

GUIDANCE FOR AREF SELF-CERTIFICATION EXTERNAL REVIEW

All Fund Members of AREF must confirm their compliance with the AREF Code of Practice (“**the Code**”) annually by completing the online AREF self-certification process before the end of each calendar year. Online access to this will be given to the nominated assessor and approver, for each Fund Member, early in the year.

To ensure compliance with the Code, one or two external advisors (the “**Reviewers**”) will be appointed by AREF to assess 10-12 self-certifications each year. Reviewers will be drawn from a panel of AREF Affiliate Members and will be appointed for a two-year term. Funds will be selected for review a maximum of once every three years.

AREF will retain oversight of the review process. Communication with the selected Member Funds will be with AREF alone except at the interview between the Reviewer and the Fund Member.

ROLE OF REVIEWER AND SCOPE

- The Reviewer’s role is to monitor selected Member Funds’ self-certifications, and associated material, to check compliance with the Code.
- The Reviewer is required to be objective and will report directly to AREF.
- The timeframe for completing allocated reviews will be agreed by AREF after consultation with the Reviewer and the relevant Fund Members.
- Each Fund Member’s review is expected to be completed within three months of its start date.
- The Reviewer will assess compliance in three stages:
 1. an initial review of the self-certification and request for further information/ clarification from the Fund Member via AREF.
 2. review additional material received from the Fund Member.
 3. hold a meeting with the Fund Member to discuss responses. The meeting will be limited to two hours.
- The Reviewer will provide AREF’s Corporate Governance Committee (“**CGC**”) with a short report summarising their findings.
- The Reviewer is obliged to treat all information disclosed during the Review as confidential.

MEMBER FUND SELECTION

The CGC is responsible for the Code and will set the criteria for AREF’s Secretariat to select Fund Members to be reviewed. Criteria for selection will be at the sole discretion of the CGC but may include:

- Fund Members whose submissions are incomplete.
- Fund Members whose submissions were not completed on time.
- A five yearly rotational review of Fund Members.
- Funds of a certain type which AREF wishes to highlight.
- Funds where there has been an investor complaint to AREF.

NON-COMPLIANCE WITH THE CODE

If a Fund Member is judged not to be in compliance with the Code, AREF’s Managing Director will discuss the matter with the relevant Fund Member. If a satisfactory conclusion cannot be reached, the process set out in the Code for non-compliance will be followed.

AREF Corporate Governance Committee

March 2021