

AGEAS FEDERAL LIFE INSURANCE COMPANY LIMITED (AFLI)

# Anti-Bribery Policy

Version 1.0

## Abstract

The Policy is a major pillar of the prevention of corruption, to which Ageas Federal Life Insurance Co. Ltd. (AFLI) firmly applies the zero-tolerance principle.

It describes the frame of mind in which AFLI intends to operate and to do business; and sets out the principles and rules to abide by to avoid committing an act of active or passive corruption, in particular the way to handle towards gifts and similar advantages.

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## 1. Document Control

### 1. Ownership

Authors	Department	Owner	Owner Department
Compliance	Compliance	Chief Compliance Officer	Compliance

### 2. Validation procedure

Validation Authority	Status	Version	Date
New - Current version			
Board of Directors	Approved	1.0	October 27, 2023

### 3. Version History

Version no.	Version date	Requester of change	Change description
1.0	October 27, 2023	Ageas Group Compliance	Ageas Group Policy adopted by Ageas Federal Life Insurance Co Limited

### Change Mechanism

Any requirement for change is to be addressed to the Document Owner.

Updated Policies will be submitted via a formal approval process usually on a triennial basis according to Board's decision of October 27, 2023 but can be more frequent if necessary.

## 2. Introduction

This Policy is based on the principles and rules as expressed in the set of reference texts listed in Chapter 5 of this Policy and on the principles set out in the AFLI Corporate Governance Charter as may be approved by Board.

This Policy is to be read, inter alia, concomitantly with the Integrity Policy; the Compliance Policy; the Outsourcing Policy; the Combating Money Laundering and Financing of Terrorism and Proliferation, and Limitation of Cash usage Policy (AML-CTF Policy); the Incident Report & Whistle Blower Policy (Compliance Internal Alert System); and the Conflict of Interest Policy of the Company as approved and applicable from time to time.

### 2.1 Scope

This Policy translates the frame of mind in which AFLI wants to do business.

Should compliance with the AFLI Anti-Bribery Policy result in non-compliance with local legislation and regulations, the latter must take precedence over this policy. Group Compliance must be consulted immediately in such circumstances.

Notes:

- Sales inducement is not primarily in scope of this Policy. This aspect must be covered in other internal regulations.
- Relationship with consultants or external advisers should be framed as well and carefully thought about in a 'final purpose' – perspective.

## 3 Policy

### 3.1 Definitions

**This Policy covers Bribery in any form, whether of public officials or private individuals.**

**Bribery** is defined as an offer or receipt of any gift, loan, fee, reward or other advantage to or from any person as an inducement to do something which is dishonest, illegal, or a breach of trust, in the conduct of the Company's business.

Failure to perform a legitimate task or intentionally late performance also falls under this definition if it results from the acceptance of such an advantage.

An attempt at corruption is assimilated to this breach.

Small bribes, sometimes called facilitation payments, are included in this definition and thus prohibited, even if they only aim at accelerating a legitimate action.

However:

- Legally required administrative fees or fast-track services are not facilitation payments.
- The offence is not committed where the official is permitted or required by the applicable written law to be influenced by the advantage.

**N.B.:** One has to recognise the problems that commercial organisations face in some parts of the world and in certain sectors. The eradication of facilitation payments is recognised at the national and international level as a long term objective that will require economic and social progress and sustained commitment to the rule of law in those parts of the world where the problem is most prevalent.

Payments to local agents must be limited to settlement for lawfully provided services.

It is however recognised that there are circumstances in which individuals are left with no alternative but to make payments in order to protect against loss of life, limb or liberty.

### 3.2 AFLI Anti-Bribery Principles

#### 3.2.1 AFLI prohibits Bribery in any form whether direct or indirect.

**“Direct” or “indirect”** means that AFLI not only prohibits any bribery (or attempts to bribe) within its operations in direct contact with third parties but does not tolerate bribery carried out through intermediaries either.

**“In any form”** means that AFLI does tolerate **neither active** bribery (acting corruptly by giving or attempting to make a bribe) **nor passive** bribery (acting corruptly by seeking, agreeing to accept or accepting a bribe).

**“Prohibits”** means that the **zero-tolerance-principle** is applicable.

In practice, this also means that:

Business and personal activities of staff need to be separated in order to avoid even a semblance of conflict of interest occurring between these roles (to be read concomitantly with the Conflict of Interest Policy).

Therefore, AFLI **prohibits**

- the **offer, gift, or acceptance of a bribe in any form**, including kickbacks, on any portion of a contract payment, or the use of other routes or channels to provide improper benefits to customers, agents, contractors, suppliers or employees of any such party or governmental officials;
- all employees from **arranging or accepting a bribe or kickback** from customers, agents, contractors, suppliers, or employees of any such party or from government officials, for the employee's benefit or that of the employee's family, friends, associates or acquaintances;

- its employees or legal entities to pay small bribes to facilitate / expedite a routine government action (**facilitation or grease payments**);
- the **offer or receipt of gifts, entertainment or expenses** whenever such arrangements could affect the outcome of business transactions and are not reasonable and bona fide expenditures;
- its employees or agents **to make direct or indirect contributions to political** parties, organisations or individuals engaged in politics (including election committees, party affiliated organisations, party aligned research bodies, pressure or lobby groups, causes that are politically aligned, party officers and candidates), as a way of obtaining advantage in business transactions.

### 3.2.2 Gifts, expenses and hospitality

It is however clear that in some cases gifts are given to ensure good business relations. The rules to be observed must however be strict as not to fall into (even a mere appearance of) corruption.

AFLI therefore defines gifts, expenses as appropriate, if they meet all the following criteria **cumulatively**:

The gifts, expenses...

- Are not given or done in cash (or cash-equivalent)
- Are made for the right reason (clearly an act of appreciation, without obligation or expectations), and,
- Are made openly, and,
- Accord with stakeholder perception (not viewed unfavourably by stakeholders if made known to them), and,
- Are of reasonable value (the size of the gift is small and accords with general local business practices), and,
- Are legal (conform to the laws of the country where they are made), and,
- conform to the recipient's rules (meets the rules of the code of conduct of the receiving organisation), and,
- Are infrequent (not a regular happening between the giver and the recipient), and,
- Are reported (recorded and reported), and,
- Are subject to normal business management decision making and control, and,
- Are ideally followed by the sending of a formal thank you letter on the AFLI's writing paper/ Electronic modes, witnessing the intended business context and the approval of management thereof.

**Entertainment and hospitality invitations** should serve business purpose and are therefore subject to normal management decision making and control procedures. When inviting clients or prospects, either one on one or in the form of a group event, the driving force in the decision making should be commercial, appropriate cost benefit consideration included. Attention should be given to aspects that could influence the stature and reputation of AFLI.

In this case, some additional rules and attention points apply:

- o Excessive wining and dining is not permitted.
- o Tying entertainment too closely to expected, current or past business can create the impression of undue solicitation, inducement or even bribery, and should therefore be avoided.
- o When considering acceptance of a business entertainment invitation, the same rules apply, with the additional task to consider the effect that such acceptance may have on AFLI's reputation when associated through the invitation to the event or its sponsor.
- o As invitations that include partner and/or children could be seen as not to be of sufficient business character, they have to be carefully thought about and duly justified.
- o It is not uncommon for international organisations to invite guests and pay travel and/or hospitality costs for prestigious international events taking place within a country in which they have a significant presence and/or where there are sponsorship arrangements.

As a principle AFLI doesn't accept 'all-inclusive packages' and wants to pay at least one of the components hereof (travel, accommodation...)

In order to reflect its status as an international organisation, Ageas may wish to extend invitations to prestigious international events for valid public relations or hospitality reasons.

The rules to be taken into account are hereby:

- o The decision to do so *on an individual basis* will be taken by a *member* of the Ageas Management Committee, and for *group-wide actions* by the plenary Ageas Management Committee.
- o For group-wide actions, the list of the internationally nominated guests, and the rationale to invite them, has to be reviewed by the Ageas Executive Committee beforehand.
- o When AFLI is hosting the event, it will issue the invitations and pay the hospitality costs for such guests.
- o In any case, such invitations should not be part of an incentive or of an inducement program.
- o The normal allowable ratio of employees to guests is judged to be 2:1 (the ratio could be higher depending upon seniority of the guest).
- o Local rules and (tax) legislation have to be looked at and their possible impact carefully assessed both for the hosting company, as for the group guests.
- o At local level, AFLI shall follow specific approval processes which applies to invitations to prestigious international events, and acceptance of any such invitations received by AFLI must be approved in advance by the AFLI MD & CEO. Approval will include consideration of the scale and nature of the hospitality being offered. An invitation which includes payment of

international travel or which includes partners is unlikely to be acceptable. Any hospitality offered internationally by AFLI to such events taking place in India must be agreed by the Ageas Group Management Committee, taking into account the Ageas Anti-Bribery and Inducements Policy.

### 3.3 Anti-Bribery Programme

AFLI shall carry out an assessment of risks of bribery in its operations and develop training programmes tailored to the level of risk and to the knowledge and experience of the employees and business partners.

Adequate measures and procedures designed to prevent bribery should be taken and set up.

These encompasses, at least:

- the allocation of responsibility at Board level;
- a detailed anti-corruption programme that is effectively disseminated, administrated and enforced – regard should be added to corporate hospitality, gifts, anything that amounts to facilitation payments, etc.;
- transparent and accurate accounting, that is subject to review;
- a careful follow-up of expense notes and their accounting treatment;
- vetting of employees;
- review and due diligence of business relations and joint business models – agents, intermediaries, joint ventures, consortia or syndicates;
- risk assessments and active risk management programs.

AFLI provides an Incident Report & Whistle Blower policy (Internal Alert System) , a secure and accessible channel through which employees and others should feel able to raise concerns and report violations in confidence and without risk of reprisal.

The programme foresees also in the **obligation to report** to the Compliance Officer of the Company all gifts or presents, received or given; gifts or presents that have been refused should be notified as well. No minimum threshold is applied in regard with the notification duty.

Clearance (prior authorization) by the Compliance Officer is advisable in case of doubt.

## 4 Policy Governance – Roles and Responsibilities

### 4.1 Specific links with other policies

#### 4.1.1 Anti-money laundering

Cases of money laundering are always linked to a criminal offence. Corruption (and bribery) is a criminal offence and creates the conditions to carry out money laundering.



#### **4.1.2 Conflicts of Interest**

Corruption (and bribery) cases are by essence creating a conflict of interest due to their unlawful nature.

#### **4.2 Management oversight and control**

Consistently with these commitments, AFLI and its employees are prohibited from engaging in or facilitating - in any manner whatsoever - any form of Bribery.

They are also required to exercise the appropriate level of care and diligence when dealing with customers in order to identify suspicious behaviour and transactions, and to avoid any involvement in corruption and or bribery.

The Chief Executive Officer, senior management and line management are responsible and accountable for ensuring that the employees under their supervision are complying with the Anti-Bribery Policy, in accordance with the supervisory requirements in their locations.

The Board of Directors, Chief Executive Officer and senior management should therefore demonstrate visible and active commitment to the implementation of this Policy.

#### **4.3 Independent control function**

AFLI must conduct regular monitoring to ensure compliance with this Policy and/or prevailing legislation and regulations. These monitoring are conducted independently (either by the Internal Audit function, the Compliance function or by External Auditors).

### **5 Legal and regulatory references and guidelines**

#### **5.1 India:**

- Indian Penal Code and other laws as applicable from time to time.
- Prevention of Corruption Act, 1988