, many of them already included in the internal regulations of the Entity, indicating those that are prohibited, whether they are carried out directly or indirectly or through an intermediary.
This Policy, as the Code of Ethics and Conduct, is applicable to the people who make up the governing bodies, management team and other employees of the bank, as well as to those people or entities involved in the provision of services by third parties to which, in the opinion and under the responsibility of the corresponding Contracting Committees, it is relevant to demand their commitment to it. All of them shall learn and comply with it.

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ABANCA will promote that the subsidiaries and suppliers are governed by standards of conduct and values similar to those established in this Policy.

When this is expressly established, the contracting of suppliers may be conditioned on the commitment to comply with this Policy.

ABANCA applies a zero tolerance policy to this type of practice and is committed to fighting against this form of crime, which can have serious consequences for both it and the employees who carry it out, as well as other related persons. Thus, this type of practice can lead to the following consequences:

<table>
<thead>
<tr>
<th>FOR ABANCA</th>
<th>FOR THE PEOPLE SUBJECT TO THIS POLICY</th>
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<tr>
<td>High penalties of fines</td>
<td>Term of imprisonment</td>
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<td>Loss of subsidies or public aid</td>
<td>Disqualification for the performance of certain positions, functions, right to vote, etc ...</td>
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<td>Loss of the right to benefits or tax incentives and Social Security</td>
<td>Liability for damages</td>
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<td>Civil liability against third parties</td>
<td>Civil liability against third parties</td>
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<td>Economic loss in advisory and defence costs</td>
<td>Administrative and labour sanctions, including, where appropriate, dismissal.</td>
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<td>Dissolution, temporary suspension of activities and closure of premises and establishments</td>
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<td>Temporary judicial intervention to safeguard the rights of workers or creditors</td>
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<td>Prohibition of contracting with the civil service entities</td>
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<td>Reputational damage</td>
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Below we list the practices considered prohibited, in addition to those included in the Bank's internal regulations:

**Covert fees**

They are payments or gifts of value from the person hired to an employee who hired him or her as compensation or reward for it (kickback payments). They lack transparency since they are stated in the contract and interfere with the recipient's ability to make impartial decisions.

An example of this could be that an ABANCA manager hires a construction company to make renovations in branches in exchange for it to provide an additional commission or payment.

According to the Real Academia de la Lengua (Spanish Royal Academy of the Language), BRIBERY is giving money or gifts to someone to get something illegally. It refers, therefore, to corrupting someone with money, gifts or any favour to obtain something from this person. The following sections are considered different forms of bribery.

**Corruption between private parties**

It has two sides:

1. **Active corruption**: act by which an individual, by him or herself or through an intermediary, promises, offers or grants to executive personnel, administrators, employees or collaborators of a company or of a society, association, foundation or organisation an unjustified benefit or advantage of any nature that favours any of them or a third party over others, failing to comply with their obligations in the acquisition or sale of merchandise or in the contracting of professional services.

   An example of this practice may be that an ABANCA manager offers the contracting of an additional service for the implementation of a new project to the company with which we have contracted external consulting services, in exchange for it issuing a report in certain sense or hide the existence of certain incidents detected.

2. **Passive corruption**: act by which an individual, by him or herself or through an intermediary receives, requests or accepts an unjustified benefit or advantage of any nature for him or herself or for a third party, as consideration for doing or not doing something related to the acquisition or sale of merchandise or in the contracting of professional services in exchange for money or another handout or promise of handout made by whoever performs the act of active corruption.
An example could be that a local civil servant gets in touch with an ABANCA employee, or that he or she offers him or her without prior request, and informs such employee that the granting of the necessary license to start the works in a certain branch can be accelerated, in exchange for ABANCA paying him or her a certain amount of cash.

**Bribery**

This practice would consist of influencing a civil servant or authority, taking advantage of any situation derived from their personal relationship or with another civil servant or authority, to get a resolution that may directly or indirectly generate an economic benefit for themselves or for a third party.

An example of this practice could be that an ABANCA employee asks the examining magistrate of a case against the entity to rule in favour of it, based on their friendship relationship.

**Influence peddling**

This practice would consist of influencing a civil servant or authority, taking advantage of any situation derived from their personal relationship or with another civil servant or authority, to get a resolution that may directly or indirectly generate an economic benefit for themselves or for a third party.

An example of this practice could be that an ABANCA employee asks the examining magistrate of a case against the entity to rule in favour of it, based on their friendship relationship.

**Favourable treatment**

There is favourable treatment when a person uses their position of authority to obtain an advantage for those who have family or emotional ties.

An example of this could be that ABANCA is negotiating an important order with several suppliers and that the representative of one of them asks an employee of the Bank to place his or her offer in a more advantageous position compared to those of the other suppliers and in return, offer to hire a relative of said employee in the company in question, without having to go through selection processes.

**Political parties**

ABANCA will comply with the national regulations on the financing of political parties at all times and will carry out its activity in full respect of the political pluralism of the countries in which it operates.
ABANCA will not make contributions or donations to political parties and their related foundations or contribute to electoral campaigns. Likewise, it will not be able to reach debt write-off agreements with political parties or their related foundations.

If ABANCA participated in any lobby or influence group that interacts with political institutions, this participation would be carried out within the scope of the principles of action established in its Code of Ethics and in compliance with this Policy.

For the above purposes, a pressure group or lobby means an organised pressure group made up of people with the ability to lobby in favour of certain interests.

**Sponsorship actions**

Sponsorship is any economic or other type of aid that, generally for fiscal or advertising purposes, is granted to a person or an entity to carry out the activity they do (sports, charitable, cultural, scientific or similar activities) and in order to promote, strengthen and publicise the brand ABANCA.

Therefore, it is not a question of not carrying out sponsorship actions or of conditioning the provision of services or the granting of facilities or products to customers or suppliers to the contribution to charitable causes, but rather that the granting of these aids is granted under impartiality principles and does not create advantageous positions or privileges that damage the reputation of the Entity.

**Sponsorship actions**

ABANCA is a patron of Afundación, which is a private, non-profit institution that, through professionalism and ethics, based on the emerging demands of an evolving society.

ABANCA actively collaborates through donations to Afundación's educational, social and cultural action, but may establish controls in order to prevent donations and contributions to this and other foundations and/or non-governmental entities from being used as a subterfuge to carry out practices contrary to this Policy and the Codes of Ethics and Conduct.

**Donations and contributions to foundations and other non-governmental entities**

ABANCA is a patron of Afundación, which is a private, non-profit institution that, through professionalism and ethics, based on the emerging demands of an evolving society.
ABANCA actively collaborates through donations to Afundación’s educational, social and cultural action, but may establish controls in order to prevent donations and contributions to this and other foundations and/or non-governmental entities from being used as a subterfuge to carry out practices contrary to this Policy and the Codes of Ethics and Conduct.

**Gifts**

In ABANCA, the concept of gift is included in art. 120 and following of the Code of Ethics and Conduct that establishes the basic principle of non-acceptance of gifts, services, favours or any other good capable of conditioning, persuading or rewarding any action carried out in our professional practice.

Likewise, as established in the Code of Ethics and Conduct in its articles 125 and following, no gifts other than those expressly authorised on an institutional basis may be offered to third parties, such as promotional or courtesy gifts.

In the case of foreign countries in which gifts are part of the local custom, their acceptance or concession shall require the proposal of the corresponding Business Director, who must have a favourable report from the advisers of the place and the prior authorisation of the Committee of Ethics of the entity.

**Contracts and subcontracts**

In any case, the provisions of the General Procurement Standard 16/2016 or the one that replaces it, which establishes an objective and transparent procedure in the selection of suppliers shall be complied with, although they shall prove compliance with the applicable legislation in this matter as well as express their commitment to comply with the good practices and principles established in this Policy and in the ABANCA Code of Ethics and Conduct.

In certain circumstances, ABANCA could be affected by corruption activities carried out by certain providers that act in the interest of the Entity, which could have a legal and/or reputational impact.

Risk providers are those who, in Spain or in foreign countries, collaborate with ABANCA in relations with governments or authorities. Likewise, this consideration is given to those service providers whose role is to attain business for ABANCA.

The contracting of risk providers shall require in any case the express acceptance of this Policy and the ABANCA Code of Ethics and Conduct. Additionally, the areas that contract risk providers for the fulfilment of their activities will take into account, among other possible things, the occurrence of any of the following circumstances that may reveal possible cases of corruption:
● Any relative relationship that could exist between customers or potential customers and suppliers; or between suppliers and authorities or civil servants.
● The refusal of suppliers to accept this Policy or their refusal to sign in writing that they will not make payments for the achievement of their tasks.
● Requirements from customers or suppliers to prepare false invoices or documentation.
● Requests by customers or potential customers, as well as suppliers regarding their identity not being known.
● Public information that reveals that there is a high level of corruption instead of action.
● Unusual or notoriously high requests for charitable donations or contributions to political parties where they are admitted.
● Payment requirements in tax havens or to companies without activity (shell companies).
● Cash payment requirements.
● Unusual or outrageous commissions in connection with the service provided. Unjustified requests for an increase in the amount of the commission to continue with the business, when it had already been previously agreed.
● Insufficient material and human resources by the service provider to carry out the planned activities.
● Inexplicable or poorly justified travel and/or representation expenses.
● People or companies whose hiring is expressly recommended by authorities or civil servants.

The mere concurrence of any of the above circumstances shall not prevent the contracting of the supplier (except for the refusal to accept this Policy). However, the signing of the contract shall require the express authorisation of the Ethics Committees.

PRACTICES TO FOLLOW

The persons subject to this Policy shall also be subject to the provisions of the Code of Ethics and Conduct of ABANCA, the internal regulations of the Entity and the legal regulations in this matter.

The practices that should guide us in our day to day are the following:

● We shall keep up to date with the Entity's regulations.
● We shall always respect the principle of free competition and avoid behaviour that can be considered unfair competition.
● We shall avoid any action that could be considered a conflict of interest. In case of conflict or potential conflict, we shall inform the entity by submitting our statement through the Conflict of Interest Channel or by informing the Regulatory Compliance department when it comes to conflicts or potential conflicts related to the provision of investment services.

● We will not carry out transactions that may give rise to irregular financing of customers, money laundering, etc ...

● If someone offer us to participate in a corrupt practice, we will reject the offer and report it immediately through the Whistle-blower Channel.

● Justification of Expenses and Income: We shall communicate and provide supporting documents for accounting of all expenses and income as a result of our work. These expenses and income shall always be proportionate, respond to services effectively provided and for a legitimate economic purpose.

- Travel expenses. In all cases, the provisions of the General Travel Expenses Standard (currently Standard 19/2016) shall be respected.

- Representation expenses: Representation expenses will be reasonable, without being classified as excessive or extravagant and without bringing forth the presumption they are paying any service other than the one for which they are intended or that they are trying to facilitate the attainment of a business.

- In the case of expenses related to authorities or civil servants (travel expenses, accommodation, etc ...), and especially in the case of foreign authorities or civil servants, their management shall be agreed with the agencies of origin without being classified as excessive or extravagant depending on the place. In the case of foreign authorities or civil servants, the proposal of the corresponding business director shall be required, who must have a favourable report from the advisers of the place and the prior authorisation of the entity's Ethics Committee.

- As far as possible, travel and representation expenses shall be paid directly to the service provider and, in any case, they shall be presented with the corresponding supporting document.

- The expenses and income in general, will be based on a evident service received or provided, always carried out under market conditions, based on a contract or express order carried out, always justified with an invoice or receipt thereof.
Duty to report

Whistle-blower channels

ABANCA makes the Whistle-blower Channel available to all staff, business partners and related third parties to inform in a confidential and/or anonymous, reliable and direct way all kinds of professional actions that do not comply with the law or internal regulations related to corruption issues:

Reports may be made through:

- If you are an employee through the Entity’s own intranet in the following link (Home/conoce ABANCA/Canales Éticos/Canal de Denuncias)
- or by email to canaldenuncia@abanca.com, if you are an employee of the different companies of the ABANCA group or a third party who maintains a labour, civil or commercial contractual relationship with the entity.

In the event of money laundering related to customers, the communication may be made to the Anti-Money Laundering department either directly or through the person in charge of your department or area.

Training and information activities

ABANCA, in line with its commitment in this matter, will include in its regular training schemes regarding the Code of Ethics and Conduct, specific content in the field of corruption.

Likewise, the entity makes information on this matter available to all staff on the intranet through the information and whistle-blower channel and access to all internal regulations.