

**CONTINENTAL REINSURANCE**

**ANTI-BRIBERY & CORRUPTION POLICY**

**COMPLIANCE AND SUPERVISORY PROCEDURES**

## INTRODUCTION

The Board of Directors (“the Board”) has determined that it is the policy of Continental Reinsurance (“the Company”) to:

- prohibit and prevent the making or offering of payments to government officials or any other persons in order to obtain or keep business or to obtain some other benefit for the Company or an employee of the Company,
- prohibit other corrupt practices.

This Anti-Bribery & Corruption Policy (“AB&C Policy”) makes Anti-bribery & Corruption the responsibility of every Employee of the Company and requires any Employee that detects suspicious activity to report immediately that activity to the Compliance Officer.

This AB&C Policy is divided into three sections: (1) For all Employees, a description of bribery and corrupt practices that are prohibited, some “red flag” practices to avoid, and some training information; (2) for Senior Management, a description of additional responsibilities and Company obligations; and (3) for the Compliance Officer(s), a description of his / her special responsibilities.

### 1. **ALL EMPLOYEES**

All Company Employees must follow the laws of the countries where they live and work, and the laws of the countries where they travel. The Company requires that all Employees follow this AB&C Policy and do not commit the corrupt practices described below. In addition, all employees must comply with the Anti-Bribery and Corrupt Practices Procedure as required by the local legislation of the country where they operate. If an Employee suspects that a corrupt practice has occurred, he or she should inform the Compliance Officer(s). Any Company Employee can make a report anonymously by calling the Company’s AB&C Hotline or writing to the Compliance Officer. No Company Employee will be punished for making such a report in good faith. Any Employee who commits a corrupt act will lose his or her job, and could face criminal penalties.

#### 1.1 ***People covered***

This AB&C Policy applies to all Company Employees, including all permanent staff, executive management, senior management, temporary and contract staff and the Board of Directors. It also applies to outside consultants, attorneys, agents and representatives working on behalf of the Company. All of these people are “Company Employees or Agents” and are covered by this AB&C Policy.

## 1.2 ***Anti-Bribery & Corruption***

### 1.2.1 Corruption

Anti-Bribery & Corruption prohibit Company Employees or Agents from offering, making, or authorizing a payment to a company, a government official or any person or receiving or soliciting for a bribe. The Policy prohibits offering or giving something valuable for the purpose of persuading an official or any person to misuse his office to benefit the Company or its employees. The Policy also prohibits receiving something valuable for the purpose of influencing an official action.

### 1.2.2 Payment

**No payment or gift of any kind may be promised, offered or made to any company, government official, or any person.** A payment can include anything of value, not just money; although it would not include trivial amounts like a cup of tea or a ride to work. If in doubt, you should check with the Compliance Officer(s) before promising or offering anything or taking any action. It is not necessary for the official to receive the money or gift. Simply authorizing or offering a payment violates this AB&C Policy.

### 1.2.3 Recipient

This Anti-Bribery & Corruption Policy prohibits corrupt payments or offers of payment to any company, a government official or any person. "Government official" includes low-ranking as well as senior officials in both the civil and military branches of government; judicial officers; and people who work for local, provincial, and national governments.

It also includes some people who work *outside* the government. Government official also includes a political party or party official and any candidate for political office. It also applies to those who work for a public international organization, such as the United Nations, or a department or agency of such an organization.

### 1.2.4 Business Purpose

This Policy prohibit payments or promises of payments in order to obtain benefits for the Company. The benefit to the Company can come in many forms, and includes providing business to the Company, giving special favors or treatment, granting licenses or other privileges to the Company, neglecting to enforce rules and regulations that apply to the Company, or otherwise providing the Company with an improper business advantage.

#### 1.2.5 Red Flags: Spotting Bribery & Corrupt Practices

There are many kinds of corrupt acts, and it is not possible to list all of them. However, Company Employees or Agents should be alert to these “red flags,” which may indicate that corrupt practices are occurring:

- unusual payments or financial arrangements with a company, government officials or other persons;
- a history of corruption in a particular agency, department, or organization;
- unusually high commissions for Agents hired by the Company;
- unclear, confusing, or different versions of accounting records;
- an Agent’s lack of ability or resources to do what he or she is hired to do;
- when an Agent has been recommended by a government official or any person;
- when an Employee or Agent is closely related to a foreign official through familial ties or business associates;
- when an Agent seeks compensation for services that substantially exceeds market rates or is disproportionate to the service;
- when an Employee or Agent requests payment in cash or cash equivalent;
- when an Employee or Agent sends payment to an offshore account, a person other than the agent or consultant, or to a relative of the agent or consultant;
- when an Employee or Agent refuses to provide receipts, access to financial records, or otherwise to cooperate with this ABP and applicable laws;
- when an Employee or Agent hires or suggests hiring other firms or people who seem unnecessary or incapable of providing needed services; and
- hiring Employees or Agents who have been reprimanded for dishonest acts at work; charged with fraud, bribery, misrepresentation or any other criminal act; or who associate with known criminals.

1.3 **Reporting**

Any Company Employee who becomes aware of a red flag or other suspicious activity shall report it to the Company's Compliance Officer(s), either directly or through the Company's AB&C Hotline.

1.4 **Training**

Consistent with their job responsibilities, Company Employees (and Agents if appropriate) will receive appropriate training about this Company's anti-bribery and corruption policy. Training will take place within a reasonable time as soon as possible after an Employee is hired. Training will explain the penalties for violating this Policy, including immediately being fired and facing possible criminal liability; ways to report suspicious activity or potential violations of this Policy, including anonymous reporting; protection from being punished for reporting a suspected violation or raising an anti-bribery or corruption-related concerns; and examples of red flags that can signal potential violations. Every Company Employee and Agent who receives the anti-bribery and anti-corruption training will state in writing that he or she has received and understood the training.

2. **SENIOR MANAGEMENT**

Along with the Company's Board of Directors, the Company's Senior Management shall be responsible for ensuring that the Company complies with this AB&C Policy as well as applicable anti-corruption laws. Senior Management shall also report to the Board of Directors in a timely fashion any credible report of a violation of this AB&C Policy and/or applicable anti-corruption laws.

The Company's Senior Management shall appoint and supervise an AB&C Policy Compliance Officer with the responsibilities and authorities set forth in Section 3. Senior Management shall also provide the Compliance Officer with all powers, resources, and authorities necessary to apply and enforce this Policy. Senior Management shall require annual reports from the Compliance Officer regarding this AB&C Policy, which shall include the results of any assessments and recommendations for changes in policies or practices. In cooperation with the Compliance Officer, the Senior Management shall also ensure the following measures are implemented.

2.1 **Whistleblower protection**

Any Company Employee or Agent, who in good faith reports a red flag or other suspected violation or attempted violation of this Policy or applicable anti-bribery and anti-corruption laws, or who reports a request or offer of a corrupt payment, shall be protected from any retaliatory measures.

## 2.2 ***Intermediaries and Third Parties***

This Policy also prohibits Company Employees from making corrupt payments through third parties—including Agents and business partners—to any government officials or individuals. The Company will take steps to do business with reputable and qualified partners and representatives. It will investigate whether the Company’s Employees as well as Agents, partners, and other third parties are qualified for their positions, have personal or professional ties to government officials, and have sound business reputations.

Senior Management will require Company agreements with Agents or business partners to (i) be in writing, including identifying the amount and kind of compensation; (ii) include certification that the Agent will comply with all applicable laws and this Policy; (iii) include a certification that the Agent will not offer or provide anything of value to any government official or individual unless authorized in writing by the Compliance Officer(s); (iv) document the qualifications of the Agent to represent or act on behalf of the Company; (v) permit termination of the agreement for violating this Policy or other laws; and (vi) require the Agent to permit an independent audit of its financial records when circumstances warrant. The Compliance Officer(s) shall keep a copy of all agreements with such an Agent or business partner.

## 2.3 ***Record Keeping***

The Company will maintain internal controls to ensure that payments and other financial transactions and accounts are authorized and recorded so that financial statements conform to IFRS and applicable laws. The Company will also prohibit the use or making of off-the-books accounts, inadequately identified or documented transactions, or false documents for the purpose of hiding the source of financial instruments, masking the conversion of financial assets into other kinds of assets, obscuring the actual ownership of financial assets, the recording of non-existent expenditures, the entry of liabilities with incorrect identification of their object, the use of false documents for the bribing of government officials or other persons, hiding such bribery or otherwise evading anti-bribery and anti-corruption laws.

## 2.4 ***Monitoring***

Senior Management will perform an annual review of the AB&C Policy to determine that the Company’s anti-bribery and anti-corruption systems are functioning as intended.

## 2.5 ***Additional Measures***

When the Company (i) seeks a license or other kind of government approval to operate, (ii) is the subject of a regulatory body’s oversight or investigation, (iii) is the subject of a criminal investigation; or (iv) may be subject to substantial

regulatory or statutory changes, the Company will take the following additional measures.

The Company will (a) limit contact with regulators and government officials to those Employees or Agents specifically designated to act on behalf of the Company and (b) monitor payments to Agents or other representatives and require regular reports from them about their contact with government officials.

2.6 ***Responding to Red Flags and Suspicious Activity***

When the Company detects a red flag listed above or other suspicious activity, it will investigate further under the direction of the appropriate AB&C Policy Compliance Officer(s). This investigation may include gathering additional information internally or from third-party sources, contacting the appropriate government authorities, freezing an account, and, where appropriate, seeking the assistance of outside legal counsel.

3. **AB&C POLICY COMPLIANCE OFFICER DESIGNATION AND DUTIES**

The Company shall designate a Senior Officer as its Chief Compliance Officer, and another Officer as Assistant Compliance Officer, both with full responsibility for the Company's AB&C Policy. The appointed Officers shall be qualified by experience, knowledge, and training to perform the following duties:

3.1 ***Duties***

The duties of the AB&C Policy Compliance Officer will include:

- monitoring the Company's compliance with this AB&C Policy; periodically reporting to Senior Management about compliance; overseeing communication and training for Employees and responding to any reports of a suspected violation of this Policy or applicable laws.
- updating the AB&C Policy when necessary; ensuring that the Policy and anti-bribery programs are assessed periodically by person(s) other than the AB&C Policy Compliance Officer(s); periodically reporting to Senior Management about anti-bribery programs, policies, and compliance; ensuring that Company Employees or Agents receive appropriate training; maintaining records, including reports of potential anti-bribery violations, and contracts with, and certifications from, Agents and other representatives; and responding to any reports of a suspected violation of this AB&C Policy or applicable anti-bribery and anti-corruption laws involving Company Employees, Agents, or others affiliated with the Company.

3.2 ***Investigations and Remedial Measures***

After receiving a credible report of a possible violation of this AB&C Policy or applicable laws, the Compliance Officer(s) will (i) notify Senior Management, (ii)

undertake an internal investigation, with the assistance of outside legal counsel if appropriate, to determine whether or not such a violation took place, and (iii) help determine what remedial measures shall be taken. If for any reason such investigation and potential remedial measures pose a conflict for the Compliance Officer(s), Senior Management will seek help from outside counsel to perform these functions. Senior Management will also inform the Board of Directors of any credible report of such a violation within 48 hours.

**3.3 *AB&C Telephone Hotline***

The AB&C Policy Compliance Officer(s) will maintain an anti-bribery telephone Hotline or any other way for Company Employees, agents, representatives, and others to report immediately suspected violations of this Policy, or suspected violations of applicable anti-bribery and anti-corruption laws. If the Compliance Officer(s) receive a credible report of a potential violation, the Officer(s) will follow the procedures set forth in Section 3.2.

**BOARD APPROVAL**

The Company's Board of Directors has approved this AB&C Policy as reasonably designed to achieve and monitor compliance with anti-bribery and anti-corruption laws and ethical and best business practices.

AB&C Telephone Hotline: 01 - 4625376