

Bahrain Development Bank B.S.C.(c) – Anti-Bribery & Corruption Statement

1. The Bank's Commitment

- 1.1. Bahrain Development Bank B.S.C. (c) is committed to conducting all aspects of its business with integrity, transparency and in full compliance with applicable laws and regulations. The Bank recognises that maintaining ethical standards is fundamental to preserving public trust, protecting the Bank's reputation and fostering a fair and competitive marketplace.
- 1.2. Bribery, corruption and any form of illicit financial conduct are strictly prohibited. The Bank maintains a zero-tolerance policy toward bribery, corruption, facilitation payments, kickbacks and other improper benefits in all its dealings with its clients, Service Providers or other third parties.
- 1.3. This Anti-Bribery & Corruption Statement reflects the Bank's responsibility to uphold ethical behaviour, prevent wrongdoing and respond decisively to any breaches.

2. Definitions

For the purposes of this Statement, the following terms shall have the meanings ascribed to them below:

- 2.1. **"Bank"** means Bahrain Development Bank B.S.C.(c);
- 2.2. **"Employees"** means all permanent and temporary employees, directors and any other person working for the Group;
- 2.3. **"Group"** means the Bank and its subsidiaries;
- 2.4. **"Service Providers"** means external parties, including consultants, contractors, vendors and any other third parties acting on behalf of or representing the Group; and
- 2.5. **"Statement"** means this Anti-Bribery and Corruption Statement.

3. Scope of the Statement

This Statement applies to all operations, transactions, business dealings and interactions involving the Group, regardless of geography or regulatory jurisdiction undertaken by Employees and Service Providers.

4. Key Principles Governing the Bank's Anti-Bribery and Corruption Standards

The Group's approach to preventing bribery and corruption is guided by the following key principles:

- 4.1. **Legality:** Adherence to all relevant local laws and regulations including the laws of the Kingdom of Bahrain as well as applicable international standards.
- 4.2. **Integrity & Fairness:** Decisions and business relationships must be based on merit, economic rationality and transparency.
- 4.3. **Zero Tolerance:** No exceptions, giving or receiving bribes, kickbacks or undue benefits is prohibited under all circumstances.
- 4.4. **Accountability:** Every individual acting on behalf of the Bank is personally accountable for compliance with this Statement.
- 4.5. **Transparency and Disclosure:** All payments, financial transactions and business engagements must be properly documented, disclosed and authorized.
- 4.6. **Protection and Encouragement of Reporting:** Employees and third parties are encouraged to report any suspicious activity through confidential and secure channels, without fear of retaliation.

5. Prohibited Conduct

Under this Statement, the following conduct is strictly and unconditionally prohibited, whether carried out directly or indirectly, or through any active or passive means:

- 5.1. Offering or granting bribes, facilitation payments, kickbacks or any improper benefits to influence a decision or secure an advantage;
- 5.2. Accepting or soliciting bribes, facilitation payments, or any undue benefit;
- 5.3. Using charitable donations, sponsorships, or political contributions to conceal bribery or exert improper influence;
- 5.4. Providing gifts, hospitality, or entertainment intended to influence a business decision or secure preferential treatment beyond legitimate business courtesy;
- 5.5. Engaging in embezzlement, misappropriation, fraud, money laundering, or financial concealment;
- 5.6. Any act that violates local or international anti-corruption laws, regulations, or internal Bank policies;
- 5.7. Facilitating or engaging in transactions that may facilitate terrorism financing or proliferation of illicit funds; and
- 5.8. Assisting third parties to commit bribery or corruption or failing to prevent known or suspected wrongdoing when there is a legal or moral duty to act.

6. Implementation & Controls

To enforce and uphold this Statement, the Group has implemented robust controls and procedures, including but not limited to:

- 6.1. Periodic reviews to identify and evaluate bribery and corruption risks across business lines, geographies, and relationships.
- 6.2. Enhanced Know-Your-Customer (KYC), screening and beneficial-ownership verification for all clients, partners and intermediaries;
- 6.3. Mandatory disclosure of potential conflicts of interest and prohibition of decisions where personal or third-party gain may impair objectivity in line with regulator requirements;
- 6.4. Clear guidelines on acceptable sponsorships with defined approval procedures and expenditure limits;
- 6.5. Regular mandatory training for all Employees to instill awareness of anti-bribery and corruption risks and proper conduct;
- 6.6. Confidential, and accessible reporting mechanisms for employees and third parties to report actual or suspected violations, with assurance of protection against retaliation; and

7. Effectiveness Review

- 7.1. The Group is committed to the ongoing enhancement of its anti-bribery and anti-corruption framework in line with emerging risks, regulatory developments and international best practices.

8. Culture and Training

- 8.1. The Group is committed to fostering a strong and sustainable culture of integrity, transparency and accountability. To support this culture, the Group provides ongoing training to all on anti-bribery, anti-corruption and related compliance obligations to its Employees.

9. Reporting

- 9.1. The Group encourages all Employees and Service Providers to speak up without fear of retaliation. Concerns or suspicions of bribery, corruption, or unethical behavior should be reported through the Bank's confidential whistleblowing channels in line with its Whistleblowing Policy published on the Bank's website or to the Compliance Department. Any breach of this Statement may lead to disciplinary action, including termination, removal from office, or cessation of business

relationships. Where appropriate, the Group will report violations to regulatory or law enforcement authorities.