

**Group Financial Crime
Prevention Policy –
Anti-Bribery &
Corruption Policy
Statement**



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Glossary

Definitions

It is essential that we are all familiar with the following definitions:

The Group: St. James’s Place plc and subsidiary companies

Financial Crime: In respect of this Policy, Financial Crimes are considered to be Bribery and Corruption, Money Laundering, Terrorist Financing and Proliferation Financing, breaching/circumventing applicable International Financial Sanctions, Facilitation of Tax Evasion, Fraud and Market Abuse.

Bribery:

- The gift, offer, or promise of a financial or other advantage to another person with the intention to induce or reward them or another person to perform their responsibilities or duties improperly, or
- The request, agreement to receive, or actual receipt of a financial or other advantage by another person with the intention of inducing or rewarding them or another person to perform their responsibilities or duties inappropriately.

It is irrelevant whether:

- The person to whom the bribe is offered or received by is the person that then acts improperly
- The bribe is given or received directly or through a third party
- The bribe is for the benefit of the recipient or some other person.
- The bribe took place in the UK or elsewhere

Appointed Representative: A person or firm that is party to a contract with an authorised person (in this case, SJP) which permits or requires them to carry on certain regulated activities.

Acronyms

AB&C – Anti-Bribery & Corruption	B&C – Bribery & Corruption
CRO – Chief Risk Officer	GAC – Group Audit Committee
CTF – Counter-Terrorist Financing	FC – Financial Crime
FCP – Financial Crime Prevention	FCA – Financial Conduct Authority
G&H – Gifts and Hospitality	ID&V – Identification and Verification
MLRO – Money Laundering Reporting Officer	SJP – St. James’s Place
PF – Proliferation Financing	TF – Terrorist Financing
GEC – Group Executive Committee	CPF – Counter Proliferation Financing

Introduction

This statement is an extract of the Group Financial Crime Prevention Policy (“the Policy”) and relates only to the AB&C element of the Policy.

Objective and rationale for the policy

The objectives of the Policy are to:

- Define and articulate the FCP policy for the Group and set out the high-level requirements for the prevention of FC across all Group operations and interactions.
- Communicate the Group’s ‘no tolerance’ approach to FC in the context of the SJP plc Board approved risk appetite.
- Establish a system of principles that govern the Group’s decisions designed to protect the Group, the Partnership, Clients, employees, shareholders and associated third parties from risks associated with FC.
- Allocate key responsibilities at a Group, Entity, Divisional/Departmental and Individual level.

Scope

The Policy articulates the commitment of St. James’s Place to implement effective measures to reduce the risks of FC and enable the detection, investigation and reporting of any related issues.

The Policy applies to all legal entities within the Group. Regulated subsidiaries must create an ‘Adoption Statement’ (or equivalent) which sets out appropriate addendums, exceptions and exclusions specific to the subsidiary entity. Where a subsidiary’s local legislation specifies requirements for FCP, the subsidiary must meet those requirements in addition to ensuring compliance with the minimum standards required by the Group, as set out within this Policy.

The Policy applies to the following individuals:

- All Group employees and officers, including those employed by SJP subsidiary entities
- Agency Workers (i.e. temporary staff placed by Recruitment Agencies)
- Self-employed or contract workers (permanent or non-permanent)
- Any other individual working or training within the Group companies
- The Partnership and their employees
- The companies in the Group in their dealings with business partners and other third parties.

To maximise the efficiencies of the SJP group structure, certain reliance may be placed on one SJP entity by another, including the fulfilment of certain regulatory obligations in respect of AML/CTF/CPF with regards to ID&V. In such circumstances a documented agreement must be in place outlining the roles and responsibilities, prior to such reliance being commenced. SJP entities may also provide FC-related services to other SJP entities via documented outsourcing arrangements. These arrangements will be subject to adequate and appropriate oversight.

Exceptions to the policy

This Policy does not apply to our third-party administrators, our third-party fund managers or our suppliers. However, third-party administrators, third-party fund managers and any material suppliers must all establish and maintain their own FC control frameworks to the Group's satisfaction. This must be confirmed through the conduct of appropriate and ongoing due diligence & oversight (see Policy Statement 12 of the Policy which is not contained in this statement).

Compliance with the policy

All of us engaged in the conduct of SJP business operations share the collaborative goal and responsibility to conduct SJP business operations in compliance with all relevant legislation and to maintain appropriate vigilance to identify and report suspicious financial crime related circumstances.

Compliance with this Policy and all subordinate handbooks, guidance and operational procedures is mandatory. Failure to comply may constitute grounds for internal disciplinary action and may also result in action by the appropriate authorities. All divisions within the Group are required to comply with the procedures and controls that underpin the high-level principles and standards established by this Policy.

Any employee or contractor who breaches this Policy will face disciplinary action, which could result in dismissal for gross misconduct.

Any Partner or Adviser who breaches this Policy will be subject to an investigation which may lead to the end of their contract with the Group. Where a member of a Partner/Adviser's Support Staff breaches this Policy, the responsibility will fall on the Partner/Adviser and appropriate action will be taken.

If a criminal offence is suspected, the Group will also report the matter to the appropriate law enforcement agency.

Compliance with the Policy, and associated FCP procedures is the subject of risk-based reviews carried out across the Group by the FCP Team, Compliance Monitoring, Field Risk and Internal Audit. These reviews test adherence to legal and regulatory requirements and the effectiveness of the Group's FCP Framework.

Governance & Ownership

This Policy is issued under the specific authority of the Group's Board of Directors.

- **Policy author** – Group MLRO
- **Policy owner** – Group CRO
- **Approval Committee** – The GAC is responsible for its oversight and approval. Updates to the Policy are approved by the GAC. Updates to the Appendix are approved by the Group MLRO.

The Policy is reviewed regularly (at least annually) by the Group MLRO, in conjunction with the MLROs of business entities across the Group, to ensure its alignment to applicable legal and regulatory requirements; industry best practice; the risk assessments undertaken by the Group and the Group's Risk Appetite Statement; and its continued relevance to the Group's operations.

Due Diligence

This Policy has been reviewed by the Group Financial Crime Committee and SJP's Legal team, before being submitted to the Risk Oversight Group for recommendation of approval by the GAC.

Escalation Process

Any questions regarding this Policy should be addressed to the Group MLRO via financialcrimeprevention@sjp.co.uk.

SJP is committed to ensuring that anyone connected to the Group can speak up with confidence if they have any concerns or need to ask for help. You can report your concerns under SJP's whistleblowing procedure – details of which can be found on the [SJP Intranet](#).

Information covered by this Policy, as well as the Policy itself, remains confidential to the Group. All persons to whom this Policy applies are prohibited from discussing potentially sensitive matters outside the Group, other than in order to whistleblow to the relevant authorities or where they are legally required to do so. Failure to follow this rule may give rise to disciplinary action.

Policy Statement

In line with the Group's risk appetite statement, the Group will not tolerate any act of B&C, examples of which can be found in the Appendix. These are crimes for which the Group has zero tolerance and we will take all reasonable measures to ensure the prevention of their occurrence.

Where products and services pose a risk of facilitation of financial crime the Group seeks to minimise this risk through the implementation of a comprehensive FCP programme throughout the Group and the Partnership which meets relevant legal and regulatory requirements. The Group will apply the 'Home Country Standards' principle as set out by FATF, i.e. where a standard applicable to a local entity differs from that applicable in the jurisdiction in which the Group is headquartered, the higher of the two standards will apply.

In particular the Group will apply the following minimum standards in respect of B&C:

1. Appoint a Group MLRO and local MLROs

- They must be suitably qualified to perform their role, adhering to any applicable fit & proper requirements and obtain relevant regulatory approvals (where necessary)
- Their role must be sufficiently independent of the business, with clear reporting lines and unfettered access to the relevant Board. Any potential conflicts of interest must be appropriately managed in line with Group policies.
- Their role must be sufficiently senior for them to discharge their responsibilities effectively. This includes, *inter alia*, being able to propose actions – on their own initiative – to address weaknesses in the Group's FCP Framework.

2. The Group MLRO and the local MLROs will provide required management information

- The Group MLRO will provide an Annual Report to senior management, in line with FCA requirements. They will chair the Group Financial Crime Committee.
- Local MLROs will comply with relevant local reporting requirements and will also be members of the Group Financial Crime Committee. This committee is accountable to the Risk Oversight Group.
- All FC-related management reporting will be made in a timely and accurate fashion, facilitating robust governance, informed decision-making and appropriate risk management practices.
- Management reporting will include information on upstream regulatory developments and the embedding of existing regulatory obligations into the business.

3. Roles and responsibilities will be clearly allocated across the Group, in line with its 'three lines of defence' risk management model

- Line 1 includes the Field Risk and Supervision Teams, Partnership and their staff, and all other Group employees not included within Line 2 or 3 below.
 - They are responsible for the day-to-day risk management processes, applying the Group's procedures and controls, and the provision of training in line with mandatory requirements and materials
- Line 2 is the Group Risk function, including the Group's FCP Teams
 - They are responsible for the oversight of the Group's FCP Framework, monitoring its adherence and for ensuring that all procedures and guidance reflects current regulatory FCP requirements
- Line 3 is Internal Audit
 - They are responsible for providing independent assurance of adherence to legal and regulatory requirements and the effectiveness of the Group's FCP Framework

4. Provide FCP Awareness Training

- For all Group Employees and intermediaries on induction, with the requirement to pass the associated assessment.
- AB&C training will be provided periodically, typically every other year.
- Tailored/targeted training will also be provided on an ad hoc basis, as and when required.
- It is the responsibility of line managers to ensure their employees complete the training and associated assessment by the due date.
- The content of any training packs/modules must be approved by the Group MLRO and/or the relevant local MLRO (or their delegates)

5. Carry out risk assessments

- Appropriate and proportionate FC risk assessment will be carried out at Group, Entity and Divisional/Departmental levels by the FCP Team, relevant MLROs and Division/Department senior managers respectively.
- Risk assessments will identify, assess and consider controls to mitigate the FC risks identified.
- All risk assessment considerations must be recorded within divisional/departmental risk registers in line with guidance and tools available from Group Risk.
- All levels of risk assessment must be reviewed annually or more frequently if triggered by a specific event that would warrant re-evaluation, such as the development of a new business proposition that introduces new material risks or an incident that highlights a previously unidentified material risk. Re-evaluation of FC risk exposure is mandatory when implementing any new technology, products, processes and/or delivery channels.

- Managers are responsible for understanding the FC risks present in their business area and having appropriate ownership of the mitigating FC controls
- Any actions resulting from a risk assessment must be managed in accordance with an agreed timeframe.

AB&C Policy Statements

6. The Group prohibits bribery and corruption

- the offering, giving, solicitation or acceptance of any bribe, whether cash or other inducement, to or from any person or company by any individual employee, agent or other person acting on behalf of the Group is prohibited; where the purpose is to:
 - gain any commercial, contractual or regulatory advantage for the Group in any way which is unethical, or
 - gain a personal advantage, pecuniary or otherwise, for the individual or anyone connected with the individual.
- This includes any G&H offered or received which is designed to induce or reward favourable treatment, to undermine an impartial decision making process or to persuade someone to do something which is not in the proper performance of their job.

7. Offers of G&H made to a third party (including the Partnership), or offers of G&H to SJP employees from a third party (including the Partnership) must be declared, irrespective of whether they are accepted or not.

Pre-approval from your line manager is required for all G&H you propose to offer or are being offered. The Policy should be applied in conjunction with the SJP Expenses Policy.

- Offering G&H or receiving G&H are prohibited at the following times:
 - i. Before agreeing a contract with a supplier
 - ii. During contractual/commercial negotiations
 - iii. During the recruitment/onboarding process of an employee or supplier
 - iv. During the decision making process for corporate sponsorship
 - v. From candidate charities during the process of allocating Foundation grants
 - vi. During any interactions with Public Officials and State-owned Enterprises
- Hospitality should only be offered or accepted where there is a direct link to working arrangements and a genuine business reason can be demonstrated.

- When offering G&H to those outside of the Group (suppliers, product providers and third parties), Group employees must:
 - i. Demonstrate a clear business reason
 - ii. Consider the receiving parties' own G&H policy
 - iii. Ensure the G&H will not unduly influence those to whom they are offered
 - iv. Submit approval requests to their line manager for the full cost of the G&H they plan to offer. All documentation must be kept.
- A Group wide G&H Register will be maintained and reviewed bi-weekly by the FCP Team and quarterly by the Group MLRO and Group CRO.
- All offers of G&H whether they are accepted, declined or passed on must be declared via the G&H Register.
- Failures to declare in-scope G&H on the Register will be treated seriously.
- This policy statement only applies to employees of the Group, associated persons (e.g. secondees, agency staff, contractors and others employed under a contract of service) and spouses/partners if the G&H is in fact for the benefit of or being offered by the individual acting on behalf of the Group.
- This policy statement does not apply to gifts donated by SJP employees to the SJP Foundation.

16. All Sponsorship and Donation requests made to or by SJP must be approved by GEC members in advance. Requests being made by members of GEC must be approved by the Group CEO. They must be sent to the FCPT for record keeping.

- All evidence of requests and required approval must be in writing and retained for audit purposes.
- Sponsorship requests to any third parties/suppliers with whom SJP has an established relationship are prohibited.
- This guidance applies to sponsorships and donations made by SJP and sponsorships and donations made by third parties to SJP.
- This policy statement does not apply to sponsorship and donations made by the SJP Foundation.

Related Documents

Group Financial Crime Prevention Policy

Group Financial Crime Prevention Governance Framework

Risk Appetite Statement

Document Control

Revision History

Version	Last Updated	Description
1.2	November 2023	Statement taken from Group Financial Crime Prevention Policy as approved by the Group Audit Committee in October 2023.
2.2	October 2024	Statement taken from Group Financial Crime Prevention Policy as approved by the Group Audit Committee in October 2023.

Next Review Date

Version	Review Date
2.2	October 2025

Appendix - Examples

BRIBERY & CORRUPTION

Bribes can take many forms, for example:

- Money (or cash equivalent such as shares)
- Unreasonable gifts, entertainment or hospitality
- Kickbacks
- Unwarranted rebates or excessive commissions
- Unwarranted allowances or expenses
- “Facilitation” payments/payments made to people to perform their normal job more quickly or prioritise a particular customer
- Political/charitable contributions
- Uncompensated use of company services or facilities, or
- Anything else of value.

How do I know if something is a bribe?

In most circumstances, common sense will determine when a bribe is being offered. However, here are some questions you should ask yourself if in doubt:

1. Am I being asked to pay (or provide any other benefit) over and above the normal cost of the services being performed – examples might include an excessive commission, a lavish gift, a kickback or to make a contribution to a charity or political organisation?
2. Am I being asked to make a payment for services to someone other than the service provider?
3. Are the hospitality or gifts I am giving or receiving reasonable and justified? Would I be embarrassed to disclose them?
4. Do I know or suspect that the hospitality or gifts being offered or received is to induce or reward favourable treatment, to undermine an impartial decision-making process or to persuade someone to do something that would not be in the proper performance of their job?

GIFTS & HOSPITALITY

A Group wide employee G&H Register will be maintained. It is strongly recommended that Partner practices or equivalent personnel within Group subsidiaries operate their own G&H Log.

Common sense should prevail when determining whether to accept an offer of G&H.

EXAMPLES OF SPONSORSHIP AND DONATIONS

- Sponsorship of Corporate Golf Days or a local sports event or team
- Donations to a charitable cause following a tragic event or for the benefit of communities

- Expert Sponsorship is where an expert is sponsored to attend a convention, conference, education or other event and is paid fees and travel expenses. These should be avoided if possible, but if this is not possible, senior management approval should be obtained in advance of acceptance and attendance.

FACILITATION OF TAX EVASION

Tax evasion is a criminal offence, the proceeds of which are criminal property. Knowingly investing or otherwise interacting with these funds could therefore trigger the commission of a money laundering offence as well as facilitating tax evasion. The following examples illustrate how the FoTE could occur within the organisation:

1. Awareness of Client Tax Evasion

Clients of the organisation might attempt to evade tax which should be paid, whether from income or on investment growth. For example, if cash payments are taken for work carried out and these payments have not been declared for tax purposes. Where we suspect or become aware of any such attempts, and these are either ignored or assisted by the organisation, there is a strong likelihood of facilitation offences being committed.

2. Partnership Business Structures

Partner and Adviser business and financial structures, together with any transfer of assets / debts between associated operations, must have an underlying commercial purpose beyond the mitigation of tax liabilities. Where business structures are purely designed to either aggressively avoid or evade tax, there is a strong likelihood of facilitation of tax evasion offences being committed.

3. Partner Tax Evasion

Partners are authorised representatives of the organisation, not employees. As such, Partners retain substantial levels of administrative and financial independence without constant supervision from the organisation. Within this framework, opportunities might arise for Partners to attempt to mitigate their own tax liabilities in an unlawful manner.

4. Partner Employment Practices

Partners are authorised representatives of the organisation and retain substantial levels of administrative independence. Within this model, opportunities might arise for Partners to facilitate the evasion of tax by their staff.

5. Tax Evasion via Third-Party Products and Services

Partners might recommend investment into third party products; make an introduction to third-party products; recommend the use of a third-party service; or make an introduction to another financial advisor who advises in relation to third-party products which have the effect of facilitating tax evasion.