



Alexander Forbes Group Holdings Limited

Anti-Bribery and Anti-Corruption Policy

Policy Reference:

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1. Document Information

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2. Context

2.1. Introduction

- 2.1.1. Any form of corruption, any potential legal implications aside, raises serious ethical and political concerns, undermines responsible approaches to management and prevents economic development, both in the public and private sector, and distorts national and international competition. Alexander Forbes Group Holdings Limited (herein after referred to as Alexander Forbes (AF)) is committed to conducting its activities free from any form of bribery or corruption. AF has no tolerance for bribery and corruption activity and no appetite for AF products or services to be used to facilitate bribery or corruption by Employees, Associated Parties, clients or counterparties.
- 2.1.2. To protect AF against the risk of corruption, it is important to understand what corruption means and what forms it can take. AF defines corruption as the abuse of power for personal gain or enrichment, or the abuse of position to gain material or personal gain for a third party or oneself using unfair or unlawful methods.

2.2. Purpose

This Policy:

- 2.2.1. Is based on applicable Anti-Bribery and Anti-Corruption (ABC) legislation, regulatory rules, and best practice guidance.
- 2.2.2. This Policy augments the following key documents:
- The Financial Crime Key Risk Framework
- 2.2.3. Supports the Financial Crime Key Risk Control Framework and aligns to AF's overall Enterprise Risk Management Framework. This Policy sets out the overarching principles in relation to ABC Risks. More detailed minimum control requirements designed to achieve these objectives are incorporated into a set of ABC Standards. As such, the ABC Policy should be read in conjunction with:
- The Hiring Practices ABC Standard
 - The Expenditure ABC Standard
 - The Third Parties ABC Standard
 - The Strategic Transactions ABC Standard and
 - The Introducer Standard.
- 2.2.4. Failure to comply with this Policy or the supporting ABC Standards could:
- Cause the organisation reputational damage
 - Lead to AF inadvertently facilitating Financial Crime
 - Expose to Legal risks - civil and criminal liability,
 - Fines, public reprimand and limitation on business
 - Result in personal liability for Employees such as regulatory censure, fines and imprisonment. Employees who fail to comply with this Policy may also be subject to disciplinary action, up to and including dismissal.

3. Ownership, Accountability and Responsibilities for AML

3.1. AF Board of Directors

3.1.1. The AF Board of Directors are ultimately accountable for ensuring that AF complies with all relevant AML related laws and regulations, together with this Policy and the AML standards. Section 42A of the Financial Intelligence Centre Act, 38 of 2001 ('FICA'), as amended by the Financial Intelligence Centre Amendment Act, 1 of 2017 (the "Amendment Act"), addresses the governance of AML/CFT compliance. Section 42(1) (A) of FICA states "The board of directors of an accountable institution which is a legal person with a board of directors, or the senior management of an accountable institution without a board of directors, must ensure compliance by the accountable institution and its employees with the provisions of this Act and its Risk Management and Compliance Programme". In line with international governance principles and South Africa's King IV principles, accountability for ensuring AML/CFT compliance is now clearly located at the apex of the institution. King IV Principle 13 (IoDSA *King IV report on corporate governance for South Africa 2016* (2016).) specifies that: "The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen".

3.2. AF Head of Financial Crime

AF has appointed the Head of Financial Crime as having to monitor and provide oversight of Financial Crime risk across all of AF businesses, including oversight and monitoring of:

- Development and deployment of this Policy and associated ABC standards;
- Business compliance to this Policy and ABC standards
- Responsible for developing and overseeing the AF ABC programme:
 - Identifying ABC related risk
 - Establishing minimum standards and guidelines for compliance with ABC laws and regulations
 - Leading and assisting Business ABC resources in advising the first line of defence on the implementation of the ABC programme
 - Development and coordination of ABC training programme
 - Reviewing the implementation and effectiveness of existing ABC controls
 - Driving ABC-related initiatives
- Oversees all dispensations, waivers and breaches to this Policy (approving and setting timescales for compliance where appropriate)
- Sponsor and lead for ABC training and education, accountable for providing Subject Matter Experts (SMEs) to design training solutions for ABC compliance training programme, reviewing training against agreed measures of success and confirming if further training / enhancements are required for AF. Responsible for communicating with senior management and external stakeholders about the ABC programme

3.3. Business CEO (Business Accountable Executive)

3.3.1. The Business CEO/Accountable Executive is accountable for:

- Has ultimate responsibility for ensuring that the Business/Function acts as the first line of defence by establishing and maintaining systems and controls to implement and comply with this Policy and the associated ABC Standards
- Promotes and embeds an ABC risk management and control culture in the Business
- Escalates any significant issues or concerns to the Head of Financial Crime.

3.3.2. The Business CEO can delegate his/her responsibility (but not accountability) for implementation of this Policy and the ABC standards to an appropriate executive within the business. Given the different customer segments, products, services, and geographical locations of AF, procedures may vary from business to business; however, the business must not dilute the requirements of this Policy or the AML standards.

3.4. Employees

All Employees are responsible for complying with this Policy and ABC Standards e.g. everyone is responsible for exercising prudence and vigilance when assessing either potential new Customers, existing Customers, handling Customer requests and processing Customer Transactions. Employees must report any suspicious activity or Transactions in line with their Business procedures and/or to the Financial Crime team.

3.5. ABC Governance Committees

The following committees are either dedicated to overseeing part or all of the aspects of the ABC Policy and supporting ABC Standards:

- Board Committee (Risk and Audit Committee)
- Group Exco
- Cluster Exco
- Divisional Manco's

4. Policy Provisions and Control Requirements

4.1. Refresh Cycle for Policy

- 4.1.1. This Policy must be reviewed and refreshed by the Head of Financial Crime and/or his delegate annually.

4.2. Bribery and Corruption Risk

- 4.2.1. AF could be exposed to ABC Risks from two potential sources: either the actions of its own Employees; or those of any person or entity who performs services for or on behalf of AF or Associated Parties. AF may become criminally liable as a result of an act of bribery or corruption by its Employees or its Associated Parties. As with its Employees, AF expects its Associated Parties to act with integrity and to undertake their business without bribery or corruption.
- 4.2.2. AF is subject to, and must comply with, all local anti-bribery and anti-corruption laws that apply in the countries in which it does business. Best practice as amplified by local legislation where applicable dictates that accountable institutions should consider applying international laws (where applicable) and applicable conventions including amongst others:
- Organisation for Economic Co-operation and Development (OECD) Recommendations
 - UN Global Compact 10th principal
 - The UK Bribery Act 2010 (Bribery Act)
 - The US Foreign Corrupt Practices Act 1977 (FCPA).
 - Prevention and Combating of Corrupt Activities Act (PRECCA)
 - Companies Act Regulation 43
- 4.2.3. As an accountable institution, AF is expected to comply with all applicable regulatory rules including requirements to establish and maintain effective systems and controls to mitigate financial crime risk, including ABC Risks.

4.3. Prohibition and Prevention of Bribery and Corruption

- 4.3.1. Under this Policy, AF Employees are prohibited from offering, promising, providing, requesting or receiving Anything of Value to or from any person or entity for the purpose of:
- Improperly obtaining or retaining business or securing an advantage; and/or
 - Inducing the recipient to perform his/her role in breach of an expectation of good faith, impartiality or trust.

Such acts, for the purposes of this Policy, constitute bribery and corruption and are strictly prohibited. Employees are prohibited from the above activity regardless of whether they engage in the conduct directly or indirectly (e.g. via an Associated Party).

The term "Anything of Value" in line with global best practice can include (but is not limited to) the following:

- Cash, including cash instruments, e.g. gift /store vouchers and loans
- Preferential treatment and favours
- Gifts & entertainment (G&E)
- Offers of employment

- Offers of work opportunity, e.g. work experience or ad hoc or off-cycle internships which are not part of a AF formal programme
- Charitable donations, business directed donations and client-requested giving
- Political donations
- Facilitation payment
- Commercial sponsorships

4.4. Public Prominent Influential Persons

- 4.4.1. Sections 21F, 21G and 21H of the FIC Act deal with persons in prominent positions. The starting point for the effective implementation of measures relating to persons who are entrusted in prominent public or private sector positions, is for accountable institutions to have effective measures in place to know who their clients are and to understand their clients' business.
- 4.4.2. Dealing with Public Prominent Influential Persons (PPIPs) presents increased ABC Risks due to the strict rules and regulations that apply to the exercise of their public functions. Merely offering Anything of Value to a PPIP, directly or indirectly, with the intention of influencing them in their official role in order to obtain or retain business or secure an advantage may be illegal.
- 4.4.3. Under this Policy, the term "PPIPs" is defined to include:
- The President or Deputy President
 - A government minister or deputy minister
 - The Premier of a province
 - A member of the Executive Council of a province
 - An executive mayor of a municipality elected in terms of the Local Government Municipal Structures
 - A leader of a political party
 - A member of the royal family or senior traditional leader
 - Any officer, employee or representative of a government, whether national, federal or local
 - The head, accounting officer or chief financial officer of a national or provincial department or government component
 - The municipal manager of a municipality
 - The chairperson of the controlling body, the chief executive officer, or a natural person who is the accounting authority, the chief financial officer or the chief investment officer of a public entity listed in Schedule 2 or 3 to the South African Public Finance Management Act, 1999;
 - The chairperson of the controlling body, chief executive officer, chief financial officer or chief investment officer of a municipal entity
 - A constitutional court judge or any other judge
 - An ambassador or high commissioner or other senior representative of a foreign government based in the Republic of South Africa;
- 4.4.4. For the above reasons, Employees should be very cautious when offering or giving anything of Value to PPIPs. Employees must adhere to the heightened scrutiny and review requirements in this Policy, the ABC Standards.

4.5. Identifying ABC Risks

- 4.5.1. ABC Risks for AF and its Employees fall broadly across the following specific categories:
- Expenditure risk (e.g. facilitation payments, G&E, training programmes, charitable contributions, etc.)

- Hiring risk (e.g. Employees or candidates who are connected to clients or PPIPss)
- Expenditure risk (e.g. facilitation payments, G&E, training programmes, charitable contributions, etc.)
- Third party risk (e.g. Introducer risk or Associated Party risk)
- Strategic transaction risk (e.g. proprietary M&A transactions).

4.5.2. **Expenditure Risk** is the risk that AF or one of its Employees may violate applicable ABC laws by giving something of value to a third party for the purpose of improperly obtaining or retaining business or securing an advantage for AF. Expenditure risk can present itself in a variety of ways, as described more fully below. For this reason, these expenditures must be managed in accordance with the Expenditure ABC Standard.

- **Facilitation Payments:** Facilitation payments are unofficial payments made to PPIPss in order to secure or expedite the performance of a routine or necessary action (sometimes referred to as 'speed' or 'grease' payments). The payer usually already has a legal or other entitlement to the relevant action. Facilitation payments are a prohibited form of bribery under some local laws and payments of this nature are strictly prohibited under this Policy, regardless of whether they may be permitted in the jurisdiction in which AF is operating. Employees who receive a request for a facilitation payment must follow the control requirements set out in the Expenditure ABC Standard and seek the advice of the Financial Crime Team without undue delay.
- **Political donations:** It is a criminal offence to make a political donation in order to improperly influence PPIPss in order to obtain or retain business or secure an advantage for AF. AF and its Employees must ensure that any exceptional donations approved by the Board of AF are not made as an inducement for the purpose of improperly obtaining or retaining business or securing an advantage for AF. Employees should note that any personal political contributions to a US candidate will require compliance pre-approval, due to laws specific to the US.
- **Kickbacks** are undisclosed fees that are paid after a company concludes a contract with an associated party. The most affected areas are procurement, facilities, outsourcing and other departments that award contracts. The contractor bribes the client by offering to pay back part of the contract value – either directly or via an intermediary.
- Economic Extortion - Bribes are not only offered or promised; they can also be demanded and, in extreme cases, extorted. The latter involves threats (e.g. the publication of information that is confidential or could damage reputation) in order to gain a benefit (usually a payment). Examples also include employees extorting associated parties for kickbacks as a prerequisite for continuing a contractual relationship.

4.5.3. **Hiring Practices Risk** is the risk that AF or one of its Employees may violate applicable laws by:

- Offering or giving preferential treatment to connected candidates or Employees (i.e. those who have known close connections to existing/prospective clients (or their representatives), PPIPs, service providers or other important stakeholders, in order to improperly obtain or retain business or secure an advantage for AF. Referrals and recommendations for employment or a work opportunity which circumvent AF merit based procedures may constitute preferential treatment.
- Requesting or accepting Anything of Value from a third party in exchange for: providing employment or a work opportunity; or giving preferential treatment to a connected candidate for employment or a work opportunity.

This risk applies to all types of employment/work opportunity (paid and unpaid), including: executive recruitment; temporary, fixed term and permanent employment; campus/graduate

recruitment; internship programs; ad hoc/off-cycle internships; and work shadowing/experience.

4.5.4. **Connected Candidates**

AF applies merit-based and objective standards in all its hiring practices, including formal recruitment programs and ad hoc opportunities. Employment and work opportunities (including work experience, ad hoc/off-cycle internships, summer internship programs, secondments, etc.) have a value to the recipient and/or their close family members and may be considered as bribes if used to improperly obtain or retain business or secure an advantage for AF.

Where an Employee knows that a candidate is connected, this Policy prohibits the Employee from:

- Requesting or accepting Anything of Value in exchange for referring the candidate for employment (except for any remuneration expressly permitted by the AF HR-approved Employee Referral Programme)
- Making a referral or recommendation of the candidate for employment or work opportunity in order to improperly obtain or retain business or secure an advantage for AF
- Offering or giving special or preferential treatment in the selection process on the basis of the candidate's connection
- Offering or providing employment or a work opportunity, whether paid or unpaid, to connected candidates for the purpose of improperly obtaining or retaining business or securing an advantage for AF.

Employees who wish to refer or recommend a connected individual for employment or a work opportunity at AF, or who receive requests/referrals for employment or a work opportunity from an existing/potential client, counterparty, third party services provider or PPIPs/PEP, should escalate those requests/referrals to the Financial Crime Team where required by the Hiring Practices ABC Standard.

4.5.5. **Connected Employees** can pose potential risks under the following circumstances:

- An Employee who is a Public Prominent Influential Person is deployed into a business area/activity which brings him or her into contact with the government with which they are connected
- An Employee connected to a Public Prominent Influential Person is deployed into a business area/activity which brings him or her into contact with the Public Prominent Influential Person with whom they are connected
- An Employee is deployed into a business area/activity which brings him or her into contact with the person with whom they are connected (e.g. son of the CEO of an Investment Bank client is hired into a team that covers that client)
- An Employee with a relevant connection improperly uses their connection to assist a business in obtaining or retaining business or an advantage.

Under any of the above circumstances, there is a risk that business could be awarded, or be perceived to be awarded, to AF because of the Employee's status or close connection, as opposed to the strength of AF products and services. It is therefore important that Employees are aware of, and manage, these risks.

Employees have an ongoing obligation to consider whether they are aware of any relevant connection which should be disclosed to their line manager and escalated to the Financial Crime team whether their own connection or that of another Employee. This obligation is subject to any restrictions/prohibitions imposed by applicable local laws, e.g. data privacy. For more details on how to manage the risks associated with connected Employees, please refer to the Hiring Practices ABC Standard.

- 4.5.6. **Gifts and Entertainment (G&E):** The exchange of G&E is a normal part of doing business in many countries in which AF operates. However, in circumstances where the exchange of G&E (including travel and accommodation for the recipient) is lavish or excessive and is given/received (or creates the appearance of being given/received) as an inducement for the purpose of improperly obtaining or retaining business or securing an advantage, there is a risk that the individuals involved and AF may incur criminal liability under applicable ABC laws.

Employees must adhere to the AF G&E Policy, plus the requirements of any applicable supporting standards and procedures, including:

- All applicable limits and approval processes
- Additional requirements applicable to PPIPs or any other person who is designated as 'restricted'. (PPIPs in particular present heightened ABC Risks as they may be restricted or prohibited under local laws, regulations or rules from receiving even modest Gifts and Entertainment); and
- Procedures relating to escalation to the Financial Crime Team for G&E requests that meet pre-defined criteria.

- 4.5.7. **Client training programs:** From time to time, AF may receive requests for (or may offer) multi-day and/or intra-regional training opportunities to our clients as part of a knowledge transfer exercise (e.g. inviting junior employees of a client or regulator for a two-week intensive training programme on a particular product or asset class). Where the client pays the costs associated with those training programmes (e.g. travel, hotel accommodation, meals, daily allowances, etc.), it should raise no ABC Risks for AF. ABC Risks may arise where a client:

- Is paying for the costs but the training is part of a strategic arrangements/memorandum of understanding and is ongoing and high volume
- Requests that AF pay for such costs for the client's employees. AF and its Employees must ensure that the provision of the training programme is not made (and does not create the appearance of being made) as an inducement for the purpose of improperly obtaining or retaining business or securing an advantage for AF.

Where ABC Risks arise, Employees must follow the control requirements set out in the Expenditure ABC Standard.

- 4.5.8. **Charitable or political donations, sponsorships, travel and advertising activities, gifts and invitations**, although it is permissible and legal for companies to engage in these activities, they are prone to abuse and bribery. Business directed donations and client-requested giving: AF is committed to investing in and contributing to events and organisations in the communities in which we engage and do business. However, it is important that donations and investments are made free from any suspicion of bribery or corruption. In circumstances where a client/prospective client or a PPIPs/Politically Exposed Person (PEP) is requesting that AF make a charitable donation, AF and its Employees must ensure that the donation is not made (and does not create the appearance of being made) as an inducement for the purpose of improperly obtaining or retaining business or securing an advantage for AF.

AF and its Employees must take steps to ensure that when AF makes charitable donations, the individuals or entities receiving those funds are reputable and will use the funds for legitimate purposes:

- Employees must follow the Expenditure ABC Standard and any other local applicable procedures issued in relation to charitable donations, business directed donations and client-requested giving
- Due to the increased ABC Risks associated with requests from clients/prospective clients for charitable donations, any such request that exceeds the threshold (or any lower threshold communicated by the relevant Business ABC Head) must be escalated to the Financial Crime team for ABC review as set out in the Expenditure ABC Standard
- Where there is an Associated Party relationship (see Third Party Risk section in this Policy), Employees must also follow the control requirements set out in the Third Parties ABC Standard.

- 4.5.9. **Commercial sponsorships**: Commercial sponsorships aim to engage our stakeholders with the AF brand and are an important part of AF business strategy. However, it is important that they are free from any suspicion of bribery or corruption. AF and its Employees must ensure that the commercial sponsorship is not made (and does not create the appearance of being made) as an inducement for the purpose of improperly obtaining or retaining business or securing an advantage for AF.

- Employees must follow the Expenditure ABC Standard, the AF Sponsorship Governance Framework and any other applicable local procedures in relation to commercial sponsorship
- Due to the increased risks associated with requests from clients/prospective clients for commercial sponsorship, any such request must be escalated to the Financial Crime Team for review as set out in the Expenditure ABC Standard
- Where there is an Associated Party relationship (see Third Party Risk section in this Policy), Employees must also follow the control requirements set out in the Third Parties ABC Standard.

- 4.5.10. **Goodwill payments/legal settlements:** A goodwill payment or a legal settlement can be an acceptable and legitimate means to resolve a dispute, claim, grievance or complaint. In such circumstances, AF is generally free to price the value of an existing or future relationship and to make an appropriate payment or settlement. However, it is important that such payments/settlements are free from any suspicion of bribery or corruption.

If the payment/settlement will result in an individual personally gaining a financial or other advantage from the arrangement, AF and its Employees must ensure that the payment/settlement does not result in (and does not create the appearance of resulting in) the recipient acting illegally, unethically or in breach of a fiduciary or other duty – for example, a duty to act in good faith or to act impartially.

This risk is particularly high where the recipient is a client or prospective client in his/her individual capacity with AF, as well as a representative of a company that is an institutional client of AF (e.g. John Doe is the Finance Director of XYZ Pharmaceuticals, Inc, and AF does retail business with John in his individual capacity, as well as corporate business with John, in his capacity as an employee representing XYZ Pharmaceuticals). Under such circumstances, Employees must follow the control requirements set out in the Expenditure ABC Standard.

- 4.5.11. **Third Party Risk** is the risk that AF or one of its Employees may violate applicable ABC laws by failing to manage the risk of a third party using corrupt practices in connection with the services it is providing for or on behalf of AF.

If this happens, AF may be held criminally liable under the Bribery Act for failing to prevent the misconduct, even if AF has no knowledge of it. AF may be held liable (and its Employees could be held personally liable) for a third party's misconduct if an Employee is aware of the conduct, or aware of facts or other red flags suggesting that the third party might engage in bribery and corruption on behalf of AF and/or its Employees may be liable under ABC legislation even if no payments are made to the third party or if the agreement with the third party is terminated before the services have been performed. For these reasons, all third party relationships must be managed in accordance with the Third Parties ABC Standard.

- 4.5.12. **Associated Parties:** Typically, a third party is an Associated Party of AF if it is a person or entity which performs services for or on behalf of AF. The risk assessment set out in the Third Parties Standard will determine whether the relevant third party qualifies as an Associated Party. As a result of applying this risk-based approach, certain categories of third party service providers may be determined not to be an Associated Party, on the basis that they are deemed to pose limited ABC Risk for AF. If Employees are still unsure about whether a person or entity qualifies as an Associated Party, they must seek advice from the Financial Crime Team.

Before engaging a third party or allowing them to act in any capacity on behalf of AF, the Employee engaging the third party is required to ensure that an ABC risk assessment is conducted to determine whether the third party is an Associated Party. If the third party is an Associated Party, the Employee must ensure that:

- A risk assessment is conducted to determine the appropriate ABC risk rating
- Risk-based due diligence is conducted on the proposed Associated Party, as appropriate to its ABC risk rating

- Any unresolved ABC red flags are escalated to the Financial Crime Team
- Mandatory ABC contract clauses are included in the contract/agreement, as appropriate to the ABC risk rating of the Associated Party.

For more details on how to execute these requirements, please refer to the Third Parties ABC Standard.

- 4.5.13. **Introducers:** An Introducer is a third party engaged to assist AF in winning or retaining business from new or existing clients or customers. The services provided by the Introducer may be introductions to clients or customers generally, or for specific transactions. Introducers are a specific and important sub-set of Associated Parties. However, because of the particular bribery and corruption risks attached to dealings with Introducers, there is a standalone Introducer Policy and the Introducer Standard. All Introducer relationships (including Senior Advisers) must be managed in accordance with the specific control requirements set out in these documents. The Introducer Policy and the Introducer Standard can be accessed via the Introducer Policy intranet page.
- 4.5.14. **Other Third Parties:** Employees must also remain alert to any ABC red flags that may arise from the conduct of third parties that do not provide services for and on behalf of AF. In certain circumstances, such third parties may nevertheless pose financial crime risks because of their conduct in relation to AF business (see the Third Parties Standards for further details).
- 4.5.15. **Strategic Transaction Risk** is the risk that can arise to AF and its Employees in connection with proprietary mergers & acquisitions, joint ventures, proprietary investments, and debt-for-equity holdings (Strategic Transactions). ABC Risks could arise in the context of:
- Pre-acquisition liability wherein AF inherits liability for past misconduct from the target entity (sometimes referred to as "successor liability")
 - Post-acquisition liability for on-going misconduct at an acquired entity/joint venture partnership because AF has ownership or control or because the entity/partner is considered an "Associated Party" of AF
 - Personal liability for a AF Employee who is appointed as a director or other senior officer at the acquired entity
 - Introducer risk posed by an acquired entity's past or on-going use of Introducers.

Reputational issues and potential legal liability relating to bribery and corruption may attach, even where a minority interest is held in an investment vehicle or debt-for-equity entity. For this reason, before entering into a Strategic Transaction, the business responsible for the transaction must:

- Undertake risk-based ABC Due Diligence of the proposed Strategic Transaction; and
- Include mandatory ABC contractual clauses as deemed appropriate for the transaction by the Financial Crime Team or Legal.

4.6. Record retention

- 4.6.1. All records created in connection with implementing this ABC Policy must be kept in accordance with the requirements set out in Section 22 of FICA. The minimum record retention period is 5 years after termination of a relationship.

4.7. New and Amended products

- 4.7.1. AF must assess the vulnerability of new and amended products and services to ABC to ensure the products meet the requirements of the New and Amended Product Approval (NPA) Process.

4.8. Training

- 4.8.1. AF must ensure that an effective ABC training and education programme is implemented and maintained for all relevant employees to ensure that they are aware of their legal and personal responsibilities. Minimum content training requirements are defined by the Head of Financial Crime and must be completed by all relevant Employees on an annual basis.
- 4.8.2. A risk based approach is taken to ABC training and education to ensure that all Employees in roles within scope:
- Understand the risks associated with bribery and corruption;
 - Understand their responsibility to ensure compliance with this Policy and the ABC Standards; and
 - Receive appropriate and effective role specific training to enable them to carry out their accountabilities
- 4.8.3. The New Bank Education and Training Team with support from the Financial Crime Team will develop risk-based ABC training and education, to be delivered on a periodic basis. This approach ensures quality of training, appropriateness of role specific content, suitability of media, frequency of training and accuracy of training tracking and record keeping.
- 4.8.4. It is the responsibility of all Businesses/Functions to: ensure timely completion of mandatory training; monitor completion by their employees; and notify the Financial crime Team of any additional Business/Function-related ABC training requirements

4.9. Resources

- 4.9.1. AF must maintain appropriate and adequate resources and systems to enable AF to effectively comply with its ABC obligations.

4.10. Assurance and Control testing

- 4.10.1. AF must maintain and implement regular ABC control testing.
- 4.10.2. Control testing must be conducted by the business on a periodic basis to provide management with a view on the effectiveness of the control environment supporting its operations are in line with the risk appetite.
- 4.10.3. Businesses units must ensure that we are able to monitor the application and effectiveness of this Policy and all associate controls and procedures

4.11. Management information

- 4.11.1. AF must ensure that appropriate management information and reports, which are relevant, reliable and timely, are provided to senior management regarding business compliance with this Policy and the ABC standards and the Financial Crime risk appetite.
- 4.11.2. These reports will assist senior management to make the relevant decisions on how to effectively manage resources and identify and rectify any weakness illustrated in the information

5. SCOPE AND ADHERENCE

5.1. Scope

- 5.1.1. This policy applies to Alexander Forbes Group Holdings Limited (AF) and all employees and workers, for the purposes of this document, "employees" includes permanent employees and fixed term employees; "workers" include contingency workers (also referred to as agency workers) and secondees to AF from a third party, irrespective of their location, function and grade or standing.

5.2. Adherence

- 5.2.1. The control requirements set out in this policy are mandatory and are used to implement an AF approach for managing the Financial Crime Key Risk Framework. Any deviations from these control requirements must be escalated to the Head of Financial Crime or his/her delegate. Anticipated deviations must be escalated under the relevant deviations process as indicated below. A register of deviations must be kept and where remedial actions are required, it must be monitored in accordance with the monitoring and reporting provisions indicated above,

5.3. Dispensations

- 5.3.1. There may be instances where an AF business unit is unable to comply with the requirements of one of the Policies and/or standards, in the short term. In these instances, a dispensation request must be completed setting out the following information:
- The requirement of the Policy/standard that cannot be complied with;
 - The reason why it cannot be complied with supported by business unit Legal opinion and/or rationale;
 - Actions planned in order to achieve full compliance;
 - Mitigating action proposed pending full compliance;
 - Timescale for completion; and
 - Senior Management support for the dispensation.

5.4. Waivers

- 5.4.1. There may be instances where an AF Business Unit requires a permanent authorisation not to comply with elements of one of the Policies. Waivers cannot be granted where there is non-compliance to regulatory requirements. Where a waiver is necessary, the Business Unit must complete a Waiver Request setting out the following information:
- The requirement of the Policy/standard that cannot be complied with;
 - The reason why the requirement cannot be met, supported by Business Unit Legal opinion. Waivers should be exceptional only (e.g. a BU is legally unable to comply) and would generally not be considered on cost grounds alone. The request will need to clearly evidence risk factors in support of the non-compliance; and
 - Senior Management approval, formally supporting the waiver and accepting the risk of non-compliance.
- 5.4.2. Waivers are approved for a maximum of 12 months – requests for renewal must be submitted to Financial Crime prior to the expiry of the Waiver.

5.5. Breaches

5.5.1. There may be instances where an AF Business Unit is informed by the Head of Financial Crime, or discover of their own accord, that the requirements of one of the Policies/standards have not been met and that a breach has occurred. In these instances, a breach request must be completed setting out the following information:

- The requirement of the Policy that was not complied with;
- The reason why it was not complied with supported by Business Unit Legal opinion;
- Actions planned in order to achieve full compliance;
- Mitigating action proposed pending full compliance;
- Timescale for completion; and
- Senior Management support for the dispensation.

6. RECORD OF VERSION CONTROL / UPDATES

Date	Author / Source	Change
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