Compliance Governance Policy

1. Purpose

This Policy sets out the compliance framework that applies within the Bank and its subsidiaries in Cyprus and abroad. It sets out the business and legal environment applicable to the Bank of Cyprus Group as well as the objectives, principles and responsibilities for compliance and how these responsibilities are allocated and carried out at group and entity level. Furthermore, this Policy ensures that there are proper procedures in place for the Bank to comply with the requirements of the CBC Directive on "Governance and Management Arrangements in Credit Institutions (the «CBC Directive») and the EBA Guidelines on Internal Governance (issued 27/9/2017).

This policy should be read in parallel with the Compliance Charter and the Control Functions Common Operational Framework.

2. Sectors Affected

The content of this Policy is mandatory and represents minimum standards which apply throughout the Bank which includes Bank of Cyprus Holdings PLC and its subsidiaries in Cyprus and abroad.

3. Policy

A. Compliance Scope

The Compliance Function establishes, implements, and maintains appropriate mechanisms and activities based on the below four areas described in detail in the Compliance Charter:

1. Regulatory Framework
2. Risk identification, assessment, monitoring
3. Compliance culture - Raising awareness and advisory services
4. Compliance Reporting

The below areas fall within the scope of Compliance Function (please refer to appendix 2 for further details).

i. Client related integrity risk.
ii. Personal conduct related integrity risk.
iii. Financial services conduct related integrity risk.
iv. Organizational conduct related integrity risk.
v. Organization, systems, procedures.

Please refer to Appendix 2 for a more detailed analysis of the areas that fall within the scope of Compliance Function.

B. Definitions

Compliance Risk: The risk of impairment to the organization's business model, reputation and financial condition from failure to meet laws and regulations, internal standards and policies, and expectations of key stakeholders such as shareholders, customers, employees and society.

Annual Compliance Program: sets out the compliance planned activities, such as the implementation and review of specific policies and procedures, compliance risk assessments, compliance assurance reviews, compliance testing and educating staff on compliance matters, corrective actions to address any control weaknesses that have been identified. The compliance program adopts a risk-based methodology.

Compliance Chart/Authoritative source: The Compliance Function maintains an updated register of the existing regulatory framework (laws, regulations and self-regulatory standards) and identifies in cooperation with the respective departments /subsidiaries, the compliance obligations emanating from each regulatory framework.

CRAM: The Compliance Risk Assessment Methodology provides a unified way to identify, assess, mitigate, and document compliance risks. The risk assessment is performed both on the inherent and residual risk based on impact/likelihood criteria. The risk assessment methodology is fully analyzed in the Regulatory Compliance procedures manual and is fully aligned with the Group ORM Risk Assessment Scoring Methodology.

Regulatory Compliance Matrix / Risk Map (as per the new compliance system): CD through the new compliance management system maintains a consolidated Risk map i.e. a hierarchy of risks and controls that encompasses the entire regulatory framework (only laws and regulations from competent authorities not policies) that affect the Group. The Risk Map reflects the status of compliance of each law which is monitored on an ongoing basis by the Responsible Division's LCO and officially on a half-yearly basis by the CD at which time the Risk Assessment takes place.

Impact: The extent to which the compliance risk, if realized, would affect the ability of the Entity or the Bank to deliver its strategy and objectives within a specified time horizon.
Typically, impact assessment criteria may include financial, regulatory, health & safety, security, environmental, employee, customer, and other operational impacts. The potential impact of a risk is assessed by considering the potential direct damage (i.e. financial impact such a fines and penalties), as well as, any other indirect consequences that may result from regulatory or reputational issues such as relations / service to clients, relations with mass media, impact on the Group's reputation, etc.

Likelihood: Likelihood of occurrence refers to the possibility that a given event (compliance risk) materialises into a compliance event/incident within a specific time frame. The likelihood levels can be described as frequency values of risk events occurring, with reference to how easy it is for the underlying vulnerability to be exploited.

Inherent Risk: The function of Impact X Likelihood, without taking into consideration particular controls in place, expressed on a scale of 1-25. Essentially, the inherent risk is the worstcase scenario of the risk under question.

Residual Risk: The overall residual risk, which is a function of Impact X Likelihood, after taking into consideration particular controls in place, expressed on a scale of 1-25.

LCO: LCOs are members of staff assigned with compliance responsibilities at local level. As LCOs they are part of the first line of defence when performing their duties in supporting their management in the implementation of regulatory changes, compliance issues and controls and adherence to Group compliance principles. As part of the first line of defence and as facilitators to the second line they are responsible for identifying, measuring, monitoring, and reporting regulatory risks and ensuring compliance with internal and external regulatory requirements within their department.

LCO Manager: The manager of the LCO responsible to oversee the actions of the LCO and provide any support required. LCO Managers and Line Directors are strongly encouraged to:

- Involve and consult LCOs in all areas of the department that encompass compliance issues.
- Support them by (a) allowing access to all required information and (b) allocating sufficient time and tools to enable them to perform their role as an LCO.
- Agree targets and recognize their work and effort in the annual appraisal process.
- Approve certain LCO actions performed through the compliance system as part of the four eyes principle.

C. Compliance Function Principles

The Bank and its subsidiaries implement an integrated and institution-wide compliance culture based on the following principles:

I. Compliance starts at the Top

The Board of Directors (BOD) is the owner of compliance and holds the ultimate responsibility for the management of the Compliance Function. This means that the BOD and the rest of the Executive Management, lead by example and show visible commitment to compliance principles, thereby setting the tolerance and tone at the top and ensuring oversight of compliance.

II. Compliance is a responsibility that every employee shares

Compliance is a responsibility that each individual employee shares, regardless of his/her position within the Bank and subsidiaries. This implies a strong compliance commitment, implementation of three lines of defence and exercise of good corporate citizenship and responsible corporate behavior. Management & Local Compliance Officers must ensure that staff members are obliged to adhere to the compliance guidelines. Therefore, the Bank and its subsidiaries ensure through policies, procedures, effective communication, training and other monitoring measures that Management and staff:

- understand the regulations, standards and best practices associated with the discharge of their operational duties and responsibilities;
- understand associated compliance risks and the need and responsibility for managing these risks;
- understand the importance of internal control functions in managing compliance risks and facilitate their work; and
- identify, assess and manage with the support of the Compliance Function (e.g. LCOs & CD) applicable key compliance risks.

III. The Three Lines of Defence Model

The Bank applies the Three Lines of Defence Model for the governance of the Compliance Function principles and ensures that compliance culture is appropriately disseminated at all hierarchical levels. The Three Lines of Defence Model is described in the Control Functions Common Operational Framework.

IV. The Compliance Function Independence

The Compliance Function is independent from operational functions and has adequate authority, stature and access to the management body.

V. The Compliance Function should have the resources to carry out its responsibilities effectively

The resources to be provided for the Compliance Function at all levels should be both adequate and appropriate to ensure that compliance risk within the Bank and its subsidiaries in Cyprus and abroad is managed effectively. Compliance officers should have the necessary qualifications, experience as well as professional and personal qualities to enable them to carry out their specific duties.

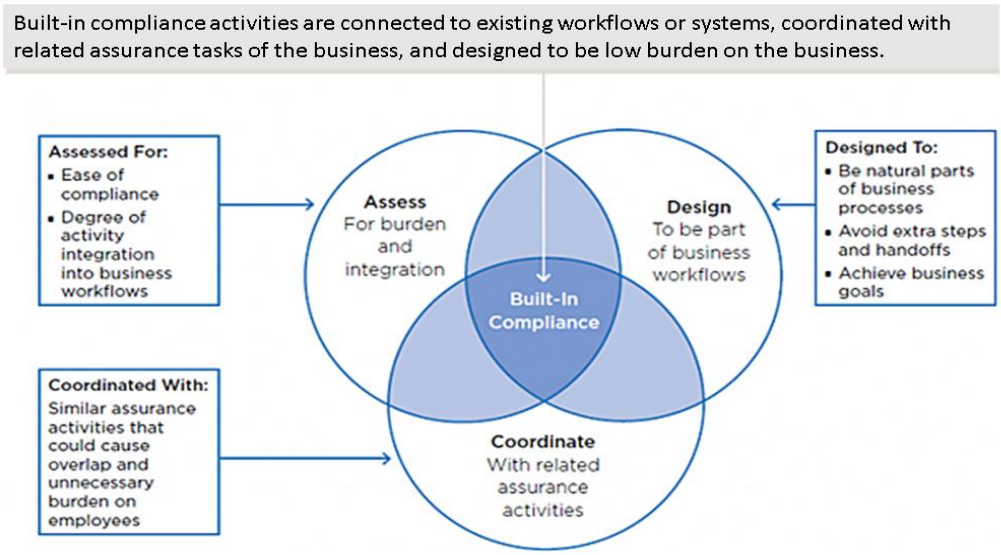
VI. Investigations and external expertise

The Compliance Function should conduct investigations of possible breaches of the compliance policy and be allowed to appoint outside experts to perform this task if appropriate, seek assistance from Internal Audit on specific compliance review issues and obtain access to all records and files of the Bank within their responsibilities.

VII. Compliance should be Embedded in the Operations of the Business

Compliance programs must be embedded in the operations of the business, thereby becoming an integral part of their daily operations rather than functioning as a separate oversight process. To achieve this as shown in the diagram below Compliance Functions must include in their program the following:

i. Design compliance to be part of business workflows.
ii. Coordinate compliance and related assurance activities;
iii. Assess how well compliance is built into the business.



Behavior that creates and supports compliance should be encouraged and behavior that compromises compliance should not be tolerated.

VIII. Access to all information required to perform compliance duties

Compliance staff has the right on their own initiative to communicate with any staff member and obtain access to any records or files or any other information necessary to enable them to carry out their responsibilities.

Adequate information should be exchanged between the business lines and the Compliance Function and between the heads of the internal control functions and the Management Body of the institution.

IX. Outsourcing

Compliance should be regarded as a core risk management activity within the Bank. Specific tasks of the Compliance Function may be outsourced, but they must remain subject to appropriate oversight by the Director of Compliance.

D. Key Compliance activities & Pillars

Compliance mission is supported by the following 5 Strategic Pillars

Compliance activities (both at a Bank and at a subsidiary level) must be set out in a compliance program prepared and monitored by the Head of the Compliance Function to ensure that all relevant areas of the institution and its subsidiaries are appropriately covered, considering their susceptibility to compliance risk. The compliance activities must include at least the following:

a. Identifying, on an on-going basis, with the cooperation of the Bank's Legal Services, and other competent units of the Bank (where applicable), the legal and regulatory framework which governs and/or affects the operations of the Bank and its subsidiaries.
b. Ensuring that a complete and updated register of the legal and regulatory framework is maintained and that emanating compliance obligations are documented and supported by appropriate action plans (where applicable). This register is widely known as the **Compliance Chart /Authoritative Source Library** (as per the new compliance management system).
c. Communicating to business units, branches and subsidiaries, the legal, regulatory and business framework applicable to them. The departments, branches and subsidiaries, in cooperation with Compliance Division need to:
    i. identify the compliance obligations emanating from these requirements and record any gaps and appropriate actions for mitigating the gaps in the system.
    ii. measure and assess the impact of these obligations on the Bank's processes, procedures and operations as per the risk scoring methodology based on the Impact / Likelihood Assessment Criteria.
    iii. assess the appropriateness of the compliance policies and procedures, follow up any deficiencies identified and, where necessary, formulate proposals for amendments.
d. Identifying, assessing and managing the compliance risks associated with the Bank's business activities, on a pro-active basis.
e. Developing appropriate practices and methodologies to measure compliance risk. This methodology is the Compliance Risk Assessment Methodology known as CRAM that assesses compliance risks based on impact and likelihood criteria. Such practices may be reviewed regularly to encompass new developments, technological, or other characteristics.

f. Maintaining and updating on an ongoing basis the Risk Maps, through the system, upon the introduction of new or amended laws and regulations, major developments such as significant changes to the organisational structure, strategic objectives, undertaking of new initiatives, implementation of new processes or systems, launching of new products or services and new markets, acquired businesses, outsourcing arrangements, strategic decisions related to the above, occurrence of significant regulatory breaches, breach of KRI thresholds, or the occurrence of any other event that may affect the regulatory risk profile of any Group entity.
g. Preparing and subsequently reviewing and revising accordingly on an annual basis all compliance policies on key compliance related issues.
h. Reviewing and assessing organizational and procedural changes to ensure that identified compliance risks are appropriately managed.
i. Ensuring the usage of appropriate tools and mechanisms for monitoring compliance activities which, inter alia, include:
    - the assessment of periodic reports submitted by compliance officers,
    - the use of aggregated risk measurements such as risk indicators,
    - the use of reports warranting management attention, documenting material deviations between actual occurrences and expectations (an exceptions report) or situations requiring resolution (an issues log),
    - targeted trade surveillance, observation of procedures, desk reviews and/or interviewing relevant staff,
    - the verification of how compliance policies and procedures are implemented in practice through on-site reviews,
    - the investigation of possible breaches of the compliance policy and regulatory framework with the assistance, if deemed necessary, of experts from within the institution such as experts from the Internal Audit Function, Legal Services Department, Information Security Department or Fraud Risk Management Unit.
j. Ensuring there is an internal alert procedure in place to facilitate employees in reporting confidentially concerns, shortcomings, or potential violations in respect of institutions policies, legal, regulatory, business obligations or ethical issues. The alert procedure should ensure the protection of the personal data of both the person who reports the breach and the natural person who is allegedly responsible for the breach in accordance with the Data Protection Law.
k. Overseeing the complaints process and utilizing the relevant information for improvement of processes and procedures.
l. Periodically reassessing and reviewing the scope of compliance assurance reviews to be performed.
m. Ensuring that compliance risks arising from ESG risks are duly considered and effectively integrated in all relevant processes of the Bank i.e. identification and assessment on possible impact to new laws or amendments to existing laws during compliance assessments.
n. Cooperating and exchanging information with other internal control and risk management functions on compliance matters (as per the Control Functions Common Operating Framework).
o. Identifying training needs on compliance matters and organizing regular training for management and members of staff for compliance and regulatory matters to increase compliance awareness.

p. Providing guidance /advise to staff either orally or in writing on compliance queries.
q. Issuing written instructions and circulars to the Bank and its subsidiaries in Cyprus and abroad for the prompt adjustment of internal procedures and regulations to changes in regulatory framework.
r. The CD, in close cooperation with the Risk Management Function should be involved in the establishment of the framework and the approval of new products and new procedures to ensure that all material risks are taken into account and to verify that the Bank complies with the current legal framework and, where appropriate, any known forthcoming changes to legislation, regulation and supervisory requirements.
s. The establishment of a network of Local Compliance Officers throughout the Bank. LCOs are assessed on an annual basis as part of their performance appraisal process.
t. CD acts along with RAD, as the primary point of contact between the Competent Authorities and the Bank and its subsidiaries. RAD ensures all regulatory correspondence / requests are effectively identified, assessed and distributed.
u. CD ensures that the Bank's subsidiaries take steps to ensure that their operations are compliant with local laws and regulations. If the provisions of local laws and regulations hamper the application of stricter procedures and compliance systems applied by the Bank, especially if they prevent the disclosure and the exchange of necessary information between the entities within the Bank, the Head of Compliance should be informed.

E. Processes and Tools for managing Regulatory Compliance Risks

Regulatory compliance risks are identified using a combination of methods and sources. Key tools for effective risk identification, assessment, monitoring and control of regulatory compliance risks and the sources used are indicated in the following table:

Identification source	Description	Compliance Management System
Regulatory Change Management	Assessment of live regulatory updates received on a daily basis, through the case management module, of OneSumX	Compliance risk management system, which enables centralized & integrated maintenance of Regulatory Library, Risk and Control Libraries, Regulatory Compliance Risks and Incidents, Issues and Actions, Test Programs.
RCSAs	Risk and Control Self-Assessments (RCSA) performed by all Group Units (including subsidiaries), under the guidance of Operational Risk Management Department, with the participation of CD and the LCO network, as per the RCSA methodology	
Process based compliance risk assessments	Regulatory risks identified through the assessment for new or amended processes and procedures, Project assessments, new	

	Product/services assessments and any other ad-hoc assessments with regulatory impact
Compliance Risk Monitoring	Key Compliance Risk indicators, Key Performance Indicators, Regulatory incidents, Regulatory criticism, Legal cases categorized as Regulatory, Results from onsite/offsite inspections, Results from Internal and External audits of compliance with regulations and results from audits/investigations performed by competent authorities. Follow up of mitigating actions
Compliance Risk Reporting	Internal and external reporting framework

F. Compliance Reporting

Compliance reporting entails:

- Reporting promptly to senior management and the management body on material compliance failures and weaknesses in policy and internal control procedures as well as breaches of the regulatory framework identified from compliance monitoring activities, on-site reviews;
- Reporting in the correct format and ensuring minimum requirements are in accordance with the relevant Directive of CBC and the guidelines of the Head of the Compliance Function. The Head of the Compliance Function must submit, on a quarterly basis a report, to the Audit Committee copied to EXCO. The minimum requirements to be covered in the report are outlined in the CBC Directive.
- Dual reporting of LCOs to their Line Managers and the Compliance Function.
- The Head of Compliance shall submit for approval an Annual Report to the Board of Directors within two months from the end of the previous year, via the Audit Committee, which will also be copied to the CEO. This report is subsequently submitted to the Central Bank of Cyprus.
- A compliance reporting diary maintained to facilitate compliance reporting responsibilities.

4. Ethics

The Group is committed to the highest standards of ethics and integrity in all its business dealings. The Compliance Function at all levels facilitates the enforcement of these ethical principles and practices as set out in the code of conduct, code of ethics and other related policies. In the spirit as well as the letter of the law, the employees and other stakeholders are expected to apply and uphold the related principles and practices.

5. Supporting Procedures

The principles and procedures set out in this policy are implemented via the various compliance related policies and procedures including Compliance Division Procedures Manuals, the Compliance Review Methodology, the Control Functions Common Operational Framework and relevant manuals.

Appendix 1

RESPONSIBILITIES IN RELATION TO COMPLIANCE

Board of Directors	a. Retains the ultimate responsibility for compliance of the Bank with applicable laws, regulations and ethical standards. b. Oversees the implementation of a well-documented compliance policy, which should be communicated to all staff. c. Has oversight responsibility for the management of the Bank's compliance risks and ensures a process is set up to regularly assess changes in the laws and regulations applicable to the Group's activities. d. Establishes a Compliance Function and ensures its authority to act independently. e. Carries out oversight of Compliance. f. Sets the tone at the top. g. Assign compliance responsibilities in job descriptions of top managers.
Audit Committee	a. Advises the Board, drawing on the work of the Compliance Function, on the adequacy and effectiveness of the framework for business conduct. b. Advises the Board, drawing on the work of the Compliance Function internal and external auditors, on the adequacy and effectiveness of the compliance framework. c. Assesses and monitors the independence, adequacy and effectiveness of the Compliance Function. d. Submits to the Board recommendations for the appointment or removal of the head of the Compliance Function. e. Annually appraises the Head of the Compliance Function and subsequently submits the appraisal to the Board. f. Reviews and approves the compliance action plan and compliance annual report. g. Reviews and approves the budget of the Compliance Function, ensuring that it's sufficiently flexible to adapt to variations in response to developments
Ethics, Conduct and Culture Committee	a. Oversees management's efforts to foster a culture of ethics within the Group to ensure culture and business integrity are applied to all activities of the Group and discourage unethical behaviour. b. Reviews and assesses the Bank's strategy, communications and policies relating to the Code of Conduct. c. Monitors compliance with the Code of Conduct and reviews disciplinary controls. d. Oversees HR initiatives that foster employee engagement and create a culture of ethics and compliance.
CEO & Top management	The Bank's Senior Management is responsible for the effective management of the compliance risks to: a. Allocate adequate and appropriate resources to establish, develop, implement, evaluate, maintain and improve the compliance management methodology.

	b. Ensure responsibilities and authorities for relevant roles are assigned and communicated to all staff within the Bank and its subsidiaries in Cyprus and abroad. c. Ensure that the Compliance Function is adequately resourced with persons possessing adequate qualifications. d. Ensure that prompt remedial or disciplinary action is taken if compliance breaches and failures are identified. e. Ensure the implementation of and adherence to the Compliance Policy and its minimum standard. f. Ensure that effective and timely systems of reporting are in place.
Line Directors	a. Management of a business unit, regardless of its legal or organizational form, is responsible for implementing the business unit management systems, policies and procedures. b. Providing reasonable assurance that breaches of applicable legal and/or regulatory standards and obligations are prevented, and for safeguarding that business is conducted in accordance with this policy. c. Cooperate with and support the Compliance Function and encourage employees to do the same. d. Ensure that a suitable person is appointed as Local Compliance Officer with a reporting line to them. e. Comply and be seen to comply with policies, procedures and processes and attend and support compliance training activities. f. Identify and communicate compliance risks in their activities. g. Integrate compliance performance into employee performance
Head of Compliance Function	The Head of Compliance Function is the Director of Compliance Division. Please refer to the compliance Charter for roles and responsibilities.
Regulatory Compliance Department	a. The implementation of appropriate procedures and controls for the prompt and on-going compliance of the bank and its subsidiary companies in Cyprus and abroad with the existing regulatory framework b. Identifying, assessing and managing on an on-going basis, with the assistance of the bank's Legal Services and other competent Departments, all laws, regulations and self-regulatory standards which govern and/or affect the operations of the bank and maintaining a fully updated register of the existing regulatory framework (Compliance Chart). c. Arrange trainings of relevant staff. d. Establish and monitor the network of Local Compliance Officers. e. Assisting senior management in the implementation of the compliance policy and the effective management of the compliance risks faced by the bank. f. Acts along with RAD as the primary point of contact with the Competent Authorities and ensures the communication, to the units/ branches/ subsidiaries concerned of the regulatory framework / obligations which affect their areas of operations.

	g. Monitoring the effectiveness of the internal procedures and controls for the implementation of the compliance policy and the management of compliance risk through regular reports. h. Carrying out, on a periodic basis compliance reviews, including on-site reviews to ensure adherence to compliance polices. i. Overseeing the compliance risk assessment process and monitoring the implementation of mitigating actions for the management of identified risks. j. Reviewing and analysing regulatory compliance incidents and ensuring that mitigating actions are implemented to avoid reoccurrence. k. Verifying that new products and procedures comply with the current legal environment and business standards and any known changes to legislation, regulations, supervisory requirements and business standards.
Governance and Markets Compliance Department	a. Monitors Corporate Governance Compliance in relation to the Board's functioning, its Committees and its members in coordination with the NCGC and makes appropriate recommendations to the Board. b. Reviews the effectiveness and adequacy of the Corporate Governance policy of the Bank, incorporates new regulatory provisions and other best practices and prepares amendments. c. Ensures compliance with the Cyprus Stock Exchange Code and the UK Corporate Governance Code as well as with the relevant Governance Directives of the CBC and relevant directives/circulars of the CySEC. d. Carries out the Board Performance Evaluation as per the Governance Directive and the Collective Suitability as per the Assessment of the Suitability Directive. **e.** Assesses new Board members and other Key Function Holders as to their suitability and submits the assessment to the regulator for approval**.** f. Drafts the Annual Corporate Governance Report in coordination with the NCGC and makes appropriate recommendations to the Board. g. Facilitates the training of the Board members on their duties and responsibilities in relation to Corporate Governance, and the training of staff in relation to compliance issues under its remit. h. Monitor Compliance with Market Abuse Regulatory Framework and the Regulatory Framework pertaining to the provision of investment services and any other regulation under its remit. i. Assesses Conflicts of Interest.
Data Protection Officer (DPO)	a. The Data Protection Officer (DPO) is responsible for supervising general compliance with GDPR and for advice on the implementation and interpretation of the policy throughout the Bank. b. The DPO is appointed officially by the Bank and his/her credentials are made known to the Commissioner of Personal Data Protection. Please refer to the Personal Data Protection Compliance Policy
Other Control Functions (Risk Management,	a. The roles and responsibilities as well as the relationship between control functions is described in the Control Functions Common Operational Framework.

Information Security and Internal Audit)	
Internal Audit	a. The scope and breadth of the activities of the Compliance Function are subject to periodic review by the Internal Audit Function. The Compliance Function is promptly informed on any audit findings relating to compliance. IA has included the Bank's Compliance Function in its Risk and Audit Universe, with relevant audit engagements included in its Annual Audit Plan, following a risk based approach. b. Internal Audit acts as a third line of defense providing relevant assurances to the BOD of the effectiveness of the Compliance Function.
Legal Services	a. The Legal Department has the primary role in analyzing and considering the impact of new laws and regulations, where the Compliance department generally has the primary role to translate (or ensure translation of) these external rules into clear and workable internal rules.
LCO Manager	The manager of the LCO responsible to oversee the actions of the LCO and provide any support required. LCO Managers and Line Directors are strongly encouraged to: a. Involve and consult LCOs in all areas of the department that encompass compliance issues. b. Support them by (a) allowing access to all required information and (b) allocating sufficient time and tools to enable them to perform their role as an LCO. c. Agree targets and recognize their work and effort in the annual appraisal process. d. Approve certain LCO actions performed through the compliance system as part of the four eyes principle.
Local Compliance Officers (LCO)	a. Have a formal status within their department b. Entitled to have access to the information and personnel necessary to carry out their responsibilities. c. Retain their independence and when necessary take appropriate measures to achieve this. d. Local Compliance Officers act as a first line of defense. As part of the first line of defence and as facilitators to the second line they are responsible for identifying, measuring, monitoring, and reporting regulatory risks and ensuring compliance with internal and external regulatory requirements within their department. e. Ensure that they have adequate **resources**, time and tools to perform their compliance duties. f. Have direct reporting line to their Departmental Manager and functional reporting line to the Compliance Function.

	g. The overall role of the (LCO) is to pro-actively support Local Management in managing effectively key compliance risks in their area of business. h. Support Unit Management and staff in identifying, measuring and managing key compliance risks. i. Provide support and oversight to the Business management in the implementation of regulatory and business changes. j. Maintain and update on an ongoing basis the Regulatory Risk map through the system. k. Provide leadership on initiatives which affect several areas of the Business, whether these relate to work which is by nature remedial, developmental or the result of new regulation. l. Report at least every six months to the Compliance Function on compliance issues. m. Monitor customer complaints statistics and relevant procedure followed by Business Lines and reports accordingly, monitoring remedial actions. n. Develop in co-operation with Unit Management a local compliance annual plan, submit it to the Regulatory Compliance department for approval and monitors its implementation. o. Ensure that the Business Unit has appropriate arrangements for staff training on compliance issues and/or trains staff accordingly. ~~p.~~ Ensure regulatory reports are duly submitted to Competent Authorities as per the Regulatory Reports Register created and maintained in the Compliance Management System q. Is assessed on his/her performance as an LCO using measurable KPIs. r. Maintain and update the COI/Gift registry. s. Inform CD immediately if there is a change to their role i.e. transfer to a new department, new responsibilities etc. t. Have access to the Authoritative Source Library which consists of all the regulatory framework applicable to the Bank. u. Analyse and assess regulatory feeds (cases) assigned to them by CD regarding new or amended regulations. v. Monitor issues and actions assigned to them through the various modules of the system. w. Build, assess their Regulatory risk map, identify existing mitigating controls, introduce additional controls (where applicable) and monitor mitigating actions of identified risks. x. Maintain the Reporting diary including all reports required by competent authorities. y. Maintain Registries for conflicts of interest and gifts. z. Develop Reports and dashboards.
All staff	a. Adhere to the compliance obligations of the organization that are relevant to their positions and duties. b. Participate in training relevant to compliance issues. c. Report compliance concerns, issues and failures.

Appendix 2

Scope of Compliance

Client related Integrity Risk	i. Money laundering ii. Terrorist financing iii. Other external crime and fraud iv. Customer due diligence v. Sanctions & embargoes This section covers matters in relation to money laundering and as such is covered under the ML14 1 002 – Policy.
Personal Conduct related Integrity Risk	i. Market abuse and personal transactions ii. Business principles and code of conduct iii. Anti-Bribery iv. Inducements (incl. gifts) v. Whistleblowing vi. MIFID vii. Personal Transactions viii. COI
Financial Services Conduct Related Integrity Risk	i. Marketing, sales and trading conduct ii. Conduct of advisory business iii. Transparency of product offerings iv. Customer interest and protection v. Complaint handling processes vi. Data protection/privacy vii. Investment services & activities viii. Unfair practices
Organizational Conduct related Integrity Risk	i. Corporate Governance ii. Conflicts of interest iii. Internal standards with respect to new product approval and product review process iv. Accounting and auditing requirements* v. Tax laws relevant to the structuring of banking products or customer advice * vi. Treating customers fairly vii. Sector/industry (acceptance) standards viii. Oversight of intermediaries ix. Mergers and acquisitions x. Regulatory registration requirements* xi. Anti-Trust (competition) xii. Social and green responsibility xiii. Information technology and Cyber Risk

	xiv. Market abuse and organizational insider trading (incl. Chinese walls) xv. Reputational Risk xvi. ESG Risk
Organization, systems, procedures	i. Organization of compliance ii. IT systems and infrastructure to support compliance iii. Compliance internal procedures/manuals/ methodologies
***Compliance with laws, regulations and standards in relation to accounting, tax and related risks are the primary terrain of the Finance Department of the Bank. In this case the CD has a high-level overview of the organization of compliance and an LCO at the Finance Division has been assigned to assist management for effectively addressing these matters.**	