



Anti-Money Laundering and Countering the Finance of Terrorism Policy

March 2016

Purpose

The purpose of this Policy is to define clear principles which outline Aberdeen's position on Anti-Money Laundering (AML) and Countering the Finance of Terrorism (CFT), the objective being to ensure that Aberdeen follows a globally consistent approach to managing Anti-Money Laundering and Countering the Finance of Terrorism at all levels of the business and, in particular, in compliance with the relevant legislation.

Scope

The Policy applies to all Staff of Aberdeen Asset Management PLC and to all of its subsidiaries.

Availability

Internally

The Policy is available to all Staff in the Policies and Procedure site on SharePoint.

Externally

This policy is publicly available on the Aberdeen website and can be issued to external parties such as Regulators, Auditors, Trustees, Depositaries, and Clients or potential Clients, on request. For the avoidance of doubt, no further approval is required to issue this Policy.

Variance

There are no variances applicable to this Policy.

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Policy

The obligation to combat money laundering and terrorist financing is a legal one; however Aberdeen believes combatting money laundering and terrorist financing is an ethical obligation where countering these risks contributes to society. Being implicated in financial crime, even as a conduit for criminals, holds severe legal and reputational risks for individuals and the company itself.

It is Aberdeen policy that all relevant statutory and regulatory obligations to prevent money laundering are met in full. The approach to AML/CFT by Regulators is an increasingly international one, with many jurisdictions applying common or similar standards around the world. However, local differences do exist and the Group's Policy recognises this. The AML/CFT Policy is a minimum set of principles and standards that are followed by the Group wherever it operates in order to mitigate the legal, regulatory and reputational risks. Whilst there may be instances where local rules differ to the Policy, in all instances the higher standard or more strict interpretation is to be applied; where local rules are less stringent than the Policy, the Policy must be followed unless the Group MLRO has consented to an exception.

Aberdeen has put this Policy and corresponding Procedures in place to prevent and detect money laundering. The standards, which must be complied with, include the following:

- appointing of a Money Laundering Reporting Officer (MLRO) who has sufficient level of seniority and independence and who has responsibility for oversight of compliance with relevant legislation, regulations, rules and industry guidance
- establishing and maintaining a Risk Based Approach (RBA) towards assessing and managing the money laundering and terrorist financing risks to the Group
- establishing and maintaining risk-based Client due diligence, identification, verification and Client due diligence procedures, including enhanced due diligence for those Clients presenting higher risk, such as Politically Exposed Persons (PEPs)
- maintaining screening systems and Procedures to identify sanctioned persons against various international sanctions lists
- establishing and maintaining risk based systems and Procedures to monitor on-going Client activity
- reporting suspicious activity internally and to the relevant law enforcement authorities as appropriate
- maintaining of appropriate records for the minimum prescribed periods
- training and awareness for all relevant Staff.

Where Client conduct (new or established) gives rise to suspicions of involvement with illegal activities including money laundering, this must be reported to the MLRO. Staff have an obligation to report to the MLRO where they know or suspect, or where they have reasonable grounds for knowing or suspecting, that a person is engaged in money laundering or terrorist financing. The member of Staff has an obligation to send a written Suspicious Activity Report (SAR), to the MLRO detailing his/her suspicions. By doing so, the responsibility for dealing with the Client's activity passes to the MLRO.

Having received a SAR, the MLRO must investigate and assess whether this should be reported to the local financial intelligence unit. If the SAR is reported to the authorities, Aberdeen is duty-bound to deal with them in an open and honest manner.

NB: The Policy must be read in conjunction with the Handbook which provides further guidance and explains how the Policy is implemented.