

PERI Group

## Group Directive Anti-Bribery and Corruption

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Target Group: All employees of PERI



# Anti-Bribery and Corruption

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### 1. Purpose and Target Group

PERI complies with the applicable laws and regulations of all states in which it is active. PERI therefore rejects corrupt and other illegal behavior of any nature and does not tolerate such behavior. PERI expects that its executive personnel, employees and business partners (e.g. commercial agents, consultants and suppliers) to not avail themselves to corrupt practices of any kind, regardless of which states they are active in. PERI will take suitable measures in respect of any persons who violate this obligation.

These prohibitions are applicable to all states in which PERI does business and to all its employees and even if corrupt behavior might be common in a state and are not considered unethical by local business partners.

This Group Directive aims at ensuring that PERI employees always work with the required level of integrity, ethics and transparency with regard to resolving actual or potential Conflicts of Interest and applies to all managing directors, executive personnel and all other employees of PERI (hereinafter collectively referred to as "employees").

### 2. Required Local Adjustments

Local laws, which deviate from and/or surpass this Group Directive, have precedence over this Group Directive insofar as they contain mandatory provisions. Any deviations must be communicated to and need to be approved by Group Legal & Compliance at PERI HQ.

### 3. Responsibilities

The managing directors of the subsidiaries are responsible for the adherence to this guideline within their subsidiary. However, these measures do not release the employees of PERI from their obligations as set out in this guideline. The local Compliance Officers supports the local managing directors with the implementation and communication of this Group Directive.

### 4. Procedures and Explanations

#### 4.1 General prohibitions

It is prohibited to offer, promise, or grant a public official and/or employee or a representative of a company, directly or indirectly, inadmissible personal benefits. Corrupt behavior carried out by any business partner (and its managing directors, executive personnel, and employees), third parties, those who have been appointed by PERI or act in its name (e.g. commercial agents, brokers, other sales intermediaries and consultants), or by partners in joint undertakings, is therefore forbidden. These prohibitions apply to all countries in which PERI is active and for all employees. These provisions apply even if corrupt behavior is the norm in a country and not seen unethical to the local business partners.

### 4.2 Acceleration payments/ Facilitation payments

In some states, payments to public officials in return for the accelerated performance of rightful and legal official acts are common on an operational level (e.g. clearance of rightfully imported spare parts or consumer goods, which are needed for a project). PERI prohibits these acceleration or facilitation payments.

### 4.3 Payments to customers, employees or representatives of other companies

PERI does not make unauthorized payments to employees or representatives of other companies, neither directly nor through a service provider. Even if such payments are acceptable in some countries, PERI prohibits them.

To prevent such practices, payments to customers of PERI may only be made if the conditions specified in Appendix I are met.

For the purposes of this Group Directive this includes all payments, fees, commissions, loans, gifts, objects of value and other services granted, directly or indirectly, by an employee or an intermediary for the purpose of giving or receiving an inappropriate benefit in the context of a business or a contractual relationship. PERI Group also prohibits kickback payments.

### 4.4 Invitations, gifts and other personal benefits

Invitations, gifts and other personal benefits for employees or representatives of other companies are only permissible, if their total value and the circumstances do not create the impression that certain behavior is expected from the recipient in return. Whether this is the case depends on the concrete circumstances of the individual case with particular regard to the following factors:

- Value of the benefit
- Frequency in which benefits are granted
- Position of the recipient within their company
- Social conventions or necessity of granting the benefit (e.g. presenting a flower bouquet as thanks for an accepted invitation)

#### 4.4.1 Ground rules

PERI stipulates the following ground rules for giving and receiving of benefits:

- Benefits may be never granted in secret but only with full transparency.
- Invitations or gifts must always be sent to the official business address of the recipient and not the private address.
- Benefits for spouses or relatives of employees or representatives of other companies may only be granted in exceptional cases and after prior agreement of the local Compliance Officer or Group Legal & Compliance.
- In no circumstance may cash or a cash equivalent (e.g. voucher) be given as a gift.
- Concerning the taxation of payments in kind, the relevant local tax laws and regulations must be obeyed.
- Granting personal benefits to public officials is prohibited unless explicitly stated otherwise in the local law.
- Some countries and companies forbid employees and representatives of companies from accepting invitations or gifts completely. Other countries and companies provide value limits for

benefits which may be accepted by employees and representatives of companies. Before an invitation is made or a gift is presented, it must be ensured that the recipient may legally and ethically accept the invitation or the gift.

Aside from the abovementioned limits, gifts should generally not be granted which exceed a value of €150.00 per beneficiary and calendar year. Keep in mind that the above-mentioned value limit does not imply that all gifts under €150.00 are legally permissible.

If you are offered any form of bribery or corruption, please refuse the offer and politely advise the offering party about PERI's Code of Conduct and this Group Directive. In addition, please inform your respective Compliance Officer about the incident, so that further measures can be taken.

#### 4.4.2 List of benefits

Every subsidiary is required to maintain a so-called "list of benefits" for gifts that are granted and/ or received by its staff.

The list of benefits must include

- Name of the involved persons and Employee-ID of PERI employee
- Date of the benefit
- Kind and value of the benefit
- Reason for the benefit

Employees and departments don't need to include the following items/gifts into the list:

- PERI promotional gifts/ merchandise
- Gifts with a value below 50 Euros.

The subsidiary must maintain such lists of benefits, sign them yearly and store them for at least 3 years. The local Compliance Officer may request access to these files at any time.

#### 4.5 Prohibition of demanding preferential treatment and acceptance of personal benefits (passive corruption)

The same rules as for giving personal benefits (see section 4.4) apply for demanding preferential treatment and acceptance of personal benefits.

If it is not clear whether a benefit may be accepted, please contact the Compliance Helpdesk or ask your local Compliance Officer.

#### 4.6 Facility visits/ attendance at reference projects or trade fairs/ customer training (80/20 rule)

PERI may invite business partners to its facilities and reference projects, as well as to trade fairs or training, if there is a legitimate business reason for this.

PERI may bear the business partner's travel and accommodation costs of an appropriate amount under the following conditions:

- The general principles from this Group Directive must be followed.
- PERI only covers expenses relating to the travel and accommodation of (potential) business partners if there is a legitimate business purpose for doing so.
- The type and amount of expenses to be covered must be agreed in advance in writing. Such amounts must be modest.

- The recipient is responsible for ensuring that the travel is permitted under the rules of the recipient's organization.
- Daily allowances (cash or vouchers) are not permitted.
- Records of the costs of travel in a detailed and transparent manner by the inviting person must be stored for at least 2 years.
- Payments to the respective organization may only be made into a pre-determined account and never to any of its employees personally.
- It is preferable for the travel and accommodation provisions to be made by PERI and not the business partner.
- Refunding of any travel expenses to the business partner is permissible only after the receipt of appropriate invoices. Pre-payments to business partners are inadmissible.

As a rule of thumb, at least 80% of the time and cost of the business trip should be business related (e.g., tour of production plants, attendance at the PERI exhibition booth, workshops, product presentations etc.).

If the invitation contains a framework program (non-business-related activities), this program should not amount to any more than 20% of the time and must take place in agreement with section 4.4.

### 4.7 Third Parties

PERI must only engage with Third Parties if there is a legitimate need for the services or the goods that they provide. It must be ensured that the Third Party conducts itself lawfully, that the services and goods are priced at market value, that the Third Party is qualified and authorized to provide the services or goods, and that the receipt of such services or goods is documented.

Furthermore, a written contract is required except for minor transactions such as taxi trips or small purchases. The performance requirements and the remuneration of the service provider must be determined very clearly and precisely in the contract and performance and returns must be comprehensible for a third party.

#### 4.7.1 Relationship with Consultants and Service Providers

All employees concerned with the appointment of consultants or service providers must comply with the following additional requirements prior to contracting those business partners.

- All Consultant or Service Provider must agree to add the Compliance Declaration (Annex III) in the written contract.
- It is forbidden to contract business partners fulfilling at least one of the criteria within Chapter 1 (Business Relations not allowed) in Annex II to this Group Directive.
- If you want to contract a business partner fulfilling at least one of the criteria within Chapter 2 (Business Partner with prior approval) in Annex II you need the approval of the Head of Group Legal & Compliance in advance.

Those service providers or consultants, which provide typical back-office services, or which are not directly involved in the sales and marketing process of PERI products, especially if they were not appointed for a planned offer, tender or sale are excluded from the provisions under this chapter (e.g. auditors, tax consultants, lawyers, human resources consultants or employment service agencies,

freight forwarding companies, IT-services, building managers, translation services or general engineering service providers etc.)

#### 4.8 Political Donations and Lobbying

PERI prohibits political donations.

PERI may commission lobbyists to communicate and protect its legitimate business interests. The prior, written approval of local managing director for all lobbying agreements. Lobbying arrangements must be fully documented in writing. The contract must include clear, specific information on the nature and scope of the assignment and on the invoicing of the services provided.

The lobbyist must disclose to discussion partners that he has been retained by PERI.

All lobbyists must successfully pass the requirements from section 4.7.

A public official may not be commissioned as a lobbyist.

#### 4.9 Public Officials

Public officials are often subject to significantly more stringent rules and restrictions than private individuals.

All employees of governments, ministries, authorities or other agencies thereof or international organizations as well as persons acting in an official capacity for or on behalf of any of the aforementioned institutions are considered public officials.

Any relationship with public officials must be in strict compliance with the rules and regulations to which they are subject to, and with this Group Directive. Furthermore, any benefit conveyed to a public official must be fully transparent, properly documented, and accounted for.

Special caution is required when offering benefits of any kind to public officials.

To provide maximum transparency and to be certain that the public official is not violating its relevant internal rules or other applicable regulations, compliance with internal guidelines must be assured by:

- (written or oral) approval of the acceptance of a benefit by the public official's employer;
- or public official's compliance confirmation that this benefit is not forbidden by their internal guidelines;
- internal documentation of the case including the confirmation of the two conditions above.

#### 4.10 Taxation

Benefits may be taxable income for the recipient. Even though it is common practice for inviting companies to pay tax on a lump-sum basis in order to exempt the recipient from their tax duty, you must be sure to comply with applicable tax laws.

All corresponding questions must be addressed to the respective Tax Department.

#### 4.11 Conflicts of Interest

In accordance with the regulations of the PERI Code of Conduct, "Conflicts of Interest" can occur if the interests of the employees or related parties of an employee are in conflict with PERI's interest, or an objective observer would have such an impression.

"Related parties" can be partners, parents, children, other relatives and close friends of PERI employees.

All PERI employees are obliged to act in the interest of PERI based on objectively understandable, transparent criteria as permitted by law. All PERI employees as a result must:

- identify and avoid situations, in which their own social, financial, political or other personal interests or those of a related party conflict or could conflict the business interests of PERI;
- disclose any actual or potential Conflicts of Interest without any delay to avoid internal as well as external misinterpretation and potential negative consequences, and
- obtain prior approval before causing a situation that might be perceived as a potential or actual Conflict of Interest.

PERI employees are obliged to disclose all conflicts immediately and without any delay as follows:

- Description of the nature and circumstances that may lead to the conflict. The occurrence of a conflict is not necessarily a breach of the rules and regulations set out in this Group Directive, but non-disclosure of a potential or actual conflict is.
- Inform your superior of the conflict, and
- Disclose the conflict to the local Compliance Officer. The local Compliance Officers must document every disclosure.
- All potential and actual conflicts are subject to approval by the responsible Managing Director.

### 5. Appropriate Behavior in Case of Breach with the Group Directive

Offences against this guideline, which includes involvement in the committing of such offences, can have employment law consequences e.g., warnings and, for serious offences, instant dismissal and/or compensation claims. This also applies to offences against the documentation obligations in accordance with this guideline. PERI expects all their executive personnel and employees to inform the respective local Compliance Officers about or report to the Whistleblowing Tool violations of this guideline, even if they have participated in a violation themselves.

### 6. Common Compliance Risks: Examples

Please refer to Case Examples overview here: [PERI Connect](#)

### 7. Definitions and Abbreviations

Term	Definition
Bribery / corruption	Bribery is the (attempted) influencing of a person's actions or decisions through offering, giving, requesting or accepting an economic advantage. Examples of giving an economic advantage include cash payments, invitations to entertainment events, hospitality, gifts or other such benefits.
Facilitation payments	Small payments to secure or expedite a routine government action to which one is legally entitled, such as issuing a license to do business, processing a visa, or connecting utilities. Facilitation payments are



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considered as bribery and are punishable in most countries in accordance with their anti-corruption laws.

Public Official	All employees of governments, ministries, authorities or other agencies thereof (instrumentalities) or international organizations as well as persons acting in an official capacity for or on behalf of any of the aforementioned institutions.
Third party	A third party is any legal entity or individual, with whom PERI has a business relationship and that is neither a PERI Group company nor employee.

### 8. References

PERI Code of Conduct

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### 9. Document History

Version No.	Effective Date	Description of Changes	Author
1.0	04.04.2018	Initial Version	Johannes Tittus
2.0	15.07.2020	Complete Revision	Martin Weiß
2.1	01.11.2020	Smaller adaptations	Martin Weiß
3.0	01.07.2024	Clarifications, streamlining, adapting annexes	Martin Weiß

Weißenhorn, 01.07.2024

Voss, Jürgen  
Managing Director Finance & Organization

Wiegelmann, Christian  
Head of Group Legal & Compliance

### Appendix I – Checklist for payments to business partners

Payments can only be made if all of the following conditions are fulfilled. If one or more of the conditions are not fulfilled, the payment can only be made following the prior written agreement with the Head of Group Legal & Compliance.

1. The PERI subsidiary is legally obligated or bound by written contract to make the payment to the contracting party.
2. The contracting party issues an invoice to the PERI subsidiary which meets the requirements of the respective state law, i.e., it contains at least the following data:
  - a. Reason for the payment;
  - b. The amount of the payment to be made;
  - c. Complete payment information, including the name and address of the office of the bank managing the account, as well as the name of the owner of the account.
3. The bank specified by the customer does not have its head office in an offshore state.
4. The owner of the account is the company with whom the contractual relationship exists.
5. The payment is made in full amount by means of a documented bank credit transfer, not in cash.
6. There are no suggestions that payment will not reach the company direct, but rather, e.g., an employee personally.

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### Appendix II – Relationships with Consultants and Service Providers

#### 1. Business Relations not possible

If one of the following criteria applies to the intended contract with a business partner, the commissioning of that business partner may not take place:

	Criteria	Applies	Does not apply
1	The business partner is listed on the internal blacklist of the relevant subsidiary of the PERI Group		
2	The business partner refuses to sign a written contract		
3	The performance expected from the business partner is not defined explicitly, e.g., "general consultation in country X" is not sufficient		
4	The services expected from the business partner have no clear business use for PERI		
5	The business partner requires the agreed remuneration in cash		
6	The business partner has specified a bank account which: <ul style="list-style-type: none"> <li>• does not match the name of the business partner; or</li> <li>• does not appear to be its business account; or</li> <li>• is with a bank which does not have an office in the home country of the business partner</li> </ul>		

#### 2. Business Partner which require prior approval

If the intended usage of a business partner meets one of the following criteria, prior approval of the Head of Group Legal & Compliance and if applicable upon prior approval of the Management Board of PERI Group must be obtained.

	Criteria	Applies	Does not apply
1	The agreed remuneration for the business partner is unusually high (either in absolute terms or in relation to the value of the main contract between PERI and the customer).		
2	The agreed remuneration with the business partner is not		

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	specified at the time of the signing of the agreement or not ascertainable.		
<b>3</b>	The agreed remuneration with the business partner is payable in advance, either in whole or in part		
<b>4</b>	The business partner will receive funds (in addition to their remuneration) which are at their full disposal, or for forwarding to third parties.		
<b>5</b>	Insufficient information on the business partner is available.		
<b>6</b>	The business partner is or employs one or more officeholders (officials, selected political CONSULTANTS, soldiers or other holders of public offices).		
<b>7</b>	The business partner does not have an established business operation.		
<b>8</b>	The business partner does not have any employees (if it is a company).		
<b>9</b>	The identity of the managing directors of the business partners and its business address are unknown (if it is a company).		
<b>10</b>	The business partner is closely connected to any employees or executives of the customer, or for example, any spouses or relatives of the business partner's management are employees or executives of the customer.		
<b>11</b>	The business partner has their/its headquarters in/is resident in one of the critical countries. (PERI Connect)		

### Appendix III – Compliance declaration

#### Compliance declaration by the Consultant

The signatory of this declaration hereby declares and confirms, in his own name and the name of the COMPANY, being:

COMPANY name..... Address: .....

COMPANY No. ...., (the CONSULTANT) the following:

1. During all previous business relations with [Please Enter: name and address of the PERI subsidiary] (The COMPANY) and other customers, the CONSULTANT obeyed all valid laws, rules, regulations and explicit public guidelines of i) country, in which the COMPANY is registered, ii) country in which the CONSULTANT resides, iii) country, in which the CONSULTANT is registered (if different from the residence)] and the state or territory or country, in which services were performed.
2. During the provision of services in accordance with this agreement and all other agreements with the COMPANY, the CONSULTANT will follow all applicable laws, rules, regulations and explicit public policies of (the country in which the COMPANY is registered) and any state or territory in which such services will be provided.
3. That there has not been payment of any bribes, or other payments made, either directly or indirectly, to any executives, employees or CONSULTANTS of the COMPANY, or family members, friends or connected persons of any kind to executives, employees or CONSULTANTS of the COMPANY. Payments of this kind will also not be made.
4. The CONSULTANT has not, directly or indirectly, made an offer for payment with the intention of bribery, nor has he made, promised or instructed the same, and will also not, directly or indirectly, offer, pay, promise or instruct to give any person an object of value, a gift or grant a monetary allowance, who is an office-holder, representative, employee or a representative of government or a government institution, a customer or interested party, a political party, party official or a candidate campaigning for a public office or the office of a political party, nor will he make a payment to any other person, when he knows that the money or part of the money, the gift or the object of value is being offered, promised or given, directly or indirectly, to such an office-holder, representative, employee or agent, customer or interested party, or political party candidate.
5. No allowance, gift or payment of any kind has been or will be offered, accepted, demanded or made with the intention of granting such an allowance, gift or payment to effect the sale of products of the COMPANY or the provision of services by the CONSULTANT in the context of the present agreement through bribery.

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6. No government official or customer representative is, directly or indirectly, involved in the participation of revenue and profit sharing with the CONSULTANT.
7. Any expenditure made by the CONSULTANT was or is incurred exclusively for legal purposes.
8. The CONSULTANT has fulfilled his tax obligations and will continue to fulfil these in all his activities for the COMPANY.
9. The CONSULTANT has not engaged or employed a third party for the provision of the service for the COMPANY and will not engage or employ any third party, unless the CONSULTANT has informed the COMPANY beforehand and the COMPANY has granted explicit written permission.
10. The CONSULTANT is not authorised to contract out one or more or all of the rights and obligations which can be deduced from the contract with the COMPANY to third parties, unless the CONSULTANT has informed the COMPANY beforehand and the COMPANY has granted explicit written permission.
11. There are no business or legal conflicts of interest with the CONSULTANT concerning services either provided, or to be provided to other customers.
12. There are no business or legal conflicts of interest between the CONSULTANT or the representatives of the CONSULTANT and any other third party that the representatives of the CONSULTANTS do have a business relation.
13. The CONSULTANT will inform the COMPANY immediately and fully should the police, public prosecutor's office, revenue offices or any other authorities of a country (collectively called AUTHORITIES) open a preliminary investigation against the CONSULTANT.
14. In the event that the AUTHORITIES should open a preliminary investigation against the COMPANY or any PERI subsidiary, the CONSULTANT will, as a result of alleged illegal behaviour (including, however not limited to any form of the bribery) in connection with a project in which the CONSULTANT is involved, grant access to all the available documents and data and support the COMPANY in every possible way to defend all accusations against the COMPANY or any PERI subsidiary. This also applies if any COMPANY files a claim against the COMPANY or any PERI subsidiary, which includes, in whole or in part, any alleged illegal behaviour (including, but not limited to any form of bribery) of the CONSULTANT. These obligations remain valid after the expiry of this agreement and any other agreements with the COMPANY, in particular in the case of contract termination in accordance with section 14.
15. The COMPANY may terminate all contractual relations with the CONSULTANT if either or both of the incidents listed below occurs:
  - The CONSULTANT violates one or more of the aforementioned obligations, or one or more of the declarations made above are proven to be incorrect;
  - Authorities open investigations against the CONSULTANT in the context of this project.

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16. The person, whose signature is given under this declaration, is entitled to confirm, for the CONSULTANT, that the declarations above are true.
17. The CONSULTANT confirms that he has received a copy of Supplier Code of Conduct of the PERI group, has understood its terms, obeys its contents and will also do so in the future.

I declare that the above details are truthful and correct.

This declaration is subject to the law of (country in which the COMPANY is registered).

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

Name in block letters: \_\_\_\_\_

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