

# Gifts & Anti-Bribery Policy



## WHY DOES IT MATTER?

When gifts and entertainment blur the line between common courtesy and inappropriate influence they undermine Pacific Life's commitment to conducting our business with honesty and integrity. Accepting certain gifts can reflect poorly on the reputation and character of the employee involved. It might also raise questions about fairness to competitors or trigger violations of Anti-Bribery laws and Financial Industry Regulatory Authority (FINRA) rules. Upholding our core values of [Accountability](#) and [Integrity](#) starts with making sure gifts, given or received don't impact your decisions and behaviors.

Bribes and other inappropriate payments undermine the equity that is fundamental to a fair and transparent operation of the marketplaces in which Pacific Life and its peers conduct business. Bribery is illegal under federal and international law and carries substantial criminal sanctions that can result in debilitating reputational harm to the companies and individuals involved.

## HOW DOES THIS APPLY TO ME?

As an employee of Pacific Life, its subsidiaries and affiliates, you need to be aware of and comply with the guidelines in this policy and avoid the intent or appearance to improperly influence business decisions or actions through the giving or receiving of gifts or entertainment, bribes or other improper payments.

### Please note:

*PSD registered representatives as well as Pacific Life's investment advisers (PAM, PLFA, and PPSA) - may be subject to additional requirements and restrictions under securities regulations. Please refer to the compliance manuals and procedures for your specific entity for more information.*

## GIFTS AND ENTERTAINMENT

In your job at Pacific Life, a business partner, vendor, or other third party may offer you, or someone you have a **close personal relationship** with a gift. You may also be in a position to provide gifts and entertainment as gestures of goodwill while establishing and maintaining normal, ethical business relationships. Gifts and entertainment that create a conflict of interest between your decisions and the company's best interests are in violation of Pacific Life policies.

## BRIBERY

You and **those acting on our behalf** are prohibited from offering, promising, authorizing, paying, giving, soliciting, or accepting **anything of value** to or from any **private person**, business entity, or **government official** in order to gain any commercial, contractual or regulatory advantage that would not be available to others.

## RELATED POLICIES, PROCEDURES, FORMS, OR OTHER RESOURCES

- [PSD Compliance Manual & Written Supervisory Procedures \(For PSD Registered Reps\)](#)
- [Conflicts of Interest Policy](#)
- [Corporate Travel Policy](#)
- [StarCompliance](#)

## WHAT IF I HAVE QUESTIONS OR NEED MORE INFORMATION?

Talk to your manager or contact Enterprise Compliance at [ItStartsWithMe@PacificLife.com](mailto:ItStartsWithMe@PacificLife.com)

## WHAT ELSE DO I NEED TO KNOW?

### ACCEPTABLE/UNACCEPTABLE GIFTS AND ENTERTAINMENT

In general, anytime a recipient is not required to pay the retail or usual and customary cost for something, it is considered a “gift.” Certain circumstances raise concerns because they heighten the likelihood of creating a conflict of interest.

#### Acceptable:

- Has a specific business purpose
- Unsolicited, infrequent and consistent with common courtesy and ethical conduct
- Complies with Pacific Life’s and the recipient’s policies
- Promotional items with company logo
- Typical examples include:
  - o meals
  - o gift baskets
  - o reasonable travel & lodging expenses
  - o industry conference attendance

#### Unacceptable:

- Cash or cash equivalents (e.g. checks, gift certificates or gift cards redeemable for cash\*, securities)
- Solicited for your personal benefit
- Could be considered lavish or inappropriate under the circumstances
- Would be in violation of local laws, industry regulations and standards, or Pacific Life’s or the recipient’s policies

*\* Gift cards of nominal value that replace common courtesy items such as coffee or lunch in the context of a business meeting are acceptable in the virtual environment, and are still subject to reporting if it exceeds \$100.*

### BRIBERY AND OTHER INAPPROPRIATE PAYMENTS

Bribery includes a wide spectrum of activities. It is not always about the amount of money or the value of the payment or gift. In fact, money does not necessarily even have to change hands in order to violate anti-bribery laws. Bribery is about the intent of the individuals involved. Providing anything of value in exchange for a business advantage can be a bribe.

#### ***Bribery is the offer, payment, or receipt of anything of value to or from a person or entity for the purpose of:***

- Gaining or retaining business
- Obtaining an unfair business advantage
- Directing business to any person or entity
- Influencing the outcome of a business transaction
- Securing non-routine government licenses or permits needed to do business, or special tax or customs treatment
- Influencing any act or decision of a government official in his or her official capacity, or inducing the official to do any act in violation of his or her lawful duty

#### ***Facilitation Payments:***

These are small amounts paid to a governmental official to induce the official to expedite the fulfillment of a routine duty, such as processing governmental paperwork and licenses. Such payments are illegal under certain international anti-bribery rules and prohibited by this policy.

If you encounter a situation that requires such a payment, contact Enterprise Compliance or the Law Department for guidance.

### GOVERNMENT AND OFFICIAL GIFT GIVING

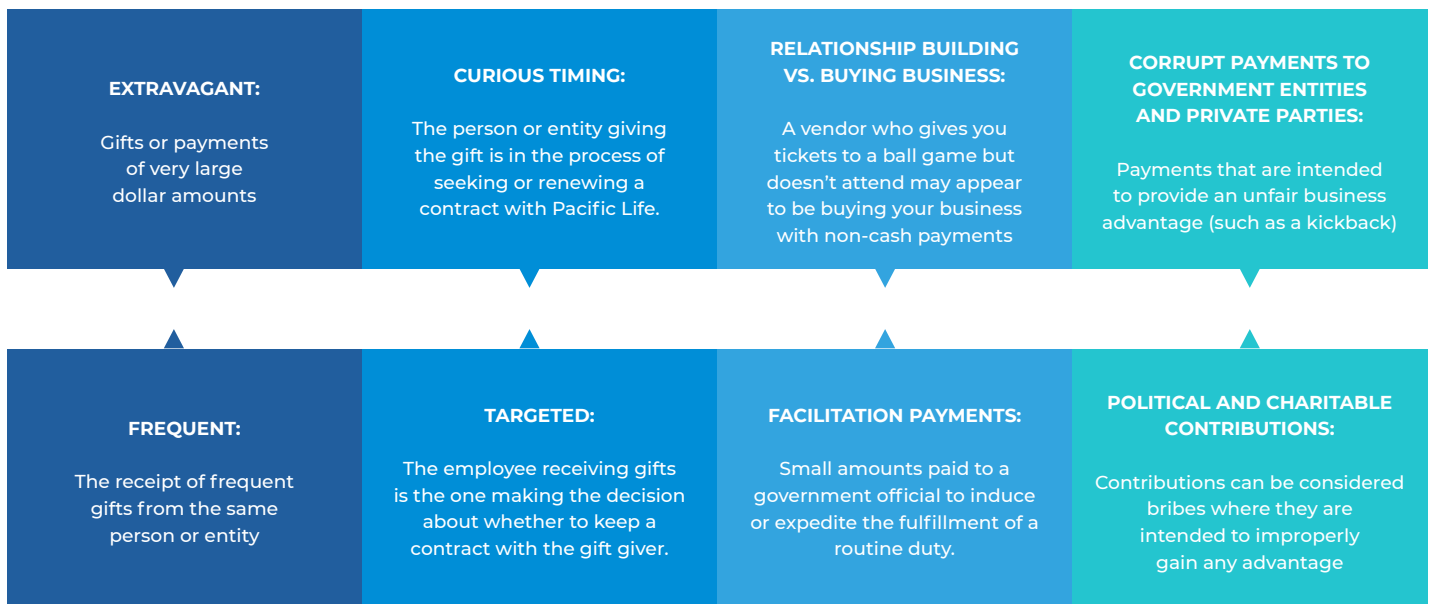
Gift giving to government officials is governed by many anti-bribery and anti-corruption laws and regulations. Violations of these laws can carry severe consequences for the individual involved as well as Pacific Life.

- Unless specifically authorized by Pacific Life through Government Relations, you must not use Pacific Life assets, directly or indirectly, to provide gifts or entertainment (regardless of dollar amount), or arrange travel for, any government official, their staffs, or their immediate family members.

#### ***Fines and Penalties***

Fines and penalties can be serious and include significant jail time and dollar amounts. Notable publicized sentencing has included up to 20 years in jail and over \$200M in individual and corporate fines. Pacific Life is subject to both U.S. and many foreign government laws including the United States Foreign Corrupt Practices Act and the U.K. Bribery Act however, other commercial bribery laws also come into play.

## GIFTS AND BRIBERY RED FLAGS



## REPORTING GIFTS AND ENTERTAINMENT RECEIVED

When you receive a gift or entertainment valued at more than \$100 from anyone with whom Pacific Life has any existing or potential business dealings, you must report it through Star Compliance within 30 days of receipt.

### *Examples of common types of gifts and entertainment to report include:*

- Tickets to events such as a concert, play, or sporting event (Entertainment)
- Tickets to events where donor is not present (Gift)
- Floral arrangement, gift basket, gift card/certificate, bottle of wine, electronics, or clothing (Gift)
- Meals such as breakfast, lunch, or dinner (Entertainment)
- Golf, ski, or spa outings (Entertainment)
- Travel and Lodging such as hotel and related expenses, airfare, or other travel expenses (Entertainment)
- Promotional items with donor's logo (Gift)

You do not need to report gifts and entertainment from professional or industry associations.

## REPORTING GIFTS GIVEN

Report gifts and entertainment you have given by completing the expense report in Concur as provided in the Travel Policy.

## MANAGERS RESPONSIBILITY

Managers must review and monitor gifts and entertainment given and received by those under their supervision for materiality, accuracy, and propriety.

## IT STARTS WITH ME: WHAT SHOULD I DO?

### GIFTS DECISION MAKING

It is your responsibility to make good decisions about the appropriateness of accepting or offering gifts. The purpose of business gifts is to build and maintain relationships, not reward or induce business decisions. During the vendor selection process, there is a higher potential for gifts being used, or appearing to be used, to improperly influence our business decisions. Although acceptance of gifts is not prohibited during these times, gifts must still be consistent with ethical business practices as described in this policy.

### KNOW THE DIFFERENCE: GIFT VS. BRIBE

*Ask yourself: Is the payment/gift/offer/activity considered normal and customary in your job function?*

- If yes, it is probably an acceptable gift, not a bribe.
- If it seems extraordinary, out of your normal job responsibilities or could be considered out of line, pause and ask your manager or Enterprise Compliance.

*Ask yourself: What do I expect to receive or be asked to do in return for this payment/gift/offer/activity? Is the answer something that you would do for any business partner or customer, regardless of having paid or received something?*

- If yes, then it is more likely a gift and not a bribe.
- If no, then pause, you might be participating in bribery. Talk to your manager or Enterprise Compliance. Transparency & disclosure can go a long way to determining whether an action is ethical and consistent with Pacific Life's Core Value of *Integrity*.

## DEFINITIONS

- **Anything of Value:** Means any item that has value to the recipient. This can include cash and cash equivalents, gratuities, discounts, insurance benefits, the promise of future employment, and the use of materials, facilities, and equipment.
- **Close Personal Relationship:** Includes spouse, child, parent, sibling, domestic partner, in-law, fiancé/fiancée, or significant other.
- **Examples of "Those Acting on Our Behalf":** Include third-party marketing agents, contractors, law firms, and consultants to name a few.
- **Gifts and Entertainment:** Can consist of anything of value such as products, services, prizes, meals, tickets, lodging and transportation.
- **Government Official:** Means the following:
  - o Persons holding any level of U.S. or foreign legislative, administrative, or judicial office of a government or any of its departments, agencies, or divisions
  - o Persons acting on behalf of a government, including a government agency, enterprise, or organization
  - o Officials and agents of a public administration or publicly funded organization
  - o Officials of a political party
  - o Candidates for political office
  - o Officers and agents of a public international organization (e.g., World Trade Organization)
  - o Relatives and household members of any of the above
  - o Persons who will pass an improper payment on to any of the above
- **Private Person:** Any individual or entity that does not fall into the above definition of "government official."