



Objective

Limit the firm's financial and reputational exposure to Financial Crime through meeting the minimum standards required for each specific area of Financial crime.

Outcome

- All staff's awareness of the implications of Financial crime, both on the business and society;
- A robust controls environment in place to minimise exposure to financial crime; and
- No reported breaches of Financial crime by the regulator.

Governance

Owner: {Owner Name}

Team: SECRETARIAT

Review Frequency: Annually

Last Reviewed: 2019-10-28

Principles

Principle #1: Awareness of Financial Crime

Principle #2: Review the financial crime prevention approach

Principle #3: Effective management of Anti-Money Laundering

Principle #4: No involvement with sanctioned and/or terrorist Financing

Principle #5: Minimize Anti-Bribery and Corruption

Principle #6: Minimize Financial Fraud (Internal / External)

Principle #7: Minimize Tax Evasion

Principle #8: Minimizing Insider Dealing



Principle 1: Awareness of Financial Crime

{Principle Owner}

What good looks like: Appropriate and up-to-date training is delivered to **all senior members of staff** through e-learning and other communication covering the following areas:

1. Anti-Money Laundering;
2. Sanctions & Anti-Terrorist Financing;
3. Anti-bribery & Corruption;
4. Fraud (internal / External);
5. Tax Evasion; and
6. Insider Dealing.

Risks	Risk Owner	Residual Risk
Breach of a regulatory or statutory duty (#RR2).	{Owner}	New
Losses due to acts fraud (#RR12).	{Owner}	New

Controls	Control Owner	RAYG
Mandatory Training (All staff) (#CR29).	{Owner}	New



Principle 2: Review the financial crime prevention approach

{Principle Owner}

What good looks like: The approach to financial crime prevention remains relevant, based on the nature, scale and complexity of the business. This includes:

- **Awareness:** training is up to date;
- **Accountability / transparency:** responsibility is clearly assigned;
- **Monitoring:** regular monitoring of financial crime (including incidents) in place.
- **Reporting:** timely reporting of instances of financial crime to the right level of management.

Risks	Risk Owner	Residual Risk
Breach of a regulatory or statutory duty (#RR2).	{Owner}	New
Losses due to acts fraud (#RR12).	{Owner}	New

Controls	Control Owner	RAYG
Mandatory Training (All staff) (#CR29).	{Owner}	New
Horizon Scanning for regulatory change (#CR30).	{Owner}	New
Review Financial Crime policy (#CR31).	{Owner}	New



Principle 3: Effective management of Anti-Money Laundering

{Principle Owner}

What good looks like: Appropriate controls are in place to prevent criminals to use our business to disguise the origin and ownership of the proceeds of criminal activities in order to avoid prosecution, conviction and confiscation.

Risks	Risk Owner	Residual Risk
Breach of a regulatory or statutory duty (#RR2).	{Owner}	New

Controls	Control Owner	RAYG
Mandatory Training (All staff) (#CR29).	{Owner}	New
Review Money Laundering process (#CR35).	{Owner}	New
Financial Crime checks due diligence log (#CR36).	{Owner}	New
New client On-boarding due-diligence (#CR42).	{Owner}	New
Money Laundering reporting officer (MLRO) (#CR48).	{Owner}	New



Principle 4: No involvement with sanctioned and/or terrorist Financing

{Principle Owner}

What good looks like: Appropriate measures are in place to prevent dealings with beneficiaries (account holders or otherwise) that are under Economic, Trade or Financial sanctions imposed by governmental or supra-national bodies to exert pressure on individuals or political regimes.

This also includes taking special care when dealing with politically exposed people (PEPs).

Risks	Risk Owner	Residual Risk
Breach of a regulatory or statutory duty (#RR2).	{Owner}	New

Controls	Control Owner	RAYG
Sanction screening report (#CR32).	{Owner}	New
Financial Crime checks due diligence log (#CR36).	{Owner}	New
Maintain a list of high-risk territories (#CR18)	{Owner}	New
Mandatory Compliance Training (#CR2)	{Owner}	New



Principle 5: Minimize Anti-Bribery and Corruption

{Principle Owner}

What good looks like: Appropriate measures are in place to prevent influencing an individual in the performance of their duty, induce dishonesty or illegitimate use of office to gain an unfair advantage for the perpetrator.

Risks	Risk Owner	Residual Risk
Breach of a regulatory or statutory duty (#RR2).	{Owner}	New
Losses due to acts fraud (#RR12).	{Owner}	New

Controls	Control Owner	RAYG
Mandatory Training (All staff) (#CR29).	{Owner}	New
Conflict of Interest Register (#CR37).	{Owner}	New
Gifts and Hospitality Register (#CR38).	{Owner}	New
Anti-Bribery and Corruption affirmation from trading partners and critical suppliers (#CR39).	{Owner}	New



Principle 6: Minimize Financial Fraud (Internal / External)

{Principle Owner}

What good looks like: Ensure appropriate controls are in place to prevent acts of dishonesty for the purposes of financial or non-financial gains. These acts can be carried out by internal or external parties and include:

- False representation;
- Failing to disclose information; or
- Abuse of position.

Risks	Risk Owner	Residual Risk
Losses due to acts fraud (#RR12).	{Owner}	New

Controls	Control Owner	RAYG
Mandatory Training (All staff) (#CR29).	{Owner}	New
Financial Crime checks due diligence log (#CR36).	{Owner}	New
Close inactive accounts (#CR41).	{Owner}	New
Review of premium refunds (#CR11)	{Owner}	New
Sign-off Authority Matrix maintained (#CR15)	{Owner}	New
Compliance sign-off for all changes to client bank account details (#CR16)	{Owner}	New
External Audit Review (#CR17)	{Owner}	New
New client On-boarding due-diligence (#CR42).	{Owner}	New



Principle 7: Minimize Tax Evasion

{Principle Owner}

What good looks like: Appropriate controls are in place to prevent facilitation of tax evasion by the firm's staff, including associated third parties acting on behalf of the firm, whether the tax is owed in the UK or in a foreign jurisdiction.

Risks	Risk Owner	Residual Risk
Breach of a regulatory or statutory duty (#RR2).	{Owner}	New

Controls	Control Owner	RAYG
Mandatory Training (All staff) (#CR29).	{Owner}	New
External Audit Review (#CR17)	{Owner}	New
Maintain a list of high-risk territories (#CR18)	{Owner}	New



Principle 8: Minimizing Insider Dealing

{Principle Owner}

What good looks like: Appropriate controls are in place to prevent staff from dealing in publicly traded securities or financial instruments on the basis of insider information which would affect the price if it were made public.

Risks	Risk Owner	Residual Risk
Breach of a regulatory or statutory duty (#RR2).	{Owner}	New

Controls	Control Owner	RAYG
Mandatory Training (All staff) (#CR29).	{Owner}	New
Conflict of Interest Register (#CR37).	{Owner}	New