



The letters 'IOOF' are rendered in a large, white, outlined font across the middle of the page. They are superimposed on a scenic photograph of a coastline. The photo shows a blue ocean with white waves breaking on a sandy beach. In the foreground, there are green coastal plants. The sky is blue with scattered white clouds. The background shows a hazy coastline with hills under a bright sky.

Anti-Bribery and Anti-Corruption Policy

March 2021

Table of Contents

1.	Overview	3
1.1.	Introduction	3
1.2.	Policy statement	3
1.3.	Scope and application	3
2.	Key concepts and definitions	3
3.	Roles and responsibilities	6
3.1.	IOOF Board	6
3.2.	Chief Risk Officer	6
3.3.	AML/CTF Compliance Officer	6
3.4.	Employees	6
3.5.	IOOF division	6
3.6.	ERC	7
4.	Anti-bribery and anti-corruption requirements	7
4.1.	ABC Principles	7
4.2.	What is bribery?	7
4.3.	What is corruption?	8
4.4.	Bribery and corruption is prohibited	8
4.5.	Facilitation payments	8
4.6.	Secret commissions	8
4.7.	Clients engaged in bribery and corruption	8
4.8.	Donations, gifts and sponsorships	9
5.	Assessment and reporting	9
5.1.	Bribery and corruption risk assessment	9
5.2.	Reporting bribery and corruption	9
5.3.	Due diligence	10
6.	Training and awareness programs	11
7.	Consequences of non-compliance	11
8.	Review and approval	11
9.	Document information	Error! Bookmark not defined.

1. Overview

1.1. Introduction

The Anti-Bribery and Anti-Corruption Policy (ABC Policy) outlines the IOOF Holdings Limited's (IOOF's) approach to identifying, managing and mitigating bribery and corruption risks.

An effective ABC Policy strengthens and protects IOOF's reputation, promotes compliance with relevant laws, and outlines accountability and transparency expectations amongst IOOF personnel. The ABC Policy seeks fair client outcomes, promotes financial market integrity, raises credibility with key stakeholders (including our clients) and supports IOOF's commitment to corporate responsibility.

1.2. Policy statement

Honesty, integrity and fairness are integral to how IOOF operates. Conduct associated with bribery and corruption is inconsistent with those values. The ABC Policy prohibits employees from engaging in any activity that constitutes bribery or corruption and implements tools to ensure that bribery and corruption risks within IOOF's businesses are properly identified, mitigated and managed.

The ABC Policy is part of the broader suite of policies that make-up the IOOF Code of Conduct Policy Framework.

1.3. Scope and application

This Policy applies to IOOF Holdings Ltd (IHL) and its controlled entities, which comprises APRA Regulated Entities (AREs), Responsible Entities (REs), Australian Financial Services (AFS) Licensees (collectively referred to as 'IOOF' in this Policy). Where an entity specifically adopts this Policy (for example an ASIC or APRA-regulated entity) references to IOOF are taken to be a reference to that entity.

All IOOF employees, including casual, temporary, and contracted employees as well as executives and non-executive directors, any independent board committee members that are not directors and any third parties acting on behalf of IOOF (collectively referred to as 'personnel' in this Policy) must comply with this Policy.

2. Key concepts and definitions

Term	Definition
Anything of value	Means any advantage, and includes, but is not limited to: money, loans, tangible or intangible property, fees, stocks, contractual rights or interest, real estate, personal property, or other interests arising from business relationships, gifts, meals, entertainment, contributions, donations, grants, travel and travel related expenses, below-market discounts, refunds, rebates, preferential treatment in the provision of, or preferential access to business opportunities, offers of employment or work experience, goods or services that do not have a commercially reasonable justification, or other improper inducements.
Benefit	Includes any advantage and is not limited to property. A benefit may take the form of gifts, loans, fees, rewards or other advantages such as taxes, services, donations, grants or rebates.
Bribe or bribery	The offering, promising, giving, accepting, soliciting or transfer of a benefit or anything of value, either directly or indirectly, to (1) induce the improper performance of a function or activity; and/or (2) improperly influencing a person in order to obtain or retain business or an advantage.
Bribery and Corruption Risk Assessment	An assessment of the bribery and corruption risks associated with a Division/Business Unit/Country's particular business circumstances and culture, as required under the Anti-Bribery and Anti-Corruption Requirements.

Term	Definition
Cash	Includes cash equivalents such as gift cards, gift cheques, preloaded travel or store value cards and cheques.
Central bank	The entity responsible for overseeing the monetary system of a nation (or group of nations).
Conflict of Interest	An actual, potential or perceived conflict of interest arises where the specific duties or interests of a person or entity in respect of an outcome, are not aligned with that person or entity's obligations or duties to others to achieve a different outcome.
Corruption	The abuse of entrusted power for private gain. Corruption involves the demanding or accepting of anything of value by such a person, as a condition to conferring business or any other improper advantage whether directly or indirectly.
Donation	Means giving of monetary or non-monetary items (for e.g. use of cars or equipment etc.) typically for charitable purposes and/or to benefit a cause. Donations made by IOOF must align with IOOF Corporate Responsibility Expenditure process.
Due diligence	Refers to the research, investigation, assessment and monitoring that IOOF will carry out on a business relationship to assess its risk of bribery and corruption.
Entertainment	Any form of hospitality that is given or received where the provider of the hospitality (" Host ") is present. Tickets to events where the Host is not present are Gifts, not Entertainment. Entertainment may include, but is not limited to, meals, receptions, tickets to artistic, social or sporting events (including IOOF – sponsored events paid for by a Third Party). Entertainment does not include internal IOOF hospitality, such as a working lunch or dinner attended solely by IOOF personnel.
Facilitation payments	Also called 'facilitating', 'speed' or 'grease' payments. These are usually small cash payments paid to secure or expedite routine action by a person, usually a public official or employee.
Forms of bribery	Bribes can take many forms, including but not limited to: kickbacks, facilitation payments, secret commissions, cash payments, donations, grants, sponsorships, promotions, offers of employment and/or work experience, gifts, entertainment, sponsored travel, discounts, fee waivers, cash equivalents (vouchers etc.) contractual rights or interest, equity, travel, preferential treatment in the provision of access to business opportunities, grants, loans, real estate, using connections or position as a bribe, improper travel per diems, and commissions.
Gifts	Things given voluntarily without compensation, including but not limited to goods, services, rebates and loans, and also including prizes won by IOOF Employees and Contingent Workers at an event hosted by a third party; does not include gifts given by IOOF Employees and Contingent Workers through approved sales incentive programs.
Grant	A grant is an amount of money or a specific financial contribution that a government or other institution gives to an individual or an organisation for a particular purpose.
HQ	The IOOF intranet portal which contains company information for access by all IOOF Employees.
Improper performance	Performance which amounts to a breach of an expectation that a person will act in good faith, impartially, or in accordance with a position of trust.
Kickback	A kickback is a form of bribery in which a commission intended as compensation is paid in exchange for favourable treatment or other improper services rendered. A kickback can take many forms and may be money, a gift, credit, or anything of value. Kickbacks usually feature collusion between two parties. Paying or receiving kickbacks is a corrupt practice and is considered a bribe under this Policy.
Politically Exposed Person (PEP)	An individual who holds or previously held a prominent public position or role in a government body or international organisation, either in Australia or overseas. Immediate family members and/or close associates of these individuals are also considered PEPs. i.e. directors, deputy directors and members of the board or equivalent functions.

Term	Definition
Public entities	Means governments, government departments, statutory bodies and/or public sector authorities (including at a local or regional level); State Owned Enterprises (SOE's) or any other enterprise, organisation, association or body under the direction or control of government; and public international organisations and any enterprise, organisation, association or body under the direction or control of such public international organisations.
Public official	<p>Means:</p> <ul style="list-style-type: none"> • Any officer or employee of, or other person acting in an official capacity for a government, whether national, federal or local, including under a law, custom or convention; • Any legislative, administrative or judicial official, whether appointed or elected, including officials exercising a public function on behalf of any entity controlled or owned by a government, including but not limited to central banks, sovereign wealth funds, state-run hospitals, any public international organisation and any business venture that is owned or controlled by a government entity; • Any candidate for political office; • Any official of a political party; • Any member of a royal family; • Any person who is or purports to be an authorised intermediary of any of the above; • Where known, the relevant person's close family members (e.g. spouse, children, parents, and siblings) and close associates (e.g. key business colleagues, personal advisers and legal entities owned or controlled by that person); • Politically Exposed Person (PEP); and • Includes foreign public officials.
Secret commissions	Secret commissions typically arise where a person or entity (such as an employee of IOOF) offers or gives a commission to an agent or representative of another person (such as a client's agent) who is not disclosed by that agent or representative to their principal (the client). Such a payment is made as an inducement to influence the agent/representative to conduct of the principal's business.
Sponsored travel	<p>Travel undertaken by IOOF Employees where the costs are covered by a third party or travel undertaken by a third party where the costs are covered by IOOF. This may include (but is not limited to) the costs of attendance at conferences or site visits, and the associated flights, accommodation, meals, etc.</p> <p>Sponsored travel does not include:</p> <ul style="list-style-type: none"> • travel paid for by the way of disbursement (i.e., initially paid for by IOOF and then later reimbursed, or vice versa), or • travel connected to the performance of an existing written agreement between IOOF and the third party, under which one party has agreed to cover the travel expenses incurred by the other (although note that any such travel arrangements are still subject to the general prohibition on bribery under the ABC Policy and Requirements, and must comply with the IOOF Travel Policy).
Sponsorship	A form of marketing in which IOOF pays for all or some of the costs associated with an event, project or program, in exchange for recognition.
Subsidiaries	<p>An entity identified as a subsidiary in the Group Entity List, which uses the Australian Corporations Act definition.</p> <p>(Generally, an entity for which IOOF appoints more than half the directors or IOOF holds more than 40% of the shares.</p> <p>Subsidiaries are usually controlled entities, however there are instances of non-controlled subsidiaries).</p>
Suspicious matter report (SMR)	A report a reporting entity must submit under the AML/CTF Act if they have reasonable grounds to suspect that a transaction may be related to money laundering, terrorism financing, tax evasion, proceeds of crime or any other serious crimes under Australian law. An SMR must also be submitted if the reporting entity has reasonable grounds to suspect the client or an agent of the client is not who they say they are.

Term	Definition
Third party / third parties	<p>Any person (whether a natural person, an organisation or any other entity) with whom IOOF Employees and Contingent Workers engage commercially or contractually with during the course of their employment, or commercial or contractual business relationships associated with IOOF, including actual and potential, suppliers, service providers, vendors, joint venture partners, agents, intermediaries, consultants, distributors, business contacts, advisers, government and public bodies. Business partners such as members of joint ventures, mergers and acquisitions in which IOOF actively participates and does not hold a purely passive investment are also considered Third Parties under this policy.</p> <p>Examples include, but are not limited to suppliers, consultants, agents, finders, introducers, lobbyists, lawyers, professional services firms, sales and marketing firms.</p>

3. Roles and responsibilities

3.1. IOOF Board

The Board of Directors are responsible for the approval and ongoing oversight of the ABC Policy.

3.2. Chief Risk Officer

The Chief Risk Officer (CRO) is responsible for reporting to IOOF's CEO and the Board on any breaches or material issues relating to this Policy.

The CRO is also responsible for promoting a culture of compliance with the ABC obligations through periodically communicating IOOF's commitment to the prevention of bribery and corruption.

3.3. AML/CTF Compliance Officer

IOOF's AML/CTF Compliance Officer (Head of Financial Crime) is responsible for overseeing the design and implementation of IOOF's ABC Policy and framework.

The AML/CTF Compliance Officer is also responsible for:

- providing advice and guidance on ABC controls/frameworks and issues relating to ABC;
- reporting and escalating ABC matters to the appropriate stakeholders (including the CRO) and relevant governance forums; and
- ensuring this Policy is periodically reviewed, and updated, in consultation with relevant divisions within IOOF.

3.4. Employees

All IOOF employees must be aware of and comply with this Policy.

Each IOOF employee needs to ensure they are complying with the principle of zero appetite towards bribery, corruption and facilitation payments. All IOOF employees must immediately escalate any potential, suspected or actual breaches of this Policy to ERC.

Each IOOF employee must complete all mandatory training as directed by IOOF.

3.5. IOOF division

Each division should implement and maintain individual processes and procedures to ensure compliance with the ABC Policy and its reporting requirements.

Each division should be monitoring and undertaking assurance over ABC compliance in accordance with IOOF's three lines of defence framework.

3.6. ERC

ERC provides leadership, guidance, advice and direction to promote compliance with the Policy across IOOF. ERC will also oversee and challenge business decisions on risk assessments, third party due diligence and division processes.

ERC provides a line two monitoring and assurance function over division compliance with the principles set out in this Policy and overseeing monitoring activities on bribery and corruption risks, including analysis and reporting to stakeholders.

4. Anti-bribery and anti-corruption requirements

4.1. ABC Principles

IOOF has zero appetite for bribery, corruption and facilitation payments. IOOF employees must not offer, promise, give, request, agree to receive or accept, directly or indirectly, anything of value. This includes gifts, entertainment, sponsored travel, or any other benefit that could improperly influence or be perceived to improperly influence an outcome. Value thresholds for gifts, entertainment and sponsored travel offered to or by IOOF employees are set out in the IOOF Travel Policy and the IOOF Group Employee Expense Policy.

IOOF prohibits offering or providing anything of value to a public official or any member of their family, close associate and/or business partner in order to improperly influence, or be perceived to improperly influence, in order to obtain or retain business or secure any improper advantage of any kind for IOOF or any other person.

IOOF will not, either directly or indirectly, make a donation or provide a grant as a way of improperly influencing any person in order to obtain or retain business or an advantage of any kind for the benefit of IOOF or any other person.

IOOF will not enter into or continue a business relationship with a third party without appropriate due diligence being conducted or if it cannot be satisfied that the third party will behave in a manner consistent with the ABC Policy.

IOOF will not keep inaccurate books, records and accounts or keep accounts and transactions 'off-book' to facilitate or conceal improper payments and transactions.

IOOF will implement a training and awareness program designed to promote compliance with the ABC Policy and is consistent with legal and regulatory requirements.

4.2. What is bribery?

Bribery is the act of offering, promising, giving, accepting or soliciting a benefit to:

- induce the improper performance of a function or activity; or
- improperly influencing a person in order to obtain or retain business or an advantage.

The benefit may be monetary or non-monetary. For example, the benefit may take the form of gifts, loans, special commissions, offers of employment, or other advantages such as tax exemptions, services, donations or rebates.

Whether the recipient of the bribe works in the public or private sector is irrelevant. Likewise, whether the bribe is accepted or ultimately paid is irrelevant. Merely offering the bribe (whether directly or through any other person) will be considered an act of bribery.

4.3. What is corruption?

Corruption is the abuse or misuse of an entrusted power for private gain, whether it be in the public or private sector. Corruption involves the demanding or accepting of anything of value by such a person, as a condition to conferring business or any other improper advantage whether directly or indirectly.

Corruption can occur on different scales. For example, it could vary from small favours between any number of people (petty corruption), to corruption that affects the government on a large scale (grand corruption), or to corruption that is so prevalent that it is part of the everyday structure of society, including corruption as one of the symptoms of organised crime. Corruption undermines people's trust in communities, political and economic systems, institutions and leaders.

4.4. Bribery and corruption is prohibited

Bribery and corruption is illegal and is strictly prohibited under this Policy. This prohibition extends to bribes offered, solicited or accepted:

- to obtain or retain business, influence a business decision or to secure any other advantage for IOOF or any other person; or
- for the personal benefit of an IOOF employee, or for the benefit of that person's family, friends, associates or acquaintances.

Furthermore, it is a criminal offence to bribe or corrupt a public official which can carry severe penalties.

4.5. Facilitation payments

Facilitation payments are considered bribes and are strictly prohibited. Facilitation payments are (typically small) payments paid to secure or expedite routine action by a person, usually a public official or employee.

4.6. Secret commissions

Secret commissions are also considered bribes and are prohibited. Secret commissions typically arise where a person or entity (such as an IOOF employee) offers or gives a commission to an agent or representative of another person (such as a client's agent) which is not disclosed by that agent or representative to their principal (the client). Such a payment is made as an inducement to influence the conduct of the principal's business.

4.7. Clients engaged in bribery and corruption

There is a risk that IOOF may be misused by its clients who may be conducting their own acts of bribery or corruption. For example:

- a client directing or collecting funds through IOOF, for the purpose of paying a bribe;
- a client receiving a bribe and depositing it into an IOOF account; or
- laundering the proceeds of a bribe payment through an IOOF account.

If there are suspicions that a client is conducting an act of bribery or corruption, it should be immediately escalated to the Financial Crime team within ERC for further investigation. The Financial Crime team will determine if the suspicion requires reporting to the Australian Transaction Reports and Analysis Centre (AUSTRAC) by way of a suspicious matter report (SMR). It is important not to notify the client of your suspicion, as this is considered to be 'tipping off' and is illegal under the AML/CTF Act 2006.

4.8. Donations, gifts and sponsorships

4.8.1. Donations

Corporate donations made directly or indirectly to charities, sports clubs, local community groups or other causes must not be used to disguise a bribe. IOOF does not make donations to political parties. Transfers of anything of value to induce the improper performance of a function or activity, and/or influencing any person in order to obtain or retain business of any kind is prohibited.

IOOF employees must consider whether a proposed donation could be perceived as an inducement for the purpose of obtaining or retaining an advantage for the benefit of IOOF or any other person. If yes, then IOOF employees must not make the donation. If IOOF employees are in doubt, advice must be sought from ERC.

4.8.2. Personal donations

Donations paid by IOOF employees in their personal capacity are at the discretion of the individual and are not subject to this Policy.

4.8.3. Sponsorship

Donations must not be given under the guise of sponsorship. Sponsorship is usually in the form of money, that is given (usually by an organisation) to support a person, organisation, charity or activity. Sponsorship can be in the form of marketing in which IOOF pays for all or some of the costs associated with an event, project or program, in exchange for recognition.

4.8.4. Gifts, entertainment and travel

Gifts must not be given as a form of bribery. Things given voluntarily without compensation may include, but are not limited to: goods, services, rebates and loans and prizes won by IOOF employees at an event hosted by a third party. This does not include gifts given by IOOF employees to one another or to IOOF employees through approved sales incentives programs.

Refer to the IOOF Group Conflicts Management Policy for further details.

5. Assessment and reporting

5.1. Bribery and corruption risk assessment

The nature and extent of bribery and corruption risks that are likely to be encountered by IOOF will vary according to a number of factors, some of which may be unique to a particular business unit due to the nature of that business or the location of its operations. IOOF has a zero-risk appetite towards bribery and corruption.

Business units must conduct a bribery and corruption risk assessment (risk assessment) to determine any bribery and corruption risks they may face to ensure that any additional systems and controls designed to mitigate identified risks are included. The risk assessment must be documented appropriately and retained in accordance with the IOOF Records Classification and Retention Policy.

A risk assessment should be conducted at least every two years or earlier if ERC determines that changes in its bribery and corruption risk warrant it (for example, if a control is found to be operating ineffectively).

5.2. Reporting bribery and corruption

Bribery and corruption instances must be reported whether suspected or actual. Employees have an obligation to report suspected or actual instances of bribery or corruption (whether by another employee or any other person) to ERC via the financialcrime@ioof.com.au mailbox or through the mechanisms outlined in the IOOF Group Whistleblower Policy.

IOOF fosters a culture of speaking up to encourage reporting of any suspicion of a bribery and/or corruption incident, or other concerns relating to bribery and corruption without fear of reprisal. To this end, the IOOF Group maintains a whistleblowing program that enables all eligible persons to make disclosures and provide support to people speaking up in relation to bribery and corruption and other related matters.

In the event that an employee becomes aware that an IOOF client has been accused of, or is the subject of, a bribery or corruption allegation, the Financial Crime team needs to be notified immediately via the financialcrime@ioof.com.au mailbox to further investigate and determine whether an SMR is required.

An employee must contact the Financial Crime team immediately if any employee or client:

- is subject to extortion or coercion;
- receives requests for illegal payments or to provide other unethical advantages; or
- is solicited in any way for a bribe of any kind.

Employees should treat the suspicion of bribery and corruption in the same manner as the suspicion of any other criminal activity. Where appropriate, they must report their suspicions via the existing suspicious matter reporting process documented in IOOF's AML/CTF Program and the IOOF Group Fraud Policy.

The Financial Crime team, in association with any other required division, must assess and investigate all allegations of bribery, corruption and other related matters independently of the division the allegation has originated from, and determine whether the allegation has merit or not and report to the appropriate regulator/s and/or authorities.

Any records relating to bribery and corruption should be kept in accordance with IOOF's Record Classification and Retention Policy.

5.3. Due diligence

5.3.1. Employee due diligence

IOOF must identify and manage any bribery and corruption risks in relation to all prospective and existing employees by undertaking appropriate due diligence screening with the objective of ensuring their identity, honesty and integrity.

IOOF must undertake due diligence screening on all employees:

- prior to the commencement of their role with IOOF; and
- in circumstances which are subject to requirements under the AML/CTF Act.

Screening must be in accordance with the Employee Due Diligence Program within Part A of the AML/CTF Program.

5.3.2. Third party due diligence

IOOF must know who we are doing business with and who is conducting business on our behalf, which means IOOF must undertake due diligence on its third party business relationships. A third party is an entity (whether a natural person, an organisation or any other entity) with whom IOOF employees engage commercially or contractually with during the course of their employment, or commercial or contractual business relationships associated with IOOF, including actual and potential, suppliers, service providers, distributors, business contacts, advisers, government and public bodies.

Business partners such as members of joint ventures, mergers and acquisitions in which IOOF actively participates and does not hold a purely passive investment are also considered third parties under this Policy.

In relation to third parties, IOOF must:

- assess third party ABC risk, undertake appropriate due diligence on and maintain records relating to prospective and existing third parties;

- undertake ongoing due diligence on existing third parties to ensure that any new information or relevant changes which may impact ABC risk can be considered; and
- ensure that contracts with third parties contain appropriate ABC clauses.

Refer to the IOOF Third Party Payments Policy, the IOOF Outsourcing Policy and the IOOF Outsourcing Procedures for further guidance.

6. Training and awareness programs

In addition to the Code of Conduct training, role-specific training regarding bribery and corruption is implemented. Employees occupying certain roles within IOOF which present heightened risks are required to complete additional role-specific training designed to highlight particular bribery and corruption vulnerabilities.

ERC is responsible for the development, enhancements and delivery of applicable online anti-bribery and anti-corruption content within the Mandatory Learning Governance Framework, via the electronic training platform. The eLearning content must include information on when and how to seek advice and how to report any concerns or suspicions of bribery and corruption.

All employees must undertake a refresh of IOOF's ABC awareness module training annually.

ERC will develop and deliver role-specific training to a pre-determined target audience. Business units within IOOF are responsible for determining and confirming the proposed target audience accurately within their division, encompassing relevant individuals or categories of employees who require a level of role-specific training on bribery and corruption and advising ERC of any changes.

The content of the training program must be regularly reviewed by ERC. Records of training (including records of content and completion) are to be captured and retained in accordance with the IOOF Record Classification and Retention Policy.

7. Consequences of non-compliance

Non-compliance with this Policy may result in a breach of the Prudential Standards. All breaches will be managed in accordance with the IOOF Breach and Incident Policy.

Any exemptions to the Policy must be tabled at the appropriate Risk and Compliance Committees and subsequently reported to the Boards in a timely manner.

8. Review and approval

This Policy will be reviewed annually by the Policy Owner and triennially by the relevant boards(s), in accordance with the Policy and Document Governance Framework, to ensure it remains appropriate with regard to the changing nature of legislation, change in IOOF's business operations or business environment. Any material changes must be approved by the relevant board(s).

Non-material amendments to this Policy may be approved by the board(s) delegated authority in accordance with IOOF's Delegations Policy.