

Allianz Anti-Corruption Policy

Minimum Standards on Anti-Corruption and Anti-Bribery

January 2014



1. Policy Statement

The reputation of Allianz Group ("Allianz") is based on the trust which our clients, shareholders, employees and the general public have in the integrity of Allianz. Allianz adheres to these goals in the Allianz Code of Conduct for Business Ethics and Compliance ("Code of Conduct") which contains a strict prohibition against **Corruption** and **Bribes**.

Correspondingly, Allianz is committed to complying fully with local and international anti-corruption and anti-bribery laws as part of its efforts to maintain strong and effective compliance controls.

This includes Allianz's strict prohibition against the offer, acceptance, payment or authorization of any **Bribes** and any other form of **Corruption** (defined below) whether it was given in the private sector or given to a local or foreign **Government Official** in the public sector. Allianz also demands transparency and integrity in all of its business dealings to avoid any improper advantage or the appearance of questionable conduct by its employees or third parties with whom Allianz does business.

As part of this commitment, Allianz maintains a global Anti-Corruption Program ("Program"). This Anti-Corruption Policy ("Policy") is one of

the key components of the Program and, together, the Program and the Policy connect a number of related policies and controls designed to help Allianz effectively manage key risk areas for corruption in both the public and private sectors.

2. Objective, Scope and Responsibilities

This Policy sets out Allianz's minimum anticorruption and anti-bribery standards.

It applies to all **Employees**, divisions, operating entities ("**OEs**"), subsidiaries, branches and departments of Allianz.

Appropriate portions of this Policy will also be applied to **Representatives**, Joint Ventures and Outsourcing Partners.

If local policies and/or regulations are stricter than this policy (e.g., prohibition of political contributions by local laws or regulations) local policies must be followed.

Any material deviations from this policy require the written approval of Group Compliance in consultation with the relevant Compliance Department.

3. Definitions

For purposes of this Policy, the following definitions apply:

Anything of Value: must be interpreted broadly to include anything (can be monetary or non-monetary) that provides a benefit. It may include favors, contract awards, loans and loan guarantees, or the payment of expenses or debts.

The term "anything of value" has been broadly construed and can include not only cash or a cash equivalent, but also, among other things, discounts; gifts; use of materials, facilities or equipment; entertainment; drinks; meals; transportation; lodging; insurance benefits; inside information; political contributions; and promise of future employment. There is no de minimis value associated with the "anything of value" element, and the perception of the recipient and the subjective valuation of the thing conveyed is often a key factor considered in determining whether "anything of value" has been given to a Government Official.

Bribes: a form of corruption that includes payments, offers or promises to pay, or authorizations to pay or provide anything of value, made by or on behalf of Allianz, directly or indirectly, to obtain an improper personal or business advantage. **Note: There is no minimum amount or threshold exception for bribes and it is irrelevant how this payment is called.**

Business Courtesies: include gifts, entertainment, transportation, travel, and promotional items (for example, items bearing Allianz's logo or brand).

Corruption: activity that involves the abuse of position or power for an improper personal or business advantage, the term covers both corruption in the public or private sectors and active (paying) or passive (receiving) corruption.

Employees: includes all employees, directors and officers at all levels of the Allianz Group.

Facilitation Payment: typically includes Anything of Value provided to a Government Official to expedite or secure the performance of a routine and legitimate governmental action. Note: Routine governmental action includes only those actions that a Government Official must routinely perform and are not discretionary.

Government Official: includes anyone working in an official capacity for or on behalf of government-owned or controlled entities or agencies, political parties, party officials, and political candidates, or for a public international organizations with government members (for example, World Bank). This may include consultants who hold government positions, employees of companies owned or controlled by governments, political party officials and others, or employees retained by government agencies. For purposes of this policy, this term will cover local and foreign government officials and immediate family members (parent, spouse, child, in-law, sibling), and anyone else to whom the **Government Official** provides material support).

Joint Venture: includes all contractual agreements joining together two or more parties for the purpose of executing a particular business undertaking. All parties

agree to share in the profits and losses of the enterprise.

Knowledge: is defined broadly and is assumed when one knows that an event or consequence is certain or likely to occur. It includes purposefully failing to take account of an event or being "willfully blind" or "consciously avoiding" to an event.

OE: includes all operating entities of Allianz Group and Allianz SE.

Representatives: includes all agents, representatives, brokers, consultants, distributors, counsels acting on behalf of Allianz and **Joint Venture** partners of Allianz.

Questions regarding any of the foregoing terms must be referred to local/regional Compliance contact or Group Compliance for further assistance.

4. Reporting Violations

Violations of anti-corruption and anti-bribery laws in any country may expose Allianz to reputational risk and significant legal liability, including penalties, fines and the restriction of business across business lines. Therefore, any activity, even if apparently insignificant, that might give rise to a violation of this Policy or the Program must be reported promptly.

Any **Employee** who has **Knowledge** of any activity that is likely to violate this policy must promptly report the activity (even where the activity in question has stopped) to his line manager and/or the local/regional Compliance contact or Group Compliance. If a report is made anonymously, sufficient information

must be provided to allow Allianz to investigate the matter properly.

5. Government Officials

Improper soliciting or marketing to **Government Officials**, including the provision of any **Business Courtesies**, may be restricted or prohibited in some countries and must be avoided whenever possible.

Gifts to Government Officials can generally only be made after consultation with the local/regional Compliance contact or Group Compliance. Other prohibited conduct includes, but is not limited to:

- Offering Business Courtesies or **Anything of Value** which may be deemed to influence any act or decision of a Government Official (for example, award or retention of a government contract);
- Securing or retaining business based on any improper advantage;
- Obtaining confidential information about business opportunities, bids or the activities of competitors;
- Obtaining relief from government controls in a manner that is not in line with the government agency's rules and regulations; or
- Causing an official to commit or omit an act in violation of his lawful duties.

Even if other types of **Business Courtesies** or soliciting or marketing activities are permissible, care must be taken to avoid offering **Anything of Value** that could be construed as requiring, or influencing any

official decision (or attempts to) that would either assist Allianz in obtaining or retaining business, or securing an improper advantage. To avoid any impropriety, Allianz requires that all interactions with **Government Officials** be carefully conducted in accordance with local and other applicable law. This may include the imposition of local restrictions or as appropriate pre-clearance of such activities by Compliance (for example, charitable contributions involving Government Officials require special review - see below).

Note: Soliciting and marketing activities to other types of recipients, such as union officials, employee representatives etc., may also be subject to special considerations or restrictions. Consult the local/regional Compliance contact or Group Compliance for more information.

6. Risk Areas for Corruption

Corruption may occur in a number of risk areas. Hence, every OE must carry out a thorough risk assessment to identify specific risk areas of corruption and present the results to the management board to take notice and for approval purposes.

Below are some of the more common areas, as well as key principles and references to relevant Allianz policies that are designed to manage these risks.

Business Courtesies

Allianz prohibits any direct or indirect offering, giving, promising, authorizing of **Anything of Value** that is not in accordance with local law

and its policies and procedures. While not prohibited, care must be taken in the receipt or provision of all **Business Courtesies** to manage any potential conflict of interests or the appearance of impropriety. At a minimum, this requires that **Employees** and **Representatives** neither provide nor receive **Business Courtesies** that:

- violate the Allianz Code of Conduct, the Gifts & Entertainment Policy, this Policy or any local laws or regulation;
- are excessive or without business purpose; or
- are intended to gain an improper business advantage no matter how small.

Contracting Representatives

Allianz's commitment to transparency and integrity in its business dealings extends to **Representatives**, since unlawful acts or omissions of **Representatives** may expose Allianz to risk even if Allianz did not specifically authorize such acts.

When contracting a **Representative**, Allianz requires certain steps to be taken to mitigate possible reputational, legal or regulatory risks of such engagements. These include:

- Sufficient due diligence is performed (the scope will depend on the nature of the engagement and background of the Representative);
- Engagement is in writing containing that Representative will comply with this Policy, and in a form approved by Legal or legal experts (HR, Claims, etc.);
- Description of the services to be performed is adequately documented,

including the amounts to be paid, and other material terms and conditions of the engagement;

- Payments are proportionate to the value of the services rendered;
- Review and approval requirements are completed before engagement; Consideration is given to any "red flags" (for example, location is known for corruption, special payment instructions, or refusal to comply with Allianz's requirements, etc.); and
- Other measures, such as ongoing monitoring, may be required.

Political Contributions

Allianz recognizes that **Employees** may be active in the political process. However, **Employees'** participation must be on an individual basis, on **Employee's** own time, using his or her own resources. Any political contribution and contributions to political parties on behalf of Allianz have to be decided by the respective OE's board of management.

Charitable Contributions

Allianz is committed to the communities in which it does business, including supporting charitable organizations. Any charitable contribution made on behalf of Allianz must not only be given to bona fide charities and intended for proper charitable purposes. In addition, they cannot be made in violation of the Allianz Code of Conduct, this Policy and local law. Charitable contributions may never be used as a condition for or to influence any official action or decision. To uphold this principle, all charitable contribution requests for or on behalf of a **Government Official** must be processed in accordance with local

law and related local procedures on **Business Courtesies**.

Joint Ventures and Outsourcing Agreements

Prior to entering into a **Joint Venture** or outsourcing arrangement, the shareholding OE or outsourcing **OE**, as appropriate, must complete certain measures, including conducting an appropriate level of due diligence and obtaining certain internal approvals. As appropriate, these measures must require the joint-venture partners or the parties to an outsourcing arrangement to either: i) accept this Policy and relevant controls of the Program, or ii) agree to maintain equivalent controls. Note: If a potential joint-venture partner is a **Government Official**, consult with Compliance or Legal to determine if any special measures are warranted.

Facilitation Payments

Employees or **Representatives** are prohibited from directly or indirectly giving or authorizing any **Facilitation Payments**. Exceptions apply if **Employees** or **Representatives** are left with no alternative but to make payments in order to protect against loss of life, limb or liberty or such payments are permitted under local laws (this applies only to a small number of countries). More guidance can be provided by local/regional Compliance contact or Group Compliance.

7. Books and Records

Keeping detailed and accurate books and records is a crucial component of Allianz's anti-corruption controls. Allianz sets out specific recordkeeping requirements already to make sure that its books and records are kept in reasonable detail and accurately and fairly reflect all transactions and dispositions of assets. Importantly for purposes of this Policy, the following principles must always be followed:

- False or misleading entries must never be made in the books and records of Allianz for any reason;
- No undisclosed or undocumented accounts or payments for or on behalf of Allianz are to be maintained for any purpose;
- No unapproved or undocumented cash payments may be made for any kind of service for the benefit of Allianz; and
- Non-Allianz resources or payment channels (e.g., private accounts) may never be used to make/enable Bribes or any other offers and payments prohibited by this Policy and related Allianz policies and procedures.

8. Monitoring and Auditing

Compliance and Internal Audit will monitor and review compliance with this Policy and the Program through audits and reviews.

9. Awareness and Training

Every **OE** must undertake initiatives to ensure adequate knowledge and familiarity with this policy. Local/regional Compliance and/or Group Compliance will provide training to **Employees** and **Representatives** as necessary to effectively implement and maintain this Policy and the Program.