

Old Mutual Asset Managers (UK) Anti-bribery & corruption policy



1. Policy summary

Bribery and corrupt business practices create unfair markets, erode public trust and stifle long-term economic development and are contrary to the Old Mutual Asset Managers (UK)'s values. Old Mutual Asset Managers (UK) is committed to ethical and legal business conduct and the business and its employees must:

- Act legally and with integrity at all times to safeguard our employees, resources, tangible and intangible assets, and our reputation
- Create and maintain a trust-based and inclusive culture in which bribery and corruption are not tolerated
- Conduct all business relationships in an ethical and lawful manner; and
- Co-operate fully with law enforcement and regulators locally within the bounds of local legislation

This policy sets out the requirements for identifying and managing bribery and corruption risk, and reflects legal and regulatory obligations applicable to the firms United Kingdom (UK) Financial Services Authority authorised status. This includes prosecution in the UK for Old Mutual Asset Managers (UK) or employees working for Old Mutual Asset Managers (UK) for acts of bribery or corruption committed. **In addition, it is an offence for Old Mutual Asset Managers (UK) to fail to prevent a bribe being paid by it or on its behalf unless the firm can prove that adequate procedures to prevent such acts were in place.**

2. Mandatory requirements

2.1 Policy

This policy specifically communicates Old Mutual Asset Managers (UK) requirements for anti-bribery and corruption. Employees who deliberately breach this policy will be subject to disciplinary action, which may potentially lead to dismissal. A policy specialist has been appointed from Old Mutual Asset Managers Senior Management and is responsible for implementing and monitoring the requirements outlined within this policy.

2.2 Bribery, Corruption and Political Contributions

It is strictly prohibited for any employee of Old Mutual Asset Managers (UK) to engage in bribery or corrupt activities of any kind for any purpose, including but not limited to the firm's benefit, the employee's benefit or that of the employee's family, friends, or business associates.

Old Mutual Asset Managers (UK) will not make direct or indirect financial contributions to political parties, organisations or individuals engaged in politics.

2.3 Gifts and Hospitality/Entertainment

Giving and receiving gifts and hospitality/entertainment is acceptable provided it is not excessive (in a local context); nor could be interpreted as an attempt to materially influence the person receiving the gift/hospitality.

Employees are not allowed to give (other than for approved charitable or community support projects) or receive money in a business context. Employees must seek approval for gifts and hospitality/entertainment accepted or offered above a reasonable limit. For further information relating to gifts and hospitality, please refer to the Old Mutual Asset Managers (UK) Inducement Policy.

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2.4 Identifying Bribery and Corruption

Old Mutual Asset Managers must establish, maintain and regularly review procedures to identify bribery and corruption, including:

Risk assessment: assessing the risk of corruption and measures to manage and/or mitigate the risk, including regular risk assessments on third parties and third countries to assess bribery and corruption risks. This risk assessment must be kept up to date as Old Mutual Asset Managers (UK) products, processes and external environments evolve.

Due diligence: an appropriate level of due diligence must be performed at the outset of any business relationship with partners, agents/intermediaries and joint ventures etc. The level and depth of due diligence must increase where the risk of bribery or corruption is perceived to be higher. Due diligence covers integrity of the counterparty (this also includes key people within counterparties), capability to fulfil their part of the deal, jurisdiction risk, financial stability/strength etc.

Employment screening and practices: Pre-employment screening should be carried out on all prospective employees

Screening of employees should also routinely take place on promotion and/or transfers, particularly to higher risk areas such as Sales, Front Office and Marketing.

Employment contracts must include contractual obligations and penalties for bribery and corruption, and disciplinary procedures must be in place to enforce actions.

Employee training: employees working in higher risk areas (as above) should be trained and supervised so they are able to identify and report bribery and corruption. All employees should understand the risks of engaging in bribery and corrupt activities and the policy requirements. Records of training must be retained on file.

Reporting and advice: safe and confidential procedures should be established for employees to report and discuss incidents and situations where suspicions of bribery and corruption arise (minimum standards are detailed in the Old Mutual Asset Managers (UK) Whistleblowing Policy).

2.5 Managing Bribery and Corruption Risk

Old Mutual Asset Managers (UK) must manage bribery and corruption risk to avoid material risk or loss to the firm, including:

Inducements Controls: A robust Inducement Policy is in place including disclosure requirements and pre-authorisation of inducements over a certain value.

Decision making: there must be a process for formal decision making by senior individuals in relation to taking on new service providers. In-depth due diligence must occur during such projects.

Financial controls: these should be of such a nature as to prevent the making and receiving of bribes or corrupt acts, including proper authorisation procedures before any payment is made; proper selection of vendors or suppliers; and risk-based monitoring of third party relationships and payments made.

Procurement and contract management procedures: such procedures must be designed to decrease the opportunity for bribery and corruption, including the incorporation of anti bribery and corruption provisions, termination and audit rights in contracts with third parties.

Investigations: all allegations of bribery and corruption must be properly investigated by appropriately skilled individuals and results must be reported where possible to the person making the report.

External reporting: bribery and corruption cases must be promptly reported to local law enforcement (and regulatory bodies if appropriate).

Disclosure process: the following must be put in place:

- gift/hospitality registers containing all requests for approval and decisions made must be established and maintained
- appropriately senior and skilled employees must be appointed to approve disclosures for gifts/hospitality above a reasonable minimum level
- declared gifts/hospitality at must be reviewed at least annually.

Compliance: obtaining annual compliance declarations from all employees, including immediate notification of new gifts/hospitality that may arise.

Independent assurance: Group Internal Audit will assess the extent to which risk management and governance practices are effective and systems of control are functioning as intended, in line with perceived risk.

2.6 Escalation

Old Mutual Asset Managers (UK) processes for escalation are outlined within the Old Mutual Asset Managers (UK) Whistleblowing Policy.

2.7 Escalation

Old Mutual Asset Managers must provide management information and assurance of compliance with this policy to senior management, at least annually.

Definitions

Bribery is the offer/receipt of any kickback, gift, loan, fee, reward/other advantage to/from customers, agents, contractors, suppliers, intermediaries or employees of any such party or to/from government officials, as an incentive to do something which is dishonest, illegal, improper, a breach of trust or a breach of Old Mutual Asset Managers (UK) policy or principles for the firm's or its employee's benefit or that of the employee's family, friends, or business associates.

Corruption is the offering, giving, soliciting or acceptance of an inducement or reward (including facilitation payments or hidden commissions) which may improperly influence the action of any person in relation to the firm's business.

Facilitation Payments are improper payments made to facilitate or expedite the performance of "routine" governmental action.

Code of Conduct is an agreement between Old Mutual Asset Managers (UK) and its employees specifying standards of behaviour expected. Employees agree to the code when they join the firm, and so agree to uphold its standards.

Gifts/Hospitality include items, goods, services, corporate entertainment and business assistance from which the person giving or receiving the gift/hospitality may get benefit, and any other benefit or gratuity.

Employees are, for the purpose of this policy; directors, permanent staff; fixed term contractors on our payroll; and temporary workers and consultants not on the payroll but engaged for a period of at least one month.