

## Anti-Bribery

### 1. Purpose

- 1.1 PCP2 Ltd (the "Company") are committed to the practice of responsible corporate behaviour and to complying with all laws, regulations and other requirements which govern the conduct of our operations.
- 1.2 The Company is fully committed to instilling a strong anti-corruption culture and is fully committed to compliance with all anti-bribery and anti-corruption legislation including, but not limited to, the Bribery Act 2010 (the Act) and ensures that no bribes or other corrupt payments, inducements or similar are made, offered, sought or obtained by us or anyone working on our behalf.
- 1.3 It is every employee's responsibility to be aware of, and comply with, the Company's policies and procedures to any conflicts due to the acceptance / provision of bribes.

### 2. Bribery

- 2.1 Bribery is defined as the giving or promising of a financial or other advantage to another party where that advantage is intended to induce the other party to perform a particular function improperly, to reward them for the same, or where the acceptance of that advantage is in itself improper conduct.
- 2.2 Bribery is also deemed to take place if any party requests or agrees to receive a financial or other advantage from another party where that advantage is intended to induce that party to perform a particular function improperly, where the acceptance of that advantage is in itself improper conduct, or where that party acts improperly in anticipation of such advantage.
- 2.3 Bribery of a foreign official is defined as the giving or promising of a financial or other advantage which is intended to influence the official in order to obtain business or an advantage in the conduct of business unless the foreign official is required or permitted by law to be influenced by such advantage.

### 3. Consequences of Bribery

- 3.1 Anyone or any organisation found guilty of bribery under the Act may face fines and/or prison terms. In addition, high legal costs and adverse publicity are likely to result from any breach of the Act.
- 3.2 For employees of the Company, failure to comply with this Policy and/or with the Act may result in:
  - 3.2.1 disciplinary action which may include dismissal; and
  - 3.2.2 criminal penalties under the Act which may result in a fine and/or imprisonment for up to 10 years.
- 3.3 For the Company, any breach of this Policy by any employee or business associate may result in:
  - 3.3.1 the Company being deemed to be in breach of the Act;
  - 3.3.2 the Company being subject to fines; and
  - 3.3.3 the Company suffering negative publicity and further associated damage as a result of such breach.

#### **4. Responsibility for Compliance and Scope of Policy**

- 4.1 This Policy applies to all employees, agents, contractors, subcontractors, consultants, business partners and any other parties (including individuals, partnerships and bodies corporate) associated with the Company or any of its subsidiaries.
- 4.2 It is the responsibility of all of the abovementioned parties to ensure that bribery is prevented, detected and reported and all such reports should be made in accordance with the Company's Whistleblowing Policy or as otherwise stated in this Policy, as appropriate.
- 4.3 No party described in section 4.1 may:
  - 4.3.1 give or promise any financial or other advantage to another party (or use a third party to do the same) on the Company's behalf where that advantage is intended to induce the other party to perform a particular function improperly, to reward them for the same, or where the acceptance of that advantage will in itself constitute improper conduct;
  - 4.3.2 request or agree to receive any financial or other advantage from another party where that advantage is intended to induce the improper performance of a particular function, where the acceptance of that advantage will in itself constitute improper conduct, or where the recipient intends to act improperly in anticipation of such an advantage.
- 4.4 Parties described in section 4.1 must:
  - 4.4.1 be aware and alert at all times of all bribery risks as described in this Policy and in particular as set out in section 9 below;
  - 4.4.2 exercise due diligence at all times when dealing with third parties on behalf of the Company; and
  - 4.4.3 report any and all concerns relating to bribery to the Compliance Officer or, in the case of non-employees, their normal point of contact within the Company, or otherwise in accordance with the Company's Whistleblowing Policy.

#### **5. Facilitation Payments**

- 5.1 A facilitation payment (otherwise known as 'grease payments') is defined as a small payment made to officials in order to ensure or speed up the performance of routine or necessary functions.
- 5.2 Facilitation payments constitute bribes and, subject to section 5.3, may not be made at any time irrespective of prevailing business customs in certain territories.
- 5.3 PCP has a group-wide zero tolerance for this activity. All requests for facilitation payments must be reported to the Compliance team.

#### **6. Gifts and Hospitality**

- 6.1 Gifts and hospitality remain a legitimate part of conducting business and should be provided only in compliance with the Company's Gifts and Hospitality Policy.
- 6.2 Gifts and hospitality can, when excessive, constitute a bribe and/or a conflict of interest. Care and due diligence should be exercised at all times when giving or receiving any form of gift or hospitality on behalf of the Company.

- 6.3 The following general principles apply:
- 6.3.1 Gifts and hospitality may neither be given nor received as rewards, inducements or encouragement for preferential treatment or inappropriate or dishonest conduct.
  - 6.3.2 Neither gifts nor hospitality should be actively sought or encouraged from any party, nor should the impression be given that the award of any business, custom, contract or similar will be in any way conditional on gifts or hospitality.
  - 6.3.3 Cash should be neither given nor received as a gift under any circumstances.
  - 6.3.4 Gifts and hospitality to or from relevant parties should be generally avoided at the time of contracts being tendered or awarded.
  - 6.3.5 The value of all gifts and hospitality, whether given or received, should be proportionate to the matter to which they relate and should not be unusually high or generous when compared to prevailing practices in our industry or sector.
  - 6.3.6 All gifts and hospitality, whether given or received, must be recorded in the Hospitality & Gifts Register.

## **7. Charitable Donations**

- 7.1 Charitable donations are permitted only to registered (non-profit) charities. No charitable donations may be given to any organisation which is not a registered charity.
- 7.2 All charitable donations must be fully recorded in Charitable Donations Register.
- 7.3 Proof of receipt of all charitable donations must be obtained from the recipient organisation.
- 7.4 Under no circumstances may charitable donations be made in cash.
- 7.5 No charitable donation may be made at the request of any party where that donation may result in improper conduct.

## **8. Political Donations**

- 8.1 The Company does not make political donations and the Company is not affiliated with any political party, independent candidate, or with any other organisation whose activities are primarily political.
- 8.2 Employees and other associated parties are free to make personal donations provided such payments are not purported to be made on behalf of the Company and are not made to obtain any form of advantage in any business transaction.

## **9. Due Diligence and Risks**

The following issues should be considered with care in any and all transactions, dealings with officials, and other business matters concerning third parties:

- 9.1 Territorial risks, particularly the prevalence of bribery and corruption in a particular country;
- 9.2 Cross-border payments, particularly those involving territories falling under section 9.1;
- 9.3 Requests for cash payment, payment through intermediaries or other unusual methods

- of payment;
- 9.4 Activities requiring the Company and / or any associated party to obtain permits or other forms of official authorisation;
- 9.5 Transactions involving the import or export of goods;

## **10. Reporting suspicions**

- 10.1 All suspicions or evidence of another member of staff, or anyone acting for or on behalf of PCP2, who may have engaged in corrupt behaviour, must be reported at the earliest possible opportunity to the Compliance Officer. All reports raised are taken seriously and no member of staff is discriminated against in any way as a result of reporting a concern in good faith.
- 10.2 PCP2 supports any member of staff who makes such a report and ensures that the report is treated appropriately. No disciplinary action is taken against any person who makes a legitimate report, even if the suspicions turn out to be incorrect. Disciplinary action is taken against any person who attempts to victimise or discriminate against a person making such a report.
- 10.3 Reporting can be via line management or via the Company's Whistleblowing procedures.
- 10.4 The Company will investigate any actual or suspected breach of this policy, or the spirit of this policy. Employees may be subject to disciplinary action which may ultimately result in their dismissal. In the case of third parties found to be bribing or attempting to bribe PCP2 employees, a service provider or a customer: they will be informed in writing that business dealings will be ceased and appropriate authorities will be informed.

The above is not intended to prohibit proportionate and properly recorded gifts and entertainment. Staff should read this policy in conjunction with PCP2's Inducements Policy Section 3.

### **Anti-Money Laundering and Counter-Terrorist Financing ("CTF")**

The POCA and the Terrorism Act 2000 set out offences specific to those working for Companies in the regulated sector, i.e. PCP2. It is an offence for an individual who knows or suspects, or has reasonable grounds for knowing or suspecting, that another person is engaged in money laundering or terrorist financing, to fail to disclose that knowledge or suspicion to the MLRO. Additionally, it is a criminal offence for anyone, following a disclosure to the MLRO or to the National Crime Agency ("NCA"), to do or say anything that might either 'tip off' another person that a disclosure has been made or prejudice an investigation.

In order to avoid committing an offence, staff must report any suspicious activities or concerns of money laundering or terrorist financing to the MLRO. Please note that there does not need to be an actual transaction for a report to be made, e.g. there is still a requirement to report if PCP2 is asked to give advice on a trade, which is suspicious, even if PCP2 does not execute the trade. Staff may be disciplined if they fail without reasonable excuse to report a potentially suspicious transaction.

PCP2 undertakes a money laundering and terrorist financing risk assessment on at least an annual basis. This risk assessment informs the systems and controls the Company has implemented in regards to AML and CTF. Appropriate CDD is undertaken on all clients in line with the latest Joint Money Laundering Steering Group ("JMLSG") guidance prior to commencing a business relationship. PCP2's

clients are the Funds and managed accounts to whom it provides investment management services. Records of CDD are maintained by the Compliance Officer.

Investors in the Funds managed by PCP2 are clients of the Funds and not clients of PCP2, and so the CDD requirements, insofar as they apply to investors, are not directly applicable to PCP2. CDD checks are undertaken by the Funds' administrators, who report into the Fund Board on AML matters and would flag any issues directly, but it is nevertheless important for staff to remain vigilant in respect of any potential investors whom they may meet.

### **Staff Awareness Training**

Periodic financial crime awareness training for staff is organised by the MLRO to ensure that staff are aware of the legislation and regulations applicable to PCP2 with respect to money laundering, terrorist financing and bribery. Guidance on how to identify instances of financial crime and next steps is also provided. Participation in this training is compulsory. Appropriate records of the training provided are maintained by the Compliance Officer.