

Anti-Bribery & Corruption Policy

VERSION 1.1 May 2023

DOCUMENT OWNER:

Angela Dunn

DOCUMENT AUTHOR:

Thomas Oliver

WESLEYAN

we are all about you

DOCUMENT CONTROL SHEET

Contact(s) for Enquiries and Proposed Changes

For information regarding this document or if you have any questions or suggestions regarding the content, please contact the following:

Name: Angela Dunn

Contact details: amgela.dunn@wesleyan.co.uk

Document Tier

Tier	2
------	---

Document Review History

Version	Version Date	Revised By	Detail of amendment
0.1	07/03/2022	Thomas Oliver	First draft
0.2	07/05/2022	Angela Dunn	Second draft
1.0	17/5/2022	Angela Dunn	Final
1.1	01/05/2023	Angela Dunn	1. Update to include reference to FCA Consumer Duty and wording of risk appetite / risk tolerance

Document Reviewers (Wesleyan unless specified)

Name	Title	Comments
Thomas Oliver	Financial Crime Risk Specialist	
Angela Dunn	MLRO	Comments added
Jon Welsh	CRO	Comments addressed

Document Sign Off - SMF

Name	Role	Signature	Date
Angela Dunn	MLRO	email	17/5/22
Jon Welsh	CRO	email	17/5/22
Angela Dunn	MLRO	email	10/5/23
Jon Welsh	CRO	email	18/5/23

Committee Noted

Version	Committee	Notes/Caveats	Date
1.0	Risk Committee		June 2022

1.1	Risk Committee		TBC
-----	----------------	--	-----

Next review due

Frequency	Annual	Next review date	31 May 2024
-----------	--------	------------------	-------------

Contents

1. Introduction	4
2. Scope	4
3. Objective	4
4. What is Bribery and Corruption?	4
5. Key ABC Standards and Principles	5
5.1 Working with Government Officials and Public Sector Entities	5
5.2 Political Contributions Using Company Funds	5
5.3 Gifts and Hospitality	5
5.4 Third parties	6
5.5 Employment	6
5.6 Training and Awareness	6
5.7 Risk Assessment	6
5.8 Reporting and Investigation	6
5.9 Record keeping	7
5.10 Consequences of non-compliance	7
6. Responsibilities	7
7. Policy administration	8
7.1. Related policies	8
7.2. Policy Stakeholders	8
7.3 Overall compliance mechanism	8

1. Introduction

This Anti-Bribery and Corruption Policy (ABC Policy) forms part of the Wesleyan Assurance Society (Wesleyan) Group Financial Crime Framework.

Wesleyan is bound by the laws of the UK, including the Bribery Act 2010. The Bribery Act of 2010 relates to criminal activity involving bribery. It covers all forms of bribery that could take place in the United Kingdom and extends internationally.

Wesleyan has low risk appetite generally for financial crime but has zero tolerance for the knowing facilitation and committing of bribery and corruption, and supports all measures being taken to ensure that a proportionate response in place to the provisions of the act, including continuous development of the adequate procedures framework and relevant policies. This Policy has been designed to support the need to comply with all legal and regulatory requirements and where appropriate, will follow issued guidance and industry accepted 'good practice'. This includes the FCA's rules and guidance on Consumer Duty ensuring risks and controls focus on preventing harm before it arises and addressing events quickly.

2. Scope

Wesleyan's ABC Policy applies to all Group firms and employees, both permanent and temporary, and contractors.

The Policy is applicable to all transactions with clients and third party firms and business partners. In the context of this policy, third-party refers to any individual or organisation our company meets and works with.

3. Objective

The objective of this ABC Policy is to:

- ▶ Set out the principles, responsibilities and minimum standards of behaviour for Group firms and those that work for us, with regards to complying with our zero tolerance position on bribery and corruption.
- ▶ Provide guidance on how to recognise and report suspected acts of bribery and corruption
- ▶ Detail controls intended to prevent, detect and mitigate bribery and corruption risks

4. What is Bribery and Corruption?

Bribery refers to the act of offering, promising, giving, receiving, or soliciting anything of value to any person or entity, directly or indirectly, with the intention of corruptly or improperly obtaining or retaining a business advantage.

Corruption refers to any form of abuse of entrusted power for private gain. Corruption includes, but is not limited to, bribery.

The Bribery Act of 2010 defines the following offences:

- ▶ **Active bribery** – giving, promising, or offering of a bribe with intent to induce a person to perform their function improperly.
- ▶ **Passive bribery** – requesting, accepting, or agreeing to receive a bribe as a reward for performing a function improperly.
- ▶ **Bribery of a foreign public official** – of limited relevant to Wesleyan Assurance Society, but may need to be considered where for example, a company we were dealing with has operations based overseas.
- ▶ **Failure to prevent bribery** – Described as the new 'corporate offence' - firms must have procedures in place to prevent their staff, or any other associated persons, from committing acts of bribery.

For clarity, it is an offence to:

- ▶ Offer a bribe even if it is not accepted
- ▶ Help any person to offer a bribe
- ▶ Get another person to offer a bribe
- ▶ Encourage/urge another person to offer a bribe
- ▶ Conspire/secretly plan with another person to offer a bribe

The Act contains severe penalties for offenders:

Individual	<ul style="list-style-type: none"> ▶ Unlimited fines ▶ Up to 10 years of imprisonment
Company	<ul style="list-style-type: none"> ▶ Unlimited fines ▶ Disqualification of Directors ▶ Reputational Damage

5. Key ABC Standards and Principles

Wesleyan employees are strictly prohibited from:

- ▶ Offering, promising, giving or authorising bribes, directly or indirectly, to anyone, for the purpose of improperly influencing a business decision
- ▶ Soliciting, requesting, or accepting a bribe from anyone under any circumstances
- ▶ Encouraging third parties to engage in activity that is otherwise prohibited by this ABC Policy, the Ethical Code, or the ABC laws in general

Wesleyan employees are expected to promptly report any suspected or known violation of this Policy.

The key principles of this Policy are set out below

5.1 Working with Government Officials and Public Sector Entities

This Policy applies to all public and private sector business transactions. Transactions involving Government Officials require special attention and caution because of the specific requirements imposed by the Bribery Act.

All contract negotiations must follow the Group Procurement and Supplier management Policy.

5.2 Political Contributions Using Company Funds

This Policy specifically prohibits the use of company funds for making or facilitating company funds for any political contribution.

5.3 Gifts and Hospitality

The Wesleyan Gifts and Hospitality Policy defines reasonable behaviour and it is accepted that from time to time that staff may be invited to attend events (e.g. lunches, conferences etc.), or will be offered gifts (e.g. hampers, chocolates, flowers, bottles of wine/spirits) by other companies or their representatives.

Occasions could also arise where staff may be in the position of offering hospitality, or possibly gifts to representatives of business partners during the normal course of business.

All gifts and hospitality valued at more than £50 must be recorded on the Gifts and Hospitality register held by each business unit. This register will be reviewed by senior management to ensure compliance with the Policy.

Where there is no valid business purpose for offering or accepting a gift or attendance to an event cannot be justified and must be refused.

5.4 Third parties

Wesleyan expects all business partners to maintain a high standard of ethical conduct and compliance with all applicable ABC laws whenever engaged in any Wesleyan business.

Wesleyan may only engage with third party business partner who are able to and willing to comply with this ABC Policy, the Procurement and Supplier Management Policy, and ABC Laws.

5.5 Employment

All employees must be hired solely on the basis of merit, ability, and company need. Hiring shall be in compliance with Wesleyan's Conflict of Interest Policy.

5.6 Training and Awareness

All Group employees, including board members, executives and senior leaders, and third parties working with Group firms must be aware of and compliant with the principles defined in this ABC Policy.

All employees complete training appropriate to their roles and responsibilities on commencing employment and at least bi-annually thereafter. Employees involved in procurement decisions will also receive bespoke training on the Procurement and Supplier Management Process.

Training and awareness are primarily to be provided by a Computer Based Training module, supplemented by face to face meetings where deemed necessary.

Substantively, training includes:

- ▶ An explanation of the Act, relevant definitions (e.g., bribery and corruption, Public Officials, intermediaries)
- ▶ References to applicable internal policies, procedures
- ▶ Appropriate case studies, practical examples and/or "lessons learned" which present potential scenarios that employees may encounter
- ▶ Information on when and how to seek advice and how to report any concerns or suspicions of corruption.

Post-training assessments or attestations of understanding are completed by trainees (where it is appropriate to do so, such as in internal computer-based learning courses) with completion records maintained.

5.7 Risk Assessment

Firms are required to have in place 'adequate procedures' proportionate to risk, to prevent acts of bribery by associated persons.

Business areas will review their exposure to the risk of Bribery and Corruption as part of the Group Risk Management Framework. The assessment will identify inherent risk and determine the effectiveness of controls and be recorded on Magique.

Some areas of business may be more susceptible to acts of corruption and may therefore need more frequent or detailed reviews.

5.8 Reporting and Investigation

If it is suspected or known that an incident of bribery has occurred all employees have a duty to report it accordance with the Speak Out Policy.

Employees also have an obligation under the Proceeds of Crime Act (POCA) 2002 to report to the Money Laundering Reporting Officer (MLRO) when there are reasonable grounds to know or suspect that there is criminal property in existence. In the case of a suspicion of bribery, this would relate to any benefit that may have been acquired by the person(s) suspected of committing an act of bribery.

Reporting is made in the form of either a Suspicious Activity Report (SAR) or by communicating anonymously the Group’s Whistleblowing Champion, or directly with a Speak Out Policy Representative.

As soon as practicable after the disclosure or meeting has taken place the designated person(s) will recommend further action where appropriate, including one or more of the following:

- ▶ Carry out a further detailed internal investigation or arrange for an appropriate third party (e.g. FCA) to carry out an external investigation
- ▶ Inform the appropriate authority – for example, FCA, Health and Safety Executive
- ▶ Inform the Police

5.9 Record keeping

Detailed and accurate financial records will be maintained and Wesleyan will have appropriate internal controls in place to act as evidence for all payments made.

Full records of the amount and reason for hospitality or gifts accepted and given will be kept.

Details of training provided and completion records will be maintained.

Full details of all reported incidents and the following investigation will be maintained. Where a financial crime is reported the MLRO will maintain details of the report, investigation and reason for decision to report or not report to external bodies.

5.10 Consequences of non-compliance

Breaches of the Bribery Act can result serious criminal and civil penalties as well reputational damage. It could also result in significant costs associated with investigations of allegations of corrupt activities.

Any Wesleyan employee who is found to have breached this ABC Policy will be subject to disciplinary action up to and including termination of employment. Employees may be held personally liable for engaging in bribery or for violating the law. Wesleyan may refer suspected violations to the appropriate law enforcement or regulatory authorities, which could lead to penalties, fines, and/or imprisonment.

Appropriate action will be taken against any third party business partner found to have not complied with the provisions of this Policy, which may include termination of the contract, initiating proper legal action, and/or notifying the proper authorities.

6. Responsibilities

The following table outlines the key responsibilities in relation to this policy.

MLRO	<ul style="list-style-type: none"> ▶ Review and update this Policy ▶ Oversight of processes and controls and processes within Group firms ▶ Reporting to GEC, Board and relevant Committees on all associated matters
Chief Risk Officer	<ul style="list-style-type: none"> ▶ Review, challenge and approve this Policy ▶ Engage with Executives, and Risk Committee on related matters
Risk Committee	<ul style="list-style-type: none"> ▶ Monitor compliance with the Policy via Key Risk Indicators and reported incidents
GEC	<ul style="list-style-type: none"> ▶ Approve related Policies and processes

	▶ Provide Assurance to the Board via the Risk Committee that this Policy is in place and working effectively
--	--

7. Policy administration

7.1. Related policies

The policies most directly relevant to identifying, mitigating and reporting bribery and corruption are listed below and are available on the Group's intranet site:

- ▶ Financial Crime Risk Appetite Statement
- ▶ Financial Crime Policy
- ▶ Speak Out Policy
- ▶ Conflicts of Interest Policy
- ▶ Gifts and Hospitality Policy
- ▶ Ethical Code – included in Conduct Code
- ▶ Procurement and Supplier Management Policy and supporting procedures

7.2. Policy Stakeholders

Any material changes to this policy should be communicated to the following:

- ▶ Chief Risk Officer
- ▶ Board of Directors
- ▶ Risk Committee
- ▶ Group Executive Committee (GEC)
- ▶ All directors within Wesleyan Group
- ▶ All senior managers within Wesleyan Group

All staff should have an awareness of the Group's Bribery and Corruption principles.

Any policy changes that require global distribution the support of the Internal Communications team should be sought.

7.3 Overall compliance mechanism

Compliance with this Policy will be achieved through the monitoring of compliance with the principles and minimum standards set out in this document and the processes established to implement it.

The 1st line of defence across the Group is responsible for implementing and embedding the Policy. The Group Risk & Regulatory function is responsible for monitoring adherence to the policy, and reporting key indicators and issues to the appropriate forums.

Breaches should be reported to the appropriate senior manager in the 1st line of defence. They should also be reported to the Group Risk & Regulatory function in the 2nd line of defence via the Business Incident Reporting Process on Magique.

This policy will be reviewed annually.