

# Anti-Bribery & Corruption Policy

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# 1. Introduction

Bribery is the offering or promising, giving or receiving, directly or indirectly, of a financial or other advantage in connection with the improper performance of a position of trust, or a function that is expected to be performed impartially or in good faith.

Corruption is the misuse of power of public office for personal gain.

The Group has no appetite in relation to bribery and corruption. It is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever it operates.

The Group conducts its business fairly and lawfully and will not tolerate:

- The giving or receiving of improper monetary or other inducements in commercial relations; and
- Any other inappropriate practice which might be perceived to influence improperly a person's conduct in their professional or public duty.

In adopting this approach, the Group aims to protect the interests of its customers, shareholders and employees and minimise the associated risk to its reputation.

This Policy and related procedures and arrangements are adjusted on an ongoing basis to ensure improvements, taking into account clients' interests generally.

This Policy should be read in conjunction with the supporting documents listed in Appendix 2. The impact on supporting documents should be considered when making any changes to this policy.

## 1.1 Policy Objectives

The objective of the policy is to provide the minimum standards for:

- To comply with legal and regulatory requirements and protect the Group from reputational, regulatory and legal risk;
- To ensure appropriate due diligence is undertaken on clients and related parties, introducers, intermediaries and other agents, consultants and Group suppliers of goods and services to look to mitigate the risk of dealing with the proceeds of bribery and corruption in relation to financial services or the procurement of goods and services;
- To set out the respective corporate and regulatory responsibilities of the Group and to provide staff with a high level overview of their personal legal responsibilities;
- To maintain appropriate systems and controls to deter any actual or attempted acts of bribery and corruption by the Group, its staff or its clients; and
- To ensure that adequate procedures exist to look to mitigate the risk that acts of bribery and corruption lead to poor conduct and the potential for client detriment.

## 1.2 Scope of Policy

The scope of the policy applies to all staff including contractors across all Brooks Macdonald Group entities. This policy provides direction to all staff on the effective management of Anti-Bribery and Corruption risk in order to support the achievement of the Group's business objectives.

### 1.3 Policy Owner

The policy owner is responsible for the implementation of the policy.

### 1.4 Policy Exceptions

Any deviation from this policy must be formally approved by the policy owner and noted at the Executive Risk Management Committee (“ERMC”).

Staff may be subject to disciplinary action by the Group for breach of this policy, up to and including termination of employment. With respect to individuals who are not employees, the Group may exercise any or all rights and remedies under the contractual arrangements it has including, but not limited to, termination of its relationship with that person. Individuals may also be subject to regulatory sanction and/or civil or criminal penalties.

### 1.5 Training

Training is provided as part of the new joiner Induction programme and periodically thereafter. Training modules are also made available, where appropriate, in electronic format through internal learning systems.

## 2. Policy Management

This section sets out the corporate principles, minimum standards and alignment to risk appetite for the Anti-Bribery and Corruption Policy which applies relevant staff as outlined in section 1.2.

### 2.1 Corporate Principles

This policy supports the delivery of the following corporate principles:

- 2.1.1 **We do the right thing** – We are worthy of our clients', partners' and one another's trust; We act with integrity, honesty and fairness and we value diversity; We take responsibility for our actions and decisions; We deal with issues and tackle hard decisions head on.
- 2.1.2 **We are connected** – We collaborate and work as one team to bring the best of Brooks Macdonald to all we do; We actively seek opportunities to learn from others and share our expertise; We actively listen and communicate with clarity; We look externally, challenge ourselves and are open to new ways of doing things.
- 2.1.3 **We care** – Our clients, advisers and partners are at the heart of everything we do; We support our people to be the best they can be; We treat our clients, advisers, partners and each other with respect; We ask for help and we offer support to one another.
- 2.1.4 **We make a difference** – We focus on delivering value for clients, advisers, partners and shareholders; We are ambitious and constantly strive to be the best at what we do; We innovate, learn from our actions and actively gather feedback to improve; We develop our skills and nurture our relationships to ensure we remain relevant.

### 2.2 Minimum Standards

Both bribery and corruption are serious criminal offences in the UK, the Channel Islands and the Isle of Man. Due to the nature of the legislation both offences have broad extra-territorial scope. The Group is committed to implementing and enforcing effective systems and controls to counter bribery and corruption. This section outlines those high level requirements that are mandated by law or regulation and include activities that may prevent or mitigate bribery and corruption.

These are the minimum standards that must be met:

#### 2.2.1 Risk Assessment

The Group must ensure the adequate identification, assessment, mitigation, management and monitoring of bribery risks across its business activities (at a business level). The risk assessment must have appropriate Executive Risk Management Committee (ERMC) and business unit oversight and cover at a minimum the Group's country risk, sectoral risk, transaction risk, business opportunity risk and business relationship risk. Internal risks should also be considered and may include deficiencies in training, skills, knowledge and experience; remuneration and reward, financial and anti-fraud systems and controls and charitable support. The risk assessment must be undertaken periodically as risk dictates, where business operations significantly change or emerging bribery and corruption risks are identified.

## 2.2.2 Staff obligations

### Human Resources and Recruitment

The Group is committed to recruiting and promoting the most qualified, experienced and honest staff. The HR recruitment process must include pre-employment screening. This should include an assessment of the candidates' skills, knowledge and expertise against the requirements of the role. Both before and during the course of employment further checks should be made to confirm past employment history, credit standing, criminal or civil convictions and PEP and Sanctions status.

### Staffs' ethical conduct and behaviour

Staff must not offer, request, give or receive a bribe of any kind.

### Employment presenting bribery risk

Staff are strictly prohibited from offering or receiving employment opportunities internally or externally that could influence business decisions with the intent to gain an advantage for the Group. Such positions may include permanent and temporary positions, work that is connected to Public Officials, agency work and internships. Both paid and unpaid employment is captured.

In order to discount this risk, all such positions need to be declared in the first instance under the Conflicts of Interest Policy where mitigating action may be taken by the Group.

Additionally, if a prospective or existing staff member is identified as any of the following, the Group must assess the extent to which this association presents a bribery risk:

- a Politically Exposed Person (PEP);
- a Public Official (PO) by virtue of an outside business interest;
- having a close personal relationship with a PO or PEP.

If the risk is sufficiently material, the Group may implement measures to look to mitigate that risk up to and including declining to employ a prospective staff member or redeployment of existing staff member.

### Third party solicitation for employment opportunities

Third party solicitation for employment opportunities within the Group, whether paid or unpaid, must be assessed for bribery risk and approved/declined by the relevant line manager, HR and by Compliance.

Third parties may include suppliers, customers or clients, their close associates, family members or close friends.

## 2.2.3 Associated Parties

An Associated Party is broadly defined. It captures anyone who performs services for or on behalf of the Group. Its scope may extend to employees, intermediaries, introducers, agents, subsidiaries, joint ventures as well as other service providers and staff within the Group.

When a third party is engaged to provide products or services on behalf of the Group, it must be risk assessed to ascertain whether it is an 'Associated Party' and the level of bribery it presents. The level of initial and ongoing due diligence to be undertaken will depend on risk factors identified and all due diligence must be completed prior to entering into any agreement with the third party. No agreement should be concluded without the inclusion of appropriate ABC clauses or screening.

Any fees agreed must be reasonable and proportionate to the activity being undertaken or considered. Payments to third parties should be monitored by the business unit and any concerns should be escalated as appropriate to the relevant Head of Financial Crime (MLRO) or through the Group's Incident Reporting process. Further information relating to Associated Parties and managing supplier risk can be found in the Outsourcing and Third-Party Supplier Policy.

#### 2.2.4 Public Officials

Certain relationships with staff such as Public Officials who interact with the Group may involve additional bribery and corruption risks which must be identified, assessed and managed. It is prohibited to offer, promise or transfer anything of value, directly or indirectly, to a Public Official in order to improperly influence that person to obtain or retain business and / or gain any advantage for the benefit of the Group and or its staff. Such relationships should be declared as soon as practicable through the relevant Conflicts of Interest Policy and notified to the MLRO as appropriate if any such transfer has occurred.

#### 2.2.5 Charitable Donations and Charitable Sponsorships

Charities may be high risk due to their nature, structure or operational jurisdiction. The Group must ensure that the charitable activities it engages in are not, and cannot be perceived to be, bribes, attempts to win or retain business, or influence actions. It is against company policy to make charitable donations where the benefiting charity has a known association to introducers and intermediaries of BMG.

The Group must ensure that its charitable and philanthropic activities are not made to organisations that will use the funds for political purposes.

Chosen charities must have the necessary due diligence applied to them prior to any engagement or payment being made. If it is an ongoing relationship, that due diligence should be maintained for the duration of the relationship.

#### 2.2.6 Gifts, Hospitality and Entertainment

The Group must act with integrity and transparency in all of its business dealings to avoid the perception of, or actual bribery or corruption, questionable conduct or the seeking to obtain any improper influence or advantage as a result of giving or receiving gifts, hospitality and entertainment (collectively 'Inducements'),

When providing inducements there must be no intent to induce or influence the recipient to improperly perform their duties in their role, in an effort to secure business or a business advantage for the Group. Staff must familiarise themselves with the Gifts and Hospitality Policy and approval process relevant to their business unit.

Inducements must:

- For the U.K, adhere to the MiFID 2 requirements (i.e. it must be a minor non-monetary benefit).
- Be reasonable, justifiable, proportionate, appropriate to the relationship, in line with general business practices and local customs; it must not be excessive or lavish; it must have a clear business purpose and must positively promote the Group's image. Inducements must never be solicited or inappropriate and/or cause embarrassment or reputational damage.

General prohibitions include the following:

- Receiving cash or cash equivalents; unhosted events (i.e. the donor organisation must always be present at the relevant event); cannot be named in or benefit from gifts in wills; paying for gifts or hospitality (or other inducements) personally and not claiming the full expense / reimbursement for any gifts or hospitality given to a third party in connection with Group business; undervalued Inducements; Inducements must not be part of a repeated pattern of giving to or receiving from, the same staff or company.

**Note:** As the entities in the Group act independently and are separately regulated to each other, inducement policies apply to staff who are acting between the Group entities.

## 2.2.7 Political Activities

### Political Contributions

The Group has no political affiliation and does not make political donations or contributions. Staff are strictly prohibited from making political contributions on behalf of the Group. Political contributions are: Expenditures, cash or in kind (e.g. office space, funds, personnel etc.);

Made directly or indirectly to a political party or its local branches, elected officials or political candidates. Types of prohibited expenditure can include either general party support or political campaigning. Care should then be taken in the receipt or giving of Inducements from/to Public Officials. Please see the Gifts and Hospitality and Conflicts of Interest Policies.

If staff become aware of any such payment it must be escalated to the Head of Compliance or MLRO through the Group's Incident Reporting Policy.

### Political Engagement

Political engagement is not limited to political contributions. It can also include interaction of staff within the political process. This may include movements and exchanges of people between the public sector and the Group and how the political process enters the workplace through staffs' personal political engagement.

Great care must be taken by staff, particularly those in senior positions such as Directors or Non-Executive Directors so that they are not perceived to be lobbying. Lobbying may be construed as bribery or seeking to bribe another person or entity with the intention of obtaining or retaining business or securing any advantage for the Group regardless of whether the Group is aware of such conduct or not.

While lobbying to exert political influence is not permitted, there may be instances where, as a Group, we engage with trade bodies to influence industry opinion as part of our membership of that trade body (e.g. to ensure that regulatory change takes into account a Group view). Staff must ensure that such positions are managed ethically and in compliance with this Policy and that they are acting within their permitted authority.

## 2.2.8 Commercial Sponsorship

The Group must ensure that its Commercial Sponsorships are not, and cannot be perceived to be:

- bribery;
- attempts to win, retain or induce business; or
- designed to influence governmental actions.

Approval for any such relationship must be agreed by the ERM (or by the Group Board if the sponsorship is considered significantly material) and must have successful due diligence carried out prior to entering any such arrangement or agreement. If the relationship is to be an ongoing one, due diligence must be carried out over the lifecycle of that relationship.

### 2.2.9 Mergers, Acquisitions, Disposals and Investments

As the definition of 'Associated Party' is broad and extends to both incorporated and unincorporated bodies, where the Group is contemplating a merger, acquisition, disposal or investment in another entity, all relevant anti-bribery and corruption due diligence must be undertaken. This must include the following as a minimum:

- an assessment of the adequacy of the target's ABC compliance policies and procedures;
- an assessment of the jurisdictional/industry risk associated with how and where the target does business;
- screening for red flags;
- provision of relevant ABC warranties; and
- the inclusion of ABC clauses in agreements or transfer documents.

The business must engage both the Head of Legal and the Group Head of Financial Crime in advance of undertaking any such action.

### 2.2.10 Payments

#### Facilitation Payments

Facilitation payments (or 'kickbacks'/'backhand payments' normally in the form of cash) are a form of bribery. Staff must not make facilitation payments even if it is local practice to do so. Such payments are strictly prohibited.

The Group will not tolerate such payments. If such a payment has been requested or if such a payment has been made, please contact as appropriate the Head of Compliance or MLRO. Please see the Group Incident and Breach Reporting Policy.

While there are no exceptions to this rule, the Group recognises that staff may encounter situations that threaten 'life and limb'. Please escalate such events to the Group Head of Financial Crime or where applicable the subsidiary company Head of Financial Crime / MLRO as soon as is practicable after such an event who will assist in assessing whether a regulatory notification is required.

The Group must ensure that payments to Third Parties, to the extent that they are permitted, are not intended to induce, influence or bribe the recipient.

## 2.3 Alignment to Risk Appetite

The Group has an Averse risk appetite for financial crime activities. The Group is committed to fulfilling all legal and regulatory obligations in respect of financial crime risk. The Group has no appetite for any breaches of this policy or in relation to any aspect of bribery and corruption.

## 3. Governance and Oversight

### 3.1 Roles and Responsibilities

#### 3.1.1 Three lines of Defence

All Staff (1<sup>st</sup> line of defence) are responsible for compliance with this Policy.

Financial Crime and Compliance (2<sup>nd</sup> line of defence) is responsible for providing monitoring, challenge and support to ensure that the Group complies with its legal and regulatory obligations.

Group Risk (2<sup>nd</sup> line of defence) is responsible for reviewing and challenging the effectiveness of the identification, assessment and mitigation of the Group's key risks,

Internal Audit is the 3<sup>rd</sup> line of defence. They provide independent assurance on the adequacy and effectiveness of the overall and staff risk management frameworks, methodologies and internal control environments across all parts of the business.

#### 3.1.2 Compliance with Policy

It is the responsibility of all staff to ensure compliance with this Policy. Monitoring of compliance with the Policy across the Group is the responsibility of both the first line monitoring teams (who may not be under the control of the Policy Owner), the second line Compliance Monitoring team and Financial Crime team (part of Compliance and Risk).

#### 3.1.3 Escalation

If a staff member becomes aware that they have breached this Policy, or that a breach has otherwise occurred within the Group, this should be immediately escalated in accordance with the AML-CTF Policy using the Suspicious Activity Report Form (SAR) to the MLRO as appropriate.

## 4. Supporting Documents and Definitions

### 4.1 Supporting Documents

- Anti-Money Laundering and Countering Terrorist Financing Policy
- Anti-Fraud Policy
- Conduct Risk Policy
- Internal Suspicious Activity Form
- Incident Management Policy
- Outsourcing & Third-Party Supplier Policy
- Conflicts of Interest Policy – Personal
- Conflicts of Interest Policy - Corporate
- UK Gifts and Hospitality Policy
- International Gifts and Hospitality Policy
- Record Keeping & Management Policy
- Whistleblowing Policy
- Staff Handbook

### 4.2 Definitions

Add in any appropriate definitions

<b>BMG</b>	Brooks Macdonald Group PLC, a company incorporated in England (Company Number: 4402058)
<b>Group</b>	The Brooks Macdonald group of companies, comprising BMG, its subsidiaries and all companies under common ownership with BMG and its subsidiaries.
<b>Associated Party</b>	A person who performs services for or on behalf of the Group. The capacity in which a person performs services does not matter. An Associated Party includes but is not limited to employees, staffs, agents, subsidiaries, joint ventures as well as other service providers and Staffs within the Group.
<b>Adequate Procedures</b>	Organisations which have adequate procedures in place to prevent bribery are in a stronger position if isolated incidents have occurred in spite of their efforts. If the Group can demonstrate that it has adequate controls in place this is a statutory defence. Whether or not procedures are adequate will be for the FCA, the Serious Fraud Office or a Court of law to decide or the equivalent authorities in Jersey and Guernsey.
<b>Bribery</b>	Bribery is the offering or promising, giving or receiving, directly or indirectly, of a financial or other advantage in connection with the improper performance of a position of trust, or a function that is expected to be performed impartially or in good faith.
<b>Corruption</b>	Corruption is an abuse of a position of trust or power in order to gain an undue advantage.
<b>Facilitation payment</b>	Small bribes paid to facilitate routine Government action.

<b>Inducement</b>	A fee, commission or non-monetary benefit.
<b>Lobbying</b>	The act of attempting to influence business and government leaders to create legislation or regulation or conduct an activity that will help the Group or a member of the Group.
<b>Politically Exposed Person</b>	<p>Politically Exposed Person describes an individual has been entrusted with a prominent public function, including (but not limited to):</p> <ul style="list-style-type: none"> <li>• heads of state, heads of government, ministers and deputy or assistant ministers;</li> <li>• members of parliament or similar legislative bodies;</li> <li>• members of the governing bodies of political parties;</li> <li>• members of supreme or constitutional courts</li> <li>• members of courts of auditors or boards of central banks;</li> <li>• ambassadors or charges d'affaires;</li> <li>• high ranking officers in the armed forces;</li> <li>• members of administrative, management or supervisory bodies of state-owned enterprises; or</li> <li>• directors, deputy directors and members of the board of an international organisation such as the U.N, Nato, OECD, etc.</li> </ul> <p>Such individuals generally presents a higher risk for potential involvement in bribery and corruption by virtue of their position and influence that they may hold.</p>
<b>Close family member</b>	<p>Close family members may include;</p> <ul style="list-style-type: none"> <li>• a spouse or a partner of that person;</li> <li>• children of that person and their spouses or partners; and</li> <li>• parents or grandparents and grandchildren of that person.</li> </ul> <p>siblings</p>
<b>Close associate of a PEP</b>	<p>Known close associates of a PEP include:</p> <ul style="list-style-type: none"> <li>• any individual who is known to have joint beneficial ownership of a legal entity or legal arrangement or any other close business relationship, with a PEP; or</li> <li>• An individual who has the sole beneficial ownership of a legal entity or legal arrangement which is known to have been set up for the benefit of a PEP.</li> </ul> <p>Any individual who is in the position to conduct substantial financial transactions on behalf of the person who is considered a PEP</p>
<b>Public Official</b>	<p>Any elected or appointed official or employee at any level of, or other person acting in an official capacity for any:</p> <ul style="list-style-type: none"> <li>• Agency, department or instrumentality of a government;</li> <li>• Entity owned or controlled by any of the above; this includes central banks, sovereign wealth funds, and any business venture that is owned or controlled by a government entity, unless this business operates on a normal commercial basis in the relevant market (i.e. on a basis which is substantially equivalent to that of a private enterprise, without preferential subsidies or other privileges;</li> </ul>

	<ul style="list-style-type: none"> <li>• Judicial official;</li> <li>• Local, regional or national government;</li> <li>• Political party;</li> <li>• Public international organisation (e.g. the United Nations or World Bank); and</li> <li>• Candidates for public office, political party officials and member of the royal family are also to be treated as POs when acting in an official capacity.</li> </ul> <p>A person does not cease to be a Government or Public Official by purporting to act in a private capacity or by the fact that services are rendered without compensation. Where known close family members (i.e. spouses, children, parents or siblings) or close associates (e.g. key business colleagues, personal advisors, or owned/controlled legal entities) of any person falling into any of the above categories or roles are also to be treated as Public Officials.</p>
<b>Political appointment</b>	Running for or serving in any position or assignment in a political or governmental office or agency, whether by election or appointment or acting or being appointed as a formal adviser. This could be at a national or local level including any position or office that may be linked to a particular political party or any role acting as a special adviser to any national or local government or political party.
<b>Political activity</b>	Any activity or involvement in the political process such as volunteering for a political party or organisation, or taking part in a political campaign or fundraising activities.
<b>Value</b>	Any benefit, and includes, but is not limited to, money, loan, fee, stock, contractual right or interest, real estate, personal property, or other interests arising from business relationships, gifts, entertainment, meals, entertainment, contributions or donations made, travel and travel related expenses, below market discounts, refunds, rebates, preferential treatment in the provision of, or preferential access to business opportunities, goods or services that do not have a commercially reasonable justification, or other improper inducements. Anything of Value can also mean an offer of employment.
<b>MLRO</b>	Money Laundering Reporting Officer, the appointed staff with responsibility for oversight of compliance with AML and CTF and who acts as the focal point for all related activities
<b>Third Parties (third party payments)</b>	A payment (made or received) to or from a person who has no contractual relationship with the payee or recipient.

## 5. Version Control

### 5.1 Version

This policy is reviewed and approved by the Group Head of Financial Crime on an annual basis or in response to any significant change.

<b>Version</b>	<b>Date</b>	<b>Amended By</b>	<b>Comment(s)</b>
1.0	22/03/2018	Elizabeth Gilmore	Final version approved
2.0	18/06/2019	Elizabeth Gilmore	Annual Review and change into new policy document reflecting new terminology (e.g. Individual/staff)
3.0	12/10/2020	Alastair Davies	Annual Review and minor amendments. Updated Appendix 1 and 2.2.5.
4.0	07/12/2021	Julie Charlton	Inclusion of Isle of Man specific elements.
4.1	03/10/2022	Steven Brecht	Amendments to relevant policy titles for cross referencing
4.2	07/11/2023	Steven Brecht	Minor amendments to referenced policies and addition of associated regulation
4.3	21/03/2025	Steven Brecht	Annual review and minor amends following changes to subsidiary firms

## 6. Appendix 1: Legal and Regulatory Requirements

- The Joint Money Laundering Steering Group – Prevention of money laundering/combating terrorist financing
- FCA Financial Crime Guide
- Bribery Act 2010
- Proceeds of Crime Act 2002 (POCA)
- Money Laundering & Transfer of Funds Regulations 2017
- The Money Laundering and Terrorist Financing (Amendment) Regulations 2019
- Schedule 7 to the Counter-Terrorism Act 2008
- Anti-Terrorism, Crime and Security Act 2001
- Criminal Finances Act 2017
- Economic Crime and Corporate Transparency Act 2023