

Veritas Group

Anti-Bribery and Corruption Policy

Regulatory Requirements

Bribery and corrupt business practices are criminal offences under the Bribery Act 2010, whether committed in the UK or abroad. They create unfair markets, weaken trust in investment firms and are contrary to the Veritas Group (“Veritas”) culture. The regulated entities in the group are Veritas Investment Partners (UK) Limited (“VIP (UK) Ltd”) and Veritas Investment Management AG (“VIM AG”). Veritas is committed to ethical and legal business conduct, has a zero tolerance to bribery and corruption, and its employees, partners and directors must:

- Act legally and with integrity always to safeguard Veritas’ employees, resources, assets, and 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;
- Co-operate fully with law enforcement and regulators within the bounds of local regulation.

The Bribery Act

The Bribery Act consists of four offences:

- The Criminal offence to offer, promise or give a bribe;
- The Criminal offence to request, agree to receive, or accept a bribe;
- The separate offence of bribery of a foreign public official;
- The corporate offence involving the failure by relevant commercial organisations such as Veritas to prevent bribery by persons working on behalf of the firm.

Definitions

Bribery	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 Veritas’ policy or principles for the firm’s or its employees’ benefit or that of an employee’s family, friends, or business associates.
Corruption	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 Group’s business.
Facilitation Payments	Improper payments made to facilitate or expedite the performance of “routine” governmental action.
Code of Conduct	An agreement between the Group and its employees specifying standards of behaviour expected. Employees agree to uphold these standards when they join a firm.
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, employees, officers, consultants, contractors, temporary workers.

Identifying Bribery and Corruption

Veritas must establish, maintain and regularly review procedures to identify bribery and corruption, including:

Risk Assessment	<p>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.</p> <p>Veritas follows Transparency International (“TI”) guidance on ABC risk assessment and tailors it to the firm’s requirements and business model. ABC risk assessments are undertaken and reviewed periodically to assess whether a bribery risk is emerging.</p>
Due Diligence	<p>An appropriate level of due diligence must be performed at the outset of any business relationship with intermediaries and third parties. 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 or strength and AML checklist assessment.</p>
Employment Screening and Practices	<p>Pre-employment screening is carried out on all prospective employees. This includes enhanced screening for Certified Functions.</p> <p>Employees are expected to comply with standards of conduct and behaviour whilst carrying out their duties which is defined in the Veritas Code of Conduct. Employment contracts include contractual obligations to follow Veritas’ internal policies and procedures and a breach can lead to disciplinary action.</p>
Employee Training	<p>Employees are trained so they can identify and report bribery and corruption. All employees should understand the risks of engaging in bribery and corrupt activities and the policy requirements. Veritas provides periodic training on internal policies and procedures. Records are retained as part of the firm’s Training and Competence requirements.</p>
Reporting and Advice	<p>Safe and confidential procedures are in place for employees to report and discuss incidents and situations where suspicions of bribery and corruption arise (minimum standards are detailed in the VIP (UK) Ltd’s Whistleblowing Policy).</p>

Managing Bribery and Corruption Risk

Veritas manages bribery and corruption risk to avoid material risk or loss to the firm, including:

Inducements Controls	<p>A Gifts and Hospitality policy is in place, which includes disclosure and Compliance pre-approval requirements for gifts and hospitality over certain value.</p>
Decision Making	<p>There is a process for formal decision making at committee level in relation to taking on new critical service providers, in conjunction with an in-depth due diligence process.</p>
Financial Controls	<p>These are of a nature 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. There is a four-eyes check before any payment gets final approval.</p>

Procurement and Contract Management Procedures	Such procedures are designed to decrease the opportunity for bribery and corruption.
Investigations	Any allegations of bribery and corruption are properly investigated by the respective Compliance Officer, who escalates and reports to the Veritas Investment Management (UK) Limited Board accordingly.
External Reporting	Bribery and corruption cases will be promptly reported to local law enforcement (and regulatory bodies if appropriate).
Disclosure Process	The following controls are in place: <ul style="list-style-type: none"> • A gift/hospitality log containing the relevant information about requests for approval, disclosures and values is maintained; • Appropriately level of authority and skill for employees appointed to approve requests for gifts/hospitality above a minimum level; and • Declared gifts/hospitality are reviewed quarterly in the respective Compliance Committee.
Independent Assurance	At VIP (UK) Ltd an external compliance consultant performs thematic reviews and at VIM AG, the Compliance Officer is an external compliance consultant.
Escalation	VIP (UK) Ltd's process for escalation is outlined within the VIP (UK) Ltd's Whistleblowing Policy.

Policy

The following constitute the elements of the Veritas Group Anti-Bribery and Corruption policy:

Bribery, Corruption and Political Contributions	<p>It is strictly prohibited for any employee of VIP (UK) Ltd or VIM AG 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. This includes legal and regulatory requirements either in local or extra territorial jurisdictions.</p> <p>Veritas will not ordinarily make direct or indirect financial contributions to political parties, organisations or individuals engaged in politics.</p>
Corporate Hospitality	<p>Veritas may host a number of corporate hospitality events in order to promote and increase its business visibility within the industry. Corporate hospitality may be offered to third parties if it is designed to enhance the quality of the service to VIM's clients.</p> <p>All Corporate hospitality events hosted by VIP (UK) Ltd need to be pre-approved by the Compliance Team. Events hosted by VIM AG need to be pre-approved by a Board member.</p>
Gifts and Hospitality	Please refer to the VIP (UK) Ltd and VIM AG Gifts and Hospitality Policy.
Travel and Expenses	Employees who are required to work away from their normal place of employment are entitled to claim reimbursement of subsistence expenditure. Claims must be supported by authentic VAT receipts; expenses without receipts will not ordinarily be reimbursed.

Charity Donation and Sponsorships

Please refer to the Veritas Charitable Giving Policy.

Code of Conduct – Integrity in Business

Please refer to the Veritas Code of Conduct.

Breaches

Any allegation of bribery or corruption involving a Veritas business area or one of its employees must be promptly reported to the VIP (UK) Ltd Compliance Officer or to a VIM AG Board member, who will escalate it within the appropriate Committee or Board.

Employees who deliberately breach this policy will be subject to disciplinary action, which may potentially lead to dismissal.

Policy Review

The respective Compliance Officer is responsible for implementing and monitoring the requirements outlined within this policy. This policy is reviewed periodically, as required.

Record Keeping

All records relevant to bribery and corruption reports, must be kept for a period no shorter than 5 years.

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