

# Financial Crime Compliance Policy

## Peninsula Ireland

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### INTRODUCTION

Peninsula Business Services (Ireland) Limited (“Peninsula Ireland”) is committed to the highest standards of compliance with financial crime legislation and seeks to follow best practice where it is able. This Financial Crime Compliance Policy (“FCCP”) reflects our commitment to compliance and has been endorsed by our Board of Directors. This commitment is in relation to our own legal and regulatory obligations. As an Appointed Representative of Peninsula Business Services Limited we seek to maintain standards of financial crime compliance that are consistent with the standards expected and which supports compliance levels expected by the Financial Conduct Authority in the United Kingdom and the Central Bank of Ireland.

The FCCP is maintained and reviewed annually by the Group Chief Financial Officer and General Counsel. The General Counsel will communicate the content of the FCCP to staff and will ensure there is appropriate training and monitoring of compliance.

### PURPOSE

The purpose of the policy is to inform all our staff of the required approach to ensure financial crime compliance and to advise our staff of the relevant policies and procedures with which they are expected to comply.

Money laundering, international sanctions and bribery are the main subjects of financial crime legislation that can impact upon our business. This policy is intended to assist in ensuring that we, as an Appointed Representative, meet our own obligations; and support financial crime compliance.

### DESIGNATED FINANCIAL CRIME COMPLIANCE OFFICERS

The Financial Crime Compliance Officers (“FCCO’s”) are the Group Chief Financial Officer, Jordan Foster, and General Counsel, Robert McKellar.

The FCCO’s are responsible for implementing effective financial crime procedures, monitoring compliance with those procedures and reporting to the Board. They report to the Board at least annually and at any such time as a matter of material concern arises (including in respect of any material breach of this policy).

The FCCO’s have the appropriate level of seniority within the firm, understand the relevant financial crime legislation and regulations and have the full support of the Board and senior management in carrying out their responsibilities.

The FCCO's roles are to act as the main point of contact within the firm with day-to-day responsibility for all activity relating to financial crime. Their specific responsibilities include:

- establishing, maintaining and monitoring our firm's financial crime procedures;
- receiving reports of any suspicious activity from within our firm;
- establishing and maintaining training for our staff;
- reporting to the senior management and the Board on all financial crime matters;
- conducting periodic reviews of the firm's compliance with financial crime legislation and provisions.

## **TRAINING**

We believe that it is of critical importance that all our relevant members of staff receive an appropriate level of financial crime compliance training. We will therefore ensure we provide suitable training.

## **ANTI-MONEY LAUNDERING**

Money laundering involves the techniques, procedures and processes used to convert illegal funds obtained from criminal activities into other assets in such a way as to conceal their true origin so that it appears the money has come from a legitimate or lawful source.

***It should be noted that whilst the UK Money Laundering Regulations 2007 do not apply to general insurance, the sector in which we are authorised agents requires that we adopt a risk based, best practice approach.***

Peninsula complies with a number of UK statutes which cover most financial sectors. This includes the Proceeds of Crime Act 2002 (PoCA) and the Terrorism Act 2000 (TACT).

Offences under this legislation can attract severe penalties including prison sentences of up to 14 years in the case of offences under PoCA. There are also obligations to report cases of money laundering. It is important that staff are aware of their obligation to report any knowledge or suspicion of money laundering.

### **Anti-Money Laundering policy**

All our staff need to be aware of what they need to do to comply with applicable anti-money laundering legislation and to support compliance. Staff therefore must comply with the following requirements:

- Staff must not enter into or become involved in any contract or arrangement that they know or suspect will facilitate the acquisition, use or possession of property if they know or suspect that the property constitutes a person's benefit from criminal conduct.
- Staff must not, under any circumstances, accept cash in payment of any deposit or full cost of a service contract and must report any request for cash payment to the FCCO's. This also includes the payment in cash of any contractual arrears.
- If staff have a reasonable grounds for suspecting that another person is engaged in money laundering, they must make the required disclosure as soon as practicable to one of the FCCO's.

- Staff must not inform anyone that a suspicious transaction has been reported or if there is a law enforcement investigation intended or underway, as to do so could prejudice any investigation that may be conducted following the disclosure having been made.

If a member of staff has any doubts over appropriate action or other queries, they should contact one of the FCCO's in the first instance.

## INTERNATIONAL SANCTIONS COMPLIANCE

Over the past several years, the scope of international sanctions has widened and it is now an issue that all businesses, including those in the financial services industry, need to be aware of. Sanctions are used to bring about a change in another country's or individual's activities or policies, particularly if breaches of international law or human rights have occurred, or democracy is under threat. In the UK, responsibility for the administration of sanctions falls to HM Treasury ("HMT").

We are required to recognise sanctions legislation implemented into Irish law which can derive from Irish, EU and UN legislation.

**All financial sanctions regimes regardless of jurisdiction invariably make it a criminal offence to make funds/financial services available to sanctions targets.** Penalties for breaching sanctions generally involve a fine or, in the most serious cases, imprisonment.

### International Sanctions Policy

The following checks will be made and the times when those checks are to be made are as follows:

- For outbound payments, all payees will be checked against the HMT Sanctions list before the payment is processed. This check is recorded on the payment requisition form.
- The client base is cross-checked regularly against the HMT Sanctions List by way of a bespoke SQL report that imports the latest HMT Sanctions List.

Employees must:

- disclose any knowledge or suspicion of a sanctioned activity involving Peninsula to one of the FCCO's who will be responsible for referring the matter;
- ensure that funds, economic resources and financial services are not made available to a person or entity, directly or indirectly that is the target of international sanctions.

The International Sanctions policy will be maintained and reviewed by the FCCO's every year or whenever a new class of business or region of business is underwritten.

On occasion, it may be difficult to determine if a transaction falls within a prohibited activity under a certain sanctions regime. If staff have any doubts over the appropriate action, the matter should be referred to one of the FCCO's in the first instance and then, if necessary, legal advice will be sought.

## ANTI-BRIBERY COMPLIANCE

Irish anti-bribery legislation is encompassed in the Prevention of Corruption Act 2010. The Prevention of Corruption Act 2010 contains three main offences:

- 1) Corruptly accepting a gift
- 2) Corruptly giving a gift;
- 3) Making a false statement;

We will not tolerate any activities by our firm or our employees that may represent a breach of the Bribery Act or other anti-corruption legislation.

If staff have any doubts over appropriate action or other queries, they should contact the FCCO's in the first instance.

### **Anti-Bribery Policy & Gifts and Entertainment policy**

Bribery is defined as giving or receiving a financial or other advantage in connection with the "improper performance" of a position of trust, or a function that is expected to be performed impartially or in good faith. Bribery does not have to involve cash or an actual payment exchanging hands and can take many forms such as a gift, lavish treatment during a business trip or tickets to an event. The types of bribery that take place in the commercial sector are numerous.

### **Some simple examples follow:**

- bribery in order to secure or keep a contract.
- bribery to secure an order.
- bribery to gain any advantage over a competitor.
- bribery of a local, national or foreign official to secure a contract.
- bribery to turn a blind eye to a health safety issue or poor performance or substitution of materials or false labour charges.
- bribery to falsify an inspection report or obtain a certificate.

Under Irish law, staff should comply with the following.

- no bribes may be offered, promised or given to another person;
- no bribes must be requested, agreed to receive, or accepted from another person;
- no transfer of anything of value should be given to any public official without prior approval from the Group Chief Financial Officer;
- no facilitation payments should be made. (A facilitation payment is the payment of any money/fee to fast track an administrative process or the offer of resource to assist a person/body to make a decision more efficiently. If any staff member is asked to pay a facilitation payment, they should refuse and ensure that the matter is reported to the FCCO's immediately); and
- any suspicious activity by staff or third parties must be reported to the FCCO's immediately.

The firm's anti-bribery policy is embedded within the firm's employee handbook, a copy of which is provided to all new staff and is available to all staff on the company's intranet. Any changes to the handbook are notified to staff via the company intranet.

This policy does not prohibit normal and appropriate hospitality nor the giving of ceremonial gifts/occasional gifts, providing they are customary, proportionate and in compliance with the firm's policy in relation to gifts and entertainment. All gifts and entertainment offered or received must be recorded on the gifts and entertainment log.

**RECORD KEEPING**

All records will be held for a minimum of six years, or as required by law. All personal data will be processed in line the General Data Protection Regulations and the Data Protection Act 2018 and will be held no longer than necessary or by law. All records will be kept in line with the company's security standards.

**SIGN OFF AND REVIEW DATE**

This policy has been approved by the Board and will be reviewed by the FCCO's on an annual basis.



Signed.....

**Jordan Foster – Group Chief Financial Officer/Financial Crime Compliance Officer**



Signed .....

**Robert McKellar – General Counsel/Financial Crime Compliance Officer**

**Next Review Date 30<sup>th</sup> October 2023**