

## ANNEX - CODE OF CONDUCT | NO CORRUPTION OR BRIBERY

### FURTHER EXPLANATION

Aalberts Industries is doing business around the world and its employees are subject to anti-bribery laws of many countries. Some of these anti-bribery laws also apply to bribery committed outside the countries where the Aalberts Industries group companies and their employees are domiciled (for instance the so-called UK Bribery Act and some individual provisions of the National criminal law). Aalberts Industries, its group companies, its employees and business partners should comply with all applicable anti-bribery laws, also when doing business abroad. It is Aalberts Industries' policy that bribery of persons in both the public and the private sector is always forbidden in all countries it does business, even if in a certain country exceptions are legally allowed. This Annex ("No corruption or bribery") provides general guidance and in case of doubt prior legal advice should be obtained. For questions you should contact your manager or Aalberts Industries.

### What conduct is considered bribery?

Anti-bribery laws prohibit persons or companies from offering, promising or paying a bribe to a public official or person in the private sector to influence this person in his (official) acts or function. Likewise it is prohibited to solicit or accept a bribe. A "bribe" may consist of any advantage or benefit that has a value. Small payments or benefits are therefore not per se excluded. The mere offering or promising of a bribe is prohibited. The bribe does not have to be actually paid or accepted. The person offering, promising or soliciting the bribe does also not necessarily have to be the recipient of the bribe (indirect payments are also prohibited). Anti-bribery laws in the various countries are quite broad and may apply not only to the actual briber and the person being bribed but also to anyone knowingly cooperating in, approving, directing or covering up the bribe. Most anti-bribery laws apply if a payment, offer or promise is made in exchange for some type of improper action or omission by the bribed person (or a contact of that person). An important factor is whether any influence is exerted to obtain or retain business or a business advantage such as (a) granting of a licence or permit or awarding an assignment in circumstances where it may not otherwise be granted, (b) taking the decision not to investigate or prosecute an alleged offence by a company, or (c) providing confidential information to a company. It is not required that the intended recipient of the bribe is directly involved in awarding or directing the business advantage. The use of his influence to establish a certain result may be sufficient.

### Corporate hospitality and promotional expenses, gifts and entertainment

Hospitality and promotional expenditure as well as offering and accepting gifts and entertainment are not considered bribery (a) if reasonable and proportionate as regards the value and timing, the impression conveyed to third parties and the type of gift or entertainment, and (b) there is no intention to induce a person to improperly perform his function, to secure a business advantage or not. As a general rule, you should never offer or accept a gift or entertainment with a value exceeding EUR 100 or the local currency equivalent. In case you have any doubts about the appropriateness of hospitality, entertainment or a gift that you intend to offer or accept, you must always contact your manager first.

### Facilitation payments and lawful government payments

Aalberts Industries prohibits all facilitation payments. Facilitation payments are small payments that are not prescribed by the written regulations in a certain country and are made to secure or expedite the

performance of a routine governmental action (e.g. customs clearance). Payments to public officials that are prescribed by written regulations of the official's country, such as fees and payments for various government services, are not prohibited. Payments on top of such legally required amounts are strictly forbidden.

### Liability for and prevention of bribery by associated persons

Aalberts Industries could be held liable for bribery by associated persons acting on its behalf. Aalberts Industries therefore requires that business partners acting on its behalf, such as agents and representatives, comply with all applicable anti-bribery laws. Consequently all existing and future business partners must be investigated and selected with bribery risks in mind and the appropriate contractual arrangements should be made with these parties to avoid bribery risks. This investigation as well as the results of it must be documented. Any issues should be immediately notified to your manager.

### EXAMPLES

**Example 1:** Your production plant is inspected by local officials every year. Local regulations require that the inspected company pays for the travel expenses, accommodation and meals of the inspection team. The payment is required by written regulation and therefore allowed. However, the travel expenses - if possible - must be approved in advance and only be reimbursed against receipts. The costs spent on accommodation and meals should be reasonable and proportionate. It is Aalberts Industries' policy that excessive hospitality spending are never permitted.

**Example 2:** You have received a Christmas gift from a local contractor. Although the gift is not exceptionally disproportionate you sense that he expects you to award him a contract in the future. You must inform your manager. You may consider the possibility to politely return the gift. If you keep the gift, you should not award the contractor a contract without prior approval of your manager.

**Example 3:** You have submitted an application to the local government for the renewal of a certain permit. When you receive the invoice for the administrative charges you notice that these are considerably higher than they used to be. You must check whether the rise of the charges is prescribed by law. If not, you may not pay the invoice. You must contact the local government and request a corrected invoice for the charges payable by law. Furthermore you must contact your manager.

### Q&A

**Question 1:** We have applied for a permit to make adjustments to our plant. A local official has suggested that he may speed up the process against payment of a small amount. Such payments are not prohibited by local law. May we accept the local official's offer?

**Answer 1:** Such a payment qualifies as a facility payment. Although not covered by all anti-bribery laws, Aalberts Industries prohibits all facility payments. You are not allowed to accept the local official's offer and must report this to your manager.

**Question 2:** We invite a few directors of a valued client for drinks and dinner every year. Is this allowed?

**Answer 2:** Corporate hospitality aimed at maintaining a good relationship with clients is allowed. However, no undue influence may be exerted and any impression of bribery must always be avoided. For example you

should not treat the directors to a dinner with costs substantially exceeding the cost you would be prepared to pay privately for a diner.

**Question 3:** We recently have had some issues with the local government. A friend of one of our employees, who has good contacts within this local government, has helped us solve these issues. He has not requested any remuneration for this. May we give him a present as a reward?

**Answer 3:** It is allowed to give him a present to express thanks. However, note that a dinner with costs may be considered a bribe too. You must avoid the impression of bribery and the present therefore should be reasonable.