

Code of Conduct

Code of Conduct for Business Ethics and Compliance

September 2016



Preamble

Allianz PNB Life is based upon the trust which our clients, shareholders, employees and public opinion have in the performance and integrity of Allianz PNB Life.

Such trust depends essentially on the personal conduct and capability of our employees, managers and executive board members ("Employees") and their desire to jointly create value for our customers, shareholder as well as for Allianz PNB Life.

Expressed by our participation in the UN Global Compact and our respect of the OECD Guidelines¹ for Multinational Corporations we integrate sustainability and corporate responsibility into our business. UN Global Compact is initiative of UN secretary general Kofi Annan and major international corporates to respect human rights (*see annex*).

This Code of Conduct for Business Ethics and Compliance reflects such principles. They represent minimum standards for all employees with the view to prevent situations which might question our integrity.

1. Principle: Fair and Regulatory Conduct of Business

- Employees must comply with all laws, rules and regulations Allianz PNB Life operates as well as with the internal directives and policies communicated to them.
- In their workplace, they must conduct themselves with honesty, fairness, dignity and integrity and should avoid any conflict between private and business interests. Beyond that they should take care that they conduct themselves in their private life in a manner that does not bring Allianz PNB Life into disrepute.

2. Non-Discrimination/Feedback learning Culture/Professional Development based upon Performance and Potential

Allianz PNB Life does not tolerate discrimination or harassment in the workplace based on criteria such as age, disability, ethnic origin, gender, race, political attitude or workers' representative activities, religion or sexual orientation. Allianz PNB Life fosters a learning culture in which feedback from all stakeholders is encouraged and appreciated. The main criteria for professional development are performance and potential of employees.

¹ The OECD Guidelines contain company directed basic business ethics principles for corporates operating on a global level.

3. Confidential Information, Protection of Client Data/Information, Information requests by Public Authorities

(1) The safeguarding of client related data, in particular strict maintenance of the banking and insurance secrecy and compliance with applicable Data Protection legislation are important foundations for the trust of our clients.

(2) Confidential and share price sensitive information and records of the Company be it of private or corporate clients or with regard to the affairs of Allianz PNB Life or its employees must be kept secret in a suitable manner from colleagues who do not require such data to properly perform their tasks. This applies equally to third parties.

(3) If someone without clear authority consistently tries to obtain confidential information, the involved employees must notify local Corporate Security and/or the Compliance function representative (“Compliance”).

(4) Allianz PNB Life cooperates with all competent public and regulatory authorities. Relevant communication must be conducted only by duly authorized departments.

4. No Insider Trading or Recommendation

Confidential, price sensitive information may only be acted on or passed on if the transfer of information is necessary for legitimate business reasons (“Need to know-Principle”). Anyone who has such information may not recommend or initiate transactions – with respect to any securities or other financial instruments – the price of which may be affected by such information. Compliance has to be informed immediately. This even applies if the employee knows or has reason to believe that Compliance has already been informed hereof by other employees.

5. Communication, Professional Independence of Journalists and Media

(1) All communications of Allianz PNB Life are required to be full, fair, accurate, timely and understandable.

(2) Allianz PNB Life respects the professional independence of journalists and media. Allianz PNB Life therefore does not pay for editorial content.

(3) The dissemination of information to the public concerning Allianz PNB Life is to be handled by authorized spokespersons only. If an employee appears in public or takes part in public discussion in a manner, he might be considered as representative of Allianz PNB Life without being authorized to do so, then he should make clear that he acts as private person.

6. Customer Information and Advice

(1) Employees of Allianz PNB Life must not either by their action or statements seek to mislead the market or clients.

(2) When establishing a customer relationship or providing financial services to a client, appropriate care shall be taken that the customer receives information which is necessary for a reasonable decision by the customer be it as part of the product information or be it through the advising intermediary or producer.

(3) Which information or advice is necessary depends on the service, the product and the expertise of the categories of clients involved, as well as the applicable market standard. The same applies to whether and which information must be asked from the client as requirement for advice.

7. Potential Conflicts of Interest with Clients and Business Partners

Allianz PNB Life gives a high priority to the interests of customers. Conflicts of interest can cast doubt on the integrity and professionalism of Allianz PNB Life. Potential conflicts of interests must be identified at the earliest reasonable opportunity. If they cannot be avoided, any conflict situation must be handled fairly.

8. Complaints Management

Allianz PNB Life must deal with complaints from all customers or former customers promptly and fairly and in accordance with applicable laws and regulations.

9. Financial Reporting

Allianz PNB Life is dedicated to full, fair, accurate, timely and understandable financial statements, public reports and communications. This must be ensured by all who are responsible for the Group's and/or its entity's finance, control and accounting functions (Financial Professional). Each Financial Professional is subject to and in dependence of its specific professional role within Allianz PNB Life responsible for establishing and maintaining effective disclosure controls and procedures and internal controls and procedures for financial reporting.

10. No Corruption or Bribery

Allianz PNB Life does not tolerate any form of corruption or bribery.

Irrespective hereof, situations may arise which do not constitute corruption or bribery but may allow the judgment of our employees, customers and business partners to be compromised. Subsequent paragraphs 11 to 14 contain rules of conduct which shall help to avoid such situations.

11. Acceptance of Gifts and other Benefits

(1) Gifts and donations by 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 Allianz PNB Life reputation.

(2) The acceptance of gifts and benefits is generally prohibited, if the interests of Allianz PNB Life are affected or the professional independence of the employees may be jeopardized, be it real or be it apparent.

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

- The value of gifts does not exceed Php 2,000.00
- 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.

(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 case of doubt, Compliance should be involved. In all cases, the line manager must be informed.

(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.

12. Granting of Gifts and other Benefits/ Invitations to Entertainment

(1) The granting of gifts and other benefits or invitations to events without prevailing business character (entertainment) are to a certain extent in line with usual business practices and a legitimate means to establish as well as to maintain a business relationship. However, such activities may contain an implicit conflict of interest potential and a threat to the professional independence of our business counterpart. Therefore, particular care should be taken to avoid even the appearance of any conflict of interest or any potential negative impact on Allianz PNB Life's reputation.

(2) Therefore, the following rules must be respected:

- No benefit should be given or invitation to entertainment made with the intention to obtain improper business advantages or one must be concerned of the appearance of any such intention or conflict of interest.
- No benefit or invitation to entertainment should be in conflict with the business ethics and compliance rules and standards of the recipient and/or invitee or local business standards. Before making any such gift or invitation for entertainment, each employee must make himself fully aware of such standards and rules.
- Any granting of benefits must be full transparent. This means that
 - i. Any invitation shall be directed and any gifts delivered only to the business address of the counterpart;
 - ii. Any invitation for entertainment beyond a normal business lunch and any granting of gifts exceeding Php 2,000.00 have to be disclosed to the line manager

(3) In case of doubt, Compliance should be involved. This applies in particular for the assessment whether fees for speeches, publications or services delivered and the pertaining reimbursement of costs are appropriate or not.

13. Gratuities to Representatives of Public Institutions

Holders of public offices, representatives of public institutions, members of public services or authorities and politicians are mandated with the pursuit of public welfare. They should therefore not receive gifts, invitations or other gratuities which might put their independence from business interests into question.

- Representatives of public institutions as well as members of public services should never receive gifts or other gratuities, which are directed to them personally, be it directly or indirectly.
- This is not the case with gifts or invitations which reflect the proper respect of the public office or political role. Any such gift or invitation shall be made only by or on behalf of a chief executive officer or a member of management board.

In case of doubt, prior approval of Compliance must be obtained.

14. Political and Charitable Contributions/ Sponsorship

Charitable contributions as well as sponsorship payments must remain within the framework of the respective legal system and the current corporate policy. Political contributions and contributions to political parties are prohibited. Company funds, products or services should not be used as contributions to or for the benefit of, political parties or their candidates.

15. Potential Conflicts between Private Interests of Employees and Allianz PNB Life

(1) Additional employment or professional consultants activities must not interfere with the interests of Allianz PNB Life.

(2) The acceptance of special positions/mandates with other business enterprises outside Allianz PNB Life (i.e. board of directors, advisory board, advisor) requires prior approval by PNB Life Management. In addition Compliance has to be informed.

(3) If an employee intends to establish or has entered into a substantial financial participation or economic interest in a company which could lead to a conflict of interest, this must be disclosed to Compliance. A relevant conflict of interest within the meaning of sentence (1) exists, in particular, if this financial participation lies within the professional responsibility of the employee. If an employee knows that their closely related persons (such as spouses, registered partners, children entitled to maintenance and other relatives living in the same household with the employee for at least one year) enter or have entered into such financial participation, this employee should work towards its disclosure to Compliance.

(4) In case an employee receives payments or other benefits for public appearance, lectures or publications in context with their workplace, this has to be disclosed to the employee's line manager.

(5) In case of a reputational risk or a potential conflict of interest, the employee and/or the line manager has/have to inform Compliance, so that Compliance can advise accordingly.

16. Licenses and Registration

Employees and business partners must obtain the appropriate individual registrations and licenses from the relevant regulatory bodies prior to conducting any form of business in connection with Allianz PNB life. In some countries, such registration and license requirements may also exist if a service is offered into the country from abroad.

17. Acceptance and Handling of Client's Funds and Valuables

Employees may accept valuables or funds from clients in the course of their business only if so explicitly

permitted under applicable internal directives. Acceptance and handling of funds and valuables must be in line with applicable internal regulations.

18. Protection of Group Property and of Natural Resources

(1) The property and installations, business documents, work tools and other valuable material and intellectual property of Allianz PNB Life may neither be misused for personal purposes nor provided to third parties to the extent that this would negatively affect the interests of Allianz PNB Life.

(2) In the course of their work, employees must strive to safeguard the natural resources and to ensure that the potential negative impact of internal operations on the environment is reduced as far as possible through resource saving and energy efficient planning, construction and operation of buildings and, by avoidance, reduction and recycling of waste materials. Every employee should take economic as well as ecological and social criteria into consideration when procuring suppliers, advertising material and external services.

19. Prevention of Money Laundering and Financing of Terrorism, no Illegal Activities

(1) Allianz PNB Life does not want to be misused for any kind of illegal activities, be it through clients, third parties, sales agents, business contractors or through its own employees and shall take appropriate measures to protect against such misuse.

(2) Allianz PNB Life is fully committed to the international fight against money laundering and the financing of terrorism and applies a risk-based "know-your-customer" policy in line with applicable laws and regulations.

(3) Employees must neither be engaged in nor tolerate any illegal activity in connection with Allianz PNB Life in their workplace. This applies in particular to any infringement of anti-trust regulations and any support of tax evasion, including but not limited to, any kind of complicity in tax fraud.

20. Drug-Free Workplace

Drug abuse in the workplace creates serious problems. It has a negative effect on productivity because it could lead to increased absenteeism, on the job accidents, incidents of criminal and fraudulent activity, and adverse effect on corporate image.

Possession, sale, non-prescriptive use, distribution, dispensation, manufacture, or transfer of any controlled substance is prohibited at Allianz PNB Life.

21. Ethical Conduct of Business – a Personal Challenge and the Result of Joint Efforts

(1) The goals of this Code can only be achieved with the contribution of all. It is everyone's personal responsibility to adhere to this Code of Conduct. Each manager is obliged to take continuous care that all employees reporting to such managers are responsible for living up to this challenge.

(2) All employees are encouraged to contact Compliance or their line manager when detecting that someone has done something improperly. This can help to prevent small problems leading to big problems.

22. Consequences of Non-Compliance

Failure to comply can expose the employee, his colleagues and Allianz PNB Life to reputational as well as legal and regulatory sanctions. Disciplinary proceedings by a regulatory body in the case of severe compliance misconduct may result in a reprimand, fine, withdrawal or suspension of authorization to conduct business either for entire units or employees. In addition, failure to comply, which constitutes a

breach of employees' contractual obligations, may result in disciplinary actions by Allianz PNB Life.

23. Protection of Employees in Case of Communication about Illegal or Questionable Activities

If an employee becomes aware of any illegal or questionable activity in Allianz PNB Life, he shall either inform Compliance or any competent department (e.g. Internal Audit). No employee who communicates bona-fide a concern, shall be exposed to retaliation based on this communication even if the concern eventually proves to be unfounded. Such communications may be made anonymously.

Annex: The Global Compact's Ten Principles

Human Rights	Business is asked to:	<ol style="list-style-type: none">1. Support and respect the protection of international human rights within their sphere of influence; and2. Make sure their own corporations are not complicit in human rights abuses.
Labour	Business is asked to uphold:	<ol style="list-style-type: none">3. Freedom of association and the effective recognition of the right to collective bargaining;4. The elimination of all forms of forced and compulsory labour;5. The effective abolition of child labour; and6. The elimination of discrimination in respect of employment and occupation.
Environment	Business is asked to:	<ol style="list-style-type: none">7. Support a precautionary approach to environmental challenges;8. Undertake initiatives to promote greater environmental responsibility; and9. Encourage the development and diffusion of environmentally friendly technologies.
Anti-corruption	Businesses should:	<ol style="list-style-type: none">10. Work against corruption in all its forms, including extortion and bribery.