



GUIDANCE DOCUMENT

OUTSIDE INTEREST POLICY

For

RABOBANK in IRELAND ENTITIES

July 2013

When to seek approval

All Employees are required to seek pre-approval for all Outside Interests or amendments to existing Outside Interests by completing an Outside Interest Reporting-form (see [appendix B](#)). This will aid transparency and ensure that potential conflicts are properly assessed and controlled. Furthermore, all Possible Conflicts of Interests relating to activities of Immediate Family Members that meet the requirements of the Outside Interest policy need to be disclosed in writing. (See FAQ, appendix A)

Please note, that should an Employee choose, for privacy reasons or any other reason, not to notify their line manager and Compliance of a reportable Outside Interest, they should contact HR to discuss this matter further. HR may contact Compliance to discuss the nature of this request on an anonymous basis.

How to seek approval

Employees seeking approval to have an Outside Interest should contact their Designated Approver [direct line manager in most cases] in the first instance by completing the Outside Interest Reporting-form (appendix B). Outside Interests of Immediate Family Members that are required to be disclosed should also be reported to that Employee's Designated Approver. The Designated Approver will be responsible for notifying the Compliance Department of reported Outside Interests and Compliance will review the information to ensure that there are no real or perceived Conflicts of Interest.

It is expected that in the majority of cases approval by the Designated Approver and Compliance will be sufficient to proceed. Given the day to day relationship between Employees and many Designated Approvers they are considered to be the best placed to understand how the decision could impact both the Employee and the bank. All decisions must be documented in writing with a copy given to the Employee and a copy retained by the bank (Compliance).

Conditional approval

In some cases it may be appropriate for your Designated Approver or Compliance to set conditions before approval is granted. Those conditions may cover for example, issues such as: a time limit for involvement, a restriction on the hours spent, a reporting requirement back to line management, details of remuneration and confirmation of tax paid. Please note that the approval for the Outside Interest will immediately be revoked if the conditions are breached or if there is any material change to the Outside Interest.

Appeal decisions

The Employee has the ability to appeal a decision where the approval is not granted. Appeals should be made directly to the Head of Compliance.

Record Keeping

Decisions (including the Reporting-form) will be documented in writing and a copy will be provided to the Employee and a copy retained by the bank (Compliance). Decisions will be stored securely by Compliance and may only be used for the purposes of monitoring adherence to the Conflicts of Interest Policy, Outside Interests Policy and Code of Conduct. Access to this information will be restricted to those members of staff that specifically requires such access to carry out their functions.

Appendix A

FAQ

1. What is an Outside Interest?

Outside Interests are defined as the Employee having an interest or involvement with an outside organisation where that involvement is recognised either by some form of remuneration or benefit, either directly or indirectly, or where the individual is in a position of influence and/or decision making. It excludes hobbies and interests of a casual or purely social nature although these activities should remain consistent with the expectations on standards of behaviour set by the Rabobank Group Code of Conduct.

2. What is a Conflict of Interest?

A Conflict of Interest arises where a person is influenced, or appears to be influenced, by personal interests when doing their job. A perception of a Conflict of Interest can be as damaging as an actual conflict because it may undermine the confidence of our clients and persons we deal with.

3. When is a Conflict of Interest considered to have occurred?

An actual or potential Conflict of Interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a related person as a result of the Bank's business dealings. The test to be applied for determining whether or not a person has a Conflict of Interest is "whether it is likely that the person could be influenced by a personal interest in carrying out their work or that a fair and reasonable person may believe that he or she could be so influenced".

4. Will I need to cease my Outside Interest if an actual or potential conflict is identified?

Whether the fulfilment of a particular outside interest may lead to a Conflict of Interest, or the appearance of such, must be judged on a case by case basis. If a conflict is identified and can't be managed then it may be necessary to cease that activity. Important issues to consider in this respect include not only the nature of the Outside Interest but also issues such as the Employees position at the bank and the location of where the position is fulfilled e.g. a Business Centre Manager having an Outside Interest in a commercial farm operating in the same location as his Business Centre has the potential to lead them into conflict with the bank's clients of the same branch.

5. Is there a distinction made in the policy between a paid or an unpaid Outside Interest when it comes to being allowed or not?

No, there is no distinction made in the policy between a paid or an unpaid outside interest when it comes to being allowed or not.

6. By declaring my involvement in an Outside Interest will I be judged on my performance at work?

Employees should avoid outside interests which may give rise to situations that may damage the reputation of Rabobank in Ireland and the wider Rabobank Group, impair judgment, the ability to make decisions or affect productivity in work duties for the bank.

7. Why are we collecting this information?

By collecting this information we can identify if a potential or actual Conflict of Interest exists so that safeguards can be established to protect staff and the Bank.

8. I have an Outside Interest but I have already notified my Manager and Compliance. Do I need to disclose details of this?

Yes. This needs to be disclosed to Compliance via the reporting form so that Compliance can ensure that adequate controls are in place to protect you and the Bank.

9. I do not have an Outside Interest. Do I still need to complete the form?

All new employees will be required to complete the form as part of the new employee on-boarding process. This form will be sent by HR to Compliance for recording and retention. All existing employees will need to confirm by return email a declaration that they have read and agree to the Compliance Statement as indicated in the form in relation to Conflicts of Interest, Outside Interests and Code of Conduct. An email outlining this requirement will be sent to all employees from Compliance.

10. I do not have an Outside Interest but my spouse, partner or member of my immediate family does. Do I need to report this?

Yes. Employees must disclose any Outside Interest relating to them or to immediate family members. An actual or potential Conflict of Interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a related person as a result of the Bank's business dealings.

11. Who is considered to be immediate family?

Immediate Family Members are defined as any **spouse, partner, children, parents or siblings, OR any other relative who depends on the Employee for financial support.**

12. I work on a contractual basis or a temporary contract. Do I still need to complete the email declaration?

Yes, all employees, whether under a permanent, contractual basis or temporary contract, are required to complete the email declaration.

13. Who can I contact if I require assistance with completing the form?

Should you have any questions or require assistance with completing the form, please contact a member of the Compliance Team

14. I am the manager of my son's local amateur football club. Do I need to report this as an Outside Interest?

No, you do not need to report this as an Outside Interest as your involvement in your son's local amateur football club does not have an influence on transactions involving purchases, contracts, or leases relating to Rabobank and as such would not raise a potential Conflict of Interest. You still need to complete the email declaration to acknowledge compliance with Rabobank's policies related to Conflicts of Interest and Code of Conduct. You can indicate on the email that you do not hold an outside interest.

15. I am the Director of a consulting company do I need to disclose details of this?

Yes. Because of this Outside Interest you may have an influence on transactions involving purchases, contracts, or leases. By collecting this information we can identify if a potential or actual Conflict of Interest exists so that safeguards can be established to protect you and the Bank.

16. I may come into contact with suppliers who are customers of the Bank in connection with an outside interest I am involved in. Do I need to disclose details of this?

Yes. Because of this Outside Interest you may have an influence on transactions involving purchases, contracts, or leases. By collecting this information we can identify if a potential or actual Conflict of Interest exists so that safeguards can be established to protect you and the Bank.

17. I have an interest in a commercial business whose services could be used by Rabobank. Do I need to disclose details of this?

Yes. Because of this Outside Interest you may have an influence on transactions involving purchases, contracts, or leases. By collecting this information we can identify if a potential or actual Conflict of Interest exists so that safeguards can be established to protect you and the Bank.

18. I am an advisor to a business community and get paid for this service. Do I need to report this?

Yes. Because of this Outside Interest you may have an influence on transactions involving purchases, contracts, or leases. By collecting this information we can identify if a potential or actual Conflict of Interest exists so that safeguards can be established to protect you and the Bank.

19. I am a Director of a family trust. Do I need to report this?

Yes. By collecting this information we can identify if a potential or actual Conflict of Interest exists so that safeguards can be established to protect you and the Bank.

20. A member of my immediate family is a Director of a Rabobank client. Do I need to report this?

Yes. By collecting this information we can identify if a potential or actual Conflict of Interest exists so that safeguards can be established to protect you and the Bank.

21. A member of my immediate family has a substantial interest with a supplier who is a Rabobank customer. Do I need to report this?

Yes. By collecting this information we can identify if a potential or actual Conflict of Interest exists so that safeguards can be established to protect you and the Bank.

22. What will Rabobank do with the information I provide?

The key objective is to protect both Employee's and the bank from the potential for Conflicts of Interest, criminal proceedings, regulatory penalties and reputational damage. In some cases we may need to contact you to clarify any details that are unclear or to follow up incomplete information. Your completed form [where applicable] will be stored securely by Compliance and may only be used for the purposes of monitoring adherence to the Conflicts of Interest Policy, Outside Interests Policy and Code of Conduct.

23. Who can I contact for more information?

If you have any questions you can confidentially contact Compliance for further information