

## **Anti-Corruption Policy - Anti-Bribery & Anti-Corruption (ABAC)**

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## **1. Introduction**

### **1.1 Background**

pm+ manages consultancy projects, taking on the task of designing the concept and methodology of the research goal defined by the client, organising and monitoring the operational implementation of data collection, preparing research questions for the project and analysing these in a neutral and objective way. Our clients trust that every employee will act in a lawful manner, comply with the rules and represent the values of our company. In this way, you will help to protect our company from corruption.

This policy defines the relevant principles and rules for preventing corruption and describes their implementation.

### **1.2 Scope and application**

This policy addresses various situations in which bribery issues could arise while fulfilling a client's order. The policy is applicable to all employees of pm+ GmbH & Co KG.

## **2. Principles and rules**

### **2.1 Definition**

The core element of corrupt behaviour is the exploitation of a position of power for personal gain while disregarding universalistic norms of behaviour, be it moral standards, official duties or laws. Corruption is a social interaction in which those involved exchange beneficial outcomes, such as influencing decisions in return for money. Bribery is the granting, offering or acceptance of an improper advantage in order to influence the behaviour of a person or obtain an economic advantage. Bribery is a sub-area of corruption. According to the German Federal Criminal Police Office, it refers to the "abuse of a public office, a position in the economic sector or a political mandate in favour of a third party, upon their instigation or one's own initiative to obtain an advantage for oneself or a third party [...]"<sup>1</sup>. Transparency International describes corruption as the abuse of entrusted power for private gain<sup>2</sup>.

Bribery can take place in different ways, e.g. by offering money or other valuables or material or immaterial benefits. Gifts and entertainment can also be bribes.

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<sup>1</sup> Reference: Werner Vahlenkamp, Ina Knauß: Korruption: Ein unscharfes Phänomen als Gegenstand zielgerichteter Prävention. (Corruption: A fuzzy phenomenon as an object of targeted prevention.) (BKA research series, Volume 33). Wiesbaden 1995, p. 20 et seq.

<sup>2</sup> Reference: Hochspringen ↑ FAQs on corruption. 5 March 2012, retrieved on 16 December 2012. (engl.).

## **2.2 Rules to avoid corruption and bribery**

pm+ does not tolerate any form of corruption or bribery. Nevertheless, situations may arise which do not actually constitute corruption or bribery, but which could call into question the judgement of our employees, clients and business partners. The following paragraphs contain rules of conduct designed to help avoid such situations.

### **2.2.1 Acceptance of gifts and other perks**

- (1) To a certain extent, gifts and gratuities from business partners are a part normal business practices. However, they can present a potential conflict of interest which calls the good reputation of pm+ into question.
- (2) The acceptance of gifts and other benefits is strictly prohibited if this would negatively affect the interests of pm+ or jeopardise the professional independence of employees, or if this would give the appearance of doing so.
- (3) The acceptance of gifts and other benefits is permitted if the following conditions are met:
  - The value of the gift is less than the benchmark value of €15 in the European Union. For other regions, a comparable order of magnitude applies, which is to be adapted to the respective local standards. Management should be consulted in cases of doubt.
  - Gifts and other perks of greater value which cannot be refused with a view to the business relationship should be passed on to charities.
  - Invitations to business lunches may be accepted as long as they do not exceed a reasonable financial limit.
- (4) The following applies to event invitations that are not primarily business-related, such as concerts, theatres, sporting and evening events, including seminars and conferences with a programme mainly focused on entertainment:
  - In principle, every employee is required to check whether his or her participation in the event complies with current business practice. Generally, the host needs to be present, participation must not be repeated frequently, and travel or accommodation costs must not be covered by the inviting business partner. Management should be consulted in cases of doubt. Your supervisor must be informed in all cases.

- (5) Gifts and other perks offered to employees may be subject to personal income tax. Care must therefore be taken that gifts and other perks within a group company are handled in accordance with local tax laws and the regulations of the tax authorities. If gifts and other benefits are subject to personal income tax, it may be advisable to immediately donate these gifts to a charitable organisation to avoid tax liability.

### **2.2.2 Donations to representatives of public institutions**

Officials, representatives of public institutions, civil servants, public sector employees and politicians are committed to the common good. They are therefore not permitted to accept, either directly or indirectly, gifts, gratuities or invitations to events which could call their independence from business interests into question. Representatives of public institutions, civil servants and public sector employees are not permitted to receive gifts or other perks addressed to them personally, either directly or indirectly. This does not apply to gifts or entertainment which express reasonable respect for public office or the political role. Such gifts and invitations may only be given by or on behalf of a member of the management team.

### **2.2.3 Political and charitable donations/sponsoring activities**

Donations and sponsorship money must only be given as far as it is legally permissible to do so and in accordance with the applicable provisions. All donations must be decided by management. pm+ does not make any donations to political parties or religious organisations.

### **2.2.4 Granting gifts and other perks/invitations to entertainment events**

The granting of gifts and other perks or invitations to events which are not primarily business-related (entertainment events) are to a certain extent compatible with current business practice and are a legitimate means of establishing and consolidating business relationships. Under certain circumstances, however, the professional independence of those involved may come into question. Therefore, particular care must be taken to avoid the appearance of a conflict of interest or the possibility of damage to pm+'s reputation.

As a result, the following rules must be observed: Benefits or invitations to entertainment events must never be given or issued with the intention of obtaining unfair business advantages. This also applies if there is concern that such an intention may be inferred, or a conflict of interest could be assumed. Benefits and invitations to entertainment events must not conflict with the recipient's own rules of compliance or local business standards.

Employees who intend to give gifts or hand out invitations to entertainment events must therefore check these standards and rules in advance.

Each granting of benefits must be transparent.

- Invitations and gifts are only to be sent or delivered to the recipient's business address.
- The granting of benefits exceeding the benchmark value of €15.00 and invitations to an entertainment event which extend beyond a normal business lunch must be reported to the manager.

Management must be consulted in cases of doubt. This also applies when assessing whether fees for speeches, publications and comparable services as well as the corresponding reimbursement of expenses exceed a reasonable amount.

### **2.2.5 Collaborating with third-party companies**

To provide the SERVICE, and based on the requirements of the respective project, third-party companies are used to provide services (partial services) with differing degrees of influence on the fulfilment of the service. pm+ may only commission third parties to provide the service if the services or products offered by the third-party companies are appropriate and meet the client's requirements, and if the price of the services purchased is in line with market prices.

A written contract must be concluded when commissioning the third-party company.

### **2.2.6 Documentation and bookkeeping**

The integrity of pm+ depends on the correctness, completeness and accuracy of its accounting books and records. The principles of proper accounting and accounting-related legal provisions apply.

All accounting records, employee records, expense reports, claim forms and other business books and records must accurately and reasonably reflect all underlying transactions. It is the responsibility of each employee to ensure that each transaction is authorised and that receipts, expenses, cash journal entries, etc. are accurate. The wording of these documents must clearly state the reason and purpose of each transaction and the documents must be stored in a safe place. False or fictitious entries in the books and documents of pm+ are prohibited.

No payments are to be approved or made on behalf of any business entity if there is a direct or indirect agreement or intention to use such payments for any purpose other than that set out in the payment documents. pm+ maintains an accounting system which documents sources of sales precisely and in sufficient detail. All financial transactions must be documented, reviewed regularly and reported in books and records.

### **3. Implementation**

All pm+ employees must familiarise themselves with the anti-corruption regulations and will receive training during the onboarding process. This is documented in the induction plan.

#### **3.1 Misconduct**

Violations of these rules may expose employees and pm+ to reputational risk and legal liabilities. Furthermore, violations which constitute a breach of the contractual obligations may lead to disciplinary action by pm+.

Employees who violate statutory provisions and internal company policies are subject to sanctions under labour law, such as warnings or the termination of their employment.

#### **3.2 Protection of employees who report illegal or improper conduct**

If employees become aware of illegal or improper activities within pm+, management must be informed. No employee who makes a report in good faith will be subject to adverse consequences, even if the report turns out to be unfounded. Reports can also be submitted anonymously.