



ANTI-BRIBERY & CORRUPTION POLICY

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Approved by:	Andreas Liewald, Managing Director

1 INTRODUCTION

1.1 The Management of Alternative Green Insurance GmbH (AGI) has determined to formalise its policy on compliance with the anti-corruption laws.

1.2 This Anti-Bribery & Corruption Policy (the "Policy") will supersede any other existing AGI policies relating to bribery and corruption.

2 POLICY STATEMENT

2.1 It is AGI's policy to conduct all of its business in an honest and ethical manner. AGI takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships. It is the goal of AGI to avoid acts which might reflect adversely upon the integrity and reputation of the Company.

2.2 Individuals involved in corrupt activity may be fined or sentenced to imprisonment. Further, if AGI or any of its employees or associated persons (e.g. contractors, agents or subsidiaries) is found to have taken part in corruption, AGI could face an unlimited fine, and it could face serious damage to its reputation in the public markets. AGI therefore takes its legal responsibilities very seriously.

2.3 AGI is committed to upholding all laws relevant to countering bribery and corruption in each of the jurisdictions in which it operates. As the anti-corruption laws of the UK, US and Canada have extraterritorial application, AGI, its employees and associated persons will be bound by the most stringent requirements of these laws in respect of its conduct in all jurisdictions they operate, even if such conduct would otherwise be permitted by the local law of a particular jurisdiction.

2.4 The purpose of this Policy is to:

- set out the responsibilities of AGI, and all individuals who work for AGI, in observing and upholding the Company's position on bribery and corruption; and
- provide information and guidance to those individuals working for AGI on how to recognise and deal with bribery and corruption issues.

2.5 In this Policy, "third party" means any individual or organisation with whom you may come into contact during the course of your work for AGI, and includes actual and potential customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

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### 3 APPLICATION OF THE POLICY

3.1 The Policy applies to all managing directors, employees and consultants of AGI. Compliance with this Policy constitutes terms of service for each managing director, conditions of employment for each employee, and conditions of providing services to AGI for each consultant. Each such person agrees to be bound by the provisions of this Policy upon notification of the most recent copy being given to them or upon notification that an updated version has been placed on AGI's website for review.

3.2 This Policy extends across all of the Company's business dealings and in all countries and territories in which the Company operates. All persons covered by this Policy, in discharging their duties on behalf of AGI, are required to comply with the laws, rules and regulations applicable in the location in which AGI is performing business activities, and in particular with respect to anti-bribery and corruption laws, rules and regulations.

Where uncertainty or ambiguity exists, please contact the responsible managing director who may seek further legal advice.

### 4 FORMS OF BRIBERY AND CORRUPTION

4.1 For purposes of this Policy, each of the examples in 4.2 to 4.5 below is referred to as a "bribery offence".

#### 4.2 Bribes

(a) A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or business or personal advantage.

(b) An inducement is something which helps to bring about an action or desired result.

(c) A business advantage means that AGI is placed in a better position (financially, economically, or reputationally, or in any other way which is beneficial) either than its competitors or than it would otherwise have been had the bribery or corruption not taken place.

4.3 Kickbacks are payment of any portion of a contract made to employees of another contracting party or the utilisation of other techniques, such as subcontracts, purchase orders or consulting agreements, to channel payment to public officials, political parties, party officials or political candidates, to employees of another contracting party, or their relatives or business associates.

4.4 Extortion means to directly or indirectly demand or accept a bribe, facilitation payment or kickback.

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### 5 ANTI-BRIBERY AND CORRUPTION STANDARDS

5.1 It is prohibited for AGI or its managing directors, employees or consultants to:

(a) give, promise to give, or offer, a payment, gift or hospitality to a third party or otherwise engage in or permit a bribery offence to occur, with the expectation or hope that an advantage in business will be received, or to reward a business advantage already given.

(b) give, promise to give, or offer, a payment, gift or hospitality to a third party to "facilitate" or expedite a routine procedure.

(c) accept a payment, gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by the Company in return.

(d) threaten or retaliate against another employee or worker who has refused to commit a bribery offence or who has raised concerns under this Policy or AGI's Whistle Blowing Policy.

(e) engage in any activity that might lead to a breach of this Policy.

5.2 Non-compliance with the Policy may result criminal or civil penalties which will vary according to the offence. An employee acting in contravention of the Policy will also face disciplinary action up to and including summary dismissal.

### 6 GIFTS AND HOSPITALITY

6.1 This Policy does not prohibit normal and appropriate hospitality to or from third parties. Gifts and donations to or from business partners are, to a certain extent, in line with usual business practices. They may, however, contain a conflict of interest potential and a threat to AGI reputation.

6.2 The acceptance of gifts and benefits is generally prohibited, if the interests of AGI are affected or the professional independence of the employees may be jeopardized, be it real or be it apparent.

6.3 The acceptance of gifts and other benefits is permitted if the following conditions are met:

The value of gifts does not exceed an assessment level of 40 Euros within European Union. Such level is in other regions adjusted to local standards. In case of doubt Compliance should be involved.

Gifts exceeding this amount which cannot be rejected in the interest of the business relationship should be donated to charity organizations.

Invitations to business lunches or dinners may generally be accepted or offered.

6.4 For invitations to events without a prevailing business character, as e.g. concert, theater, sport events, other evening occasions and similar events, including seminars and conferences (entertainment) the following rules must be observed:

Generally every employee must check whether his participation in such an event is in line with common business practice. That normally means that the host is present, the participation is not frequently repeated, and the cost of travel or accommodation is not borne by the inviting party. In all cases, a managing director must be informed (also applicable for managing directors).

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6.5 Gifts and benefits received by employees may be subject to personal income taxation. Therefore, care should be taken that the handling of gifts and benefits is in line with the applicable tax laws and fiscal administrative practices. If gifts and benefits are subject to personal income tax, it may be advisable to immediately pass such gifts on to charity organizations to avoid a tax liability.

### **7 RED FLAGS**

7.1 The following is a list of "red flags" that may indicate the possible existence of corrupt practices and should be kept in mind by all those subject to this Policy:

- (a) Use of an agent with a poor reputation or with links to a foreign government.
- (b) Unusually large commission payments or commission payments where the agent does not appear to have provided significant services.
- (c) Cash payments, or payments made without a paper trail or without compliance with normal internal controls.
- (d) Unusual bonuses to foreign personnel for which there is little supporting documentation.
- (e) Payments to be made through third party countries or to offshore accounts.
- (f) Private meetings requested by public contractors or companies hoping to tender for contracts.
- (g) Not following AGI policies or procedures – abusing the decision-making process.
- (h) Unexplained preferences for certain sub-contractors.
- (i) Invoices rendered or paid in excess of contractual amounts.

This list is not exhaustive and you should be alert to other indicators that may raise a suspicion of corrupt activity.

### **8 RESPONSIBILITIES UNDER THE POLICY**

8.1 All managing directors, employees and consultants of AGI must read, understand and comply with this Policy.

8.2 All managing directors, employees and consultants of AGI must participate in all training provided by the Company.

8.3 The prevention, detection and reporting of bribery offences and other forms of corruption are the responsibility of all those working for AGI or under its control. All such persons are required to avoid any activity that might lead to, or suggest, a breach of this Policy.

8.4 If you are asked to make a payment on the Company's behalf, you should always be mindful of what the payment is for and whether the amount requested is proportionate to the services provided. You should always ask for a receipt which details the reason for the payment. If you have any suspicions, concerns or queries regarding a payment, you should raise these with the responsible managing director, wherever possible, prior to taking any action.

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8.5 All managing directors, employees and consultants of AGI must notify the responsible managing director or make a disclosure under AGI's Whistle Blower Policy (see Section 11 below) as soon as possible if they believe or suspect that an action in conflict with this Policy has occurred, or may occur in the future, or has been solicited by any person.

8.6 Any person who breaches this Policy will face disciplinary action, which could result in dismissal for gross misconduct. AGI reserves its right to terminate its contractual relationship with other persons if they breach this Policy.

### **9 ASSOCIATED ENTITIES**

9.1 It is a violation of the Policy to make any corrupt payments through any subsidiaries, agents, intermediaries, business partners, contractors or suppliers (individuals or organizations) of AGI ("Associated Entities") or to make any payment to a third party where there is any reason to believe that all or a portion of the payment will go towards a bribe.

9.2 The relationship with agents and other intermediaries must be fully documented using the Company's standard terms and conditions for appointment, which shall include compliance with the Policy and prohibit Associated Entities from making or receiving any bribes on the Company's behalf.

9.3 Compensation paid to Associated Entities must be appropriate and justifiable and for the purpose of legitimate services rendered.

9.4 Associated Entities are required to keep proper books and records available for inspection by the Company, its auditors and/or investigating authorities.

### **10 RECORD-KEEPING**

10.1 AGI will be required to monitor and maintain internal controls to facilitate compliance with this Policy, as well as to foster a culture of integrity and maintain high ethical standards throughout the Company.

10.2 AGI must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties, for a period of 5 years.

10.3 All transactions must be executed in accordance with management's general or specific authorization. Transactions must be recorded as necessary to permit preparation of financial statements in conformity with International Financial Reporting Standards, for a period of 5 years.

10.4 All business partners of the Company should have in place internal controls and procedures that fit these criteria and enhance compliance with this Policy.

10.5 The Company will maintain available for inspection accurate books and records that fairly document all financial transactions, risk assessments and due diligence.

10.6 All managing directors, employees and consultants of AGI must seek approval for any gifts given or received

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10.7 All expenses incurred to third parties relating to hospitality, gifts or expenses must be submitted and the reason for the expenditure must be specifically recorded.

10.8 All accounts, invoices, memoranda and other documents and records relating to dealings with third parties should be prepared and maintained with strict accuracy and completeness. No accounts or cash funds may be kept "off-book" to facilitate or conceal improper payments. The use of false documents and invoices is prohibited, as is the making of inadequate, ambiguous or deceptive bookkeeping entries and any other accounting procedure, technique or device that would hide or otherwise disguise illegal payments.

10.9 To ensure the effectiveness of internal controls, business and finance personnel of the Company will review transactions and expense/payment requests for warning signs that signal an inadequate commercial basis or present excessive risks.

### **11 REPORTING VIOLATIONS OF THIS POLICY – WHISTLE BLOWER POLICY**

11.1 All managing directors, employees and consultants must adhere to AGI's commitment to conduct its business and affairs in a lawful and ethical manner. All managing directors, employees and consultants are encouraged to raise any queries with the responsible managing director.

11.2 In addition, any managing director, employee and consultant of AGI who becomes aware of any instance where AGI receives a solicitation to engage in any act prohibited by this Policy, or who becomes aware of any information suggesting that a violation of this Policy has occurred or is about to occur is required to report it to the responsible managing director.

11.3 Persons who refuse to engage in or permit a bribery offence, or who raise legal or ethical concerns or report another's wrongdoing, are sometimes worried about possible repercussions. AGI aims to encourage openness and will support anyone who raises genuine concerns in good faith under this Policy, even if they turn out to be mistaken. No managing director, employees and consultants of AGI will suffer demotion, penalty, or other adverse consequences for refusing to engage in or permit a bribery offence or for raising concerns or for reporting possible wrongdoing, even if it may result in the Company losing business or otherwise suffering a disadvantage.

11.4 AGI prohibits retaliatory action against any person who raises a concern in good faith.

### **12 INVESTIGATION AND DOCUMENTATION OF REPORTS**

12.1 Any report of solicitations to engage in a prohibited act or possible violation of the Policy will be investigated initially by the responsible managing director. Where the matter is deemed potentially serious it will be promptly reported to the Management Board, and the following procedure will be followed:

(a) The report will be recorded and an investigative file established. In the case of an oral report, the party receiving the report is also to prepare a written summary.

(b) The Management Board will promptly commission the conduct of an investigation. The investigation may be conducted by AGI personnel, or by outside counsel, accountants or other

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persons employed. The investigation will document all relevant facts, including persons involved, times and dates.

(c) The identity of a person filing a report will be treated as confidential to the extent possible, and only revealed on a need-to-know basis or as required by law or court order.

(d) On completion of the investigation, a written investigative report will be provided by the persons employed to conduct the investigation to the Management Board.

(e) If any unlawful, violative or other questionable conduct is discovered, the Management Board shall cause to be taken such remedial action appropriate under the circumstances to achieve compliance with the Policy and applicable law, and to otherwise remedy any unlawful, violative or other questionable conduct. The persons employed to conduct the investigation shall prepare, or cause to be prepared, a written summary of the remedial action taken.

### 13 DUE DILIGENCE

13.1 The Company will conduct appropriate due diligence to ensure compliance with the Policy.

13.2 While the list is not exhaustive, and warning signs will vary by the nature of the transaction, expense/payment request, geographical market or business line, common warning signs that should be considered as part of any due diligence include:

(a) that an Associated Entity has current business, family or some other close personal relationship with a customer or government official, has recently been a customer or government official or is qualified only on the basis of his influence over a customer or government official;

(b) a customer or government official recommends or insists on the use of a certain business partner or Associated Entity;

(c) an Associated Entity refuses to agree to anti-corruption contractual terms, uses a shell company or other unorthodox corporate structure, insists on unusual or suspicious contracting procedures, refuses to divulge the identity of its owners, or requests that its agreement be backdated or altered in some way to falsify information;

(d) an Associated Entity has a poor reputation or has faced allegations of bribes, kickbacks, fraud or other wrongdoing or has poor or non-existent third-party references;

(e) an Associated Entity does not have an office, staff or qualifications adequate to perform the required services; or

(f) an expense/payment request by an Associated Entity is unusual, is not supported by adequate documentation, is unusually large or disproportionate to products to be acquired, does not match the terms of a governing agreement, involves the use of cash or an off-the-books account, is in a jurisdiction outside the country in which services are provided or to be provided, or is in a form not in accordance with local laws.

13.3 Records and documentation must be kept of due diligence as part of the system of internal controls and record keeping discussed in Section 10.

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### 14 RESPONSIBILITY OF MANAGING DIRECTORS

14.1 Managing directors will have full authority to implement the Policy within their spheres of responsibility. The measures taken by managers will be proportionate to the risks associated with their areas of responsibility but may include:

- (a) controls designed to prevent bribery, minimize the risk of bribery and detect instances of bribery;
- (b) ensuring that employees are aware of the Policy; and
- (c) ensuring that employees participate in anti-bribery training and that training specific to the needs of particular employees or job functions is provided when appropriate.

14.2 A manager to whom an employee's concerns are expressed must act promptly and escalate the matter in accordance with this Policy.

14.3 Where it is decided in case of whistle-blowing that further investigation is not appropriate the reporting employee must be given a prompt and full explanation of the reasons for reaching this conclusion.

### 15 COMMUNICATION OF THE POLICY

15.1 To ensure that all managing directors, employees and consultants of AGI are aware of the Policy, a copy of the Policy will be provided to them. All managing directors, employees and consultants of AGI will be informed whenever significant changes are made. New managing directors, employees, and consultants of AGI will be provided with a copy of this Policy and will be educated about its importance.

15.2 Training on this Policy will form part of the induction process for all new managing directors, employees and consultants of AGI.

15.3 AGI's zero-tolerance approach to bribery and corruption should be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter. For advice on these communications, please contact the responsible managing director.

### 16 RESPONSIBILITY FOR THE POLICY

16.1 The Company's Management Board has overall responsibility for ensuring this Policy complies with AGI's legal and ethical obligations, and that all those under AGI's control comply with it.

16.2 The responsible managing director has primary and day-to-day responsibility for implementing this Policy, and for monitoring its use and effectiveness. Management at all levels is responsible for ensuring those reporting to them are made aware of and understand this Policy.



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### **17 CERTIFICATION**

17.1 All managing directors, employees and consultants of AGI will provide annual certification of compliance with this Policy.

17.2 The responsible managing director of AGI will be responsible for ensuring that all annual certifications are obtained on or before the end of the first fiscal quarter of each year, and for providing written confirmation to the Management Board that such certifications have been obtained and summarizing the results thereof.

### **18 MONITORING AND REVIEW**

18.1 The responsible Managing Director will monitor the effectiveness and review the implementation of this Policy, considering its suitability, adequacy and effectiveness. Any deficiencies identified will be rectified as soon as possible.

18.2 All managing directors, employees and consultants of AGI are responsible for the success of this Policy and should ensure they follow the procedures set out herein to disclose any suspected wrongdoing.

### **19 CONSEQUENCES OF NON-COMPLIANCE WITH THE POLICY**

Failure to comply with this Policy may result in severe consequences, which could include internal disciplinary action or termination of employment or consulting arrangements without notice. If it appears in the opinion of the Management Board that any managing director, employee and consultant of AGI may have violated such laws, then AGI may refer the matter to the appropriate regulatory authorities, which could lead to civil or criminal penalties for AGI and/or the responsible person.

### **20 PERSONAL SAFETY**

20.1 The Company is engaged in conducting business in places where personal safety may not be guaranteed by local officials. If you are subjected to an immediate threat to personal safety you may put your personal well-being first, even if it means that you make a payment that contravenes this Policy.

20.2 The details of all incidents must be reported to the responsible managing director immediately.

### **21 PUBLICATION OF THE POLICY**

This Policy will be posted on AGI's website at [www.agi-solutions.de](http://www.agi-solutions.de).

## **22 ACKNOWLEDGEMENT**

I (print name) \_\_\_\_\_ acknowledge that I have read, understood and agreed to comply with the Anti-Bribery & Anti-Corruption Policy. I have not violated the provisions of this Policy and am not aware of any violations of the Policy as of the date hereof.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Managing directors of the Company will be required to complete an annual acknowledgement certification.