

LINET Group



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LINET Group

Anti-Corruption Policy

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1 PURPOSE

LINET Group SE and all its subsidiaries (hereinafter the “Group”) are committed to honestly perform business activities, without using corrupt practices or bribery. The Group’s business activities are performed in an honest and honorable manner in all areas where the Group is active.

This policy:

- establishes clear anti-corruption rules for the Group and all its personnel
- sets the standards of conduct, which must be followed in certain types of transactions
- promotes compliance with ethic rules and all applicable laws
- identifies specific measures, the Group may take, when violation of the Policy or law occurs

This Policy is mandatory and the Group will not support any practices, which are not in compliance with this policy.

2 RESPONSIBILITY

The Groups` Board of Directors, Statutory Representatives and the CEO of each subsidiary or his/her designee ensures the enforcement of this policy in their respective area of operations.

3 SCOPE AND APPLICABILITY

The Policy applies to all Group`s officers, directors and employees, including employees of any subsidiary or other entity controlled by the Group as well as to all personnel acting on the Group`s behalf. All Group personnel must understand and comply with this Policy and all anti-corruption laws valid in the countries, where the Group makes business.

Group personnel are required to certify such compliance by undertaking an anti-corruption training and signing the anti-corruption certification.

4 POLICY

Anti-Corruption – The Group and all Group personnel shall not bribe nor accept bribery nor make any improper payment to or for the benefit of any person and shall comply with all applicable anti-corruption laws and regulations, including those prohibiting bribery of Government employees as well as commercial bribery.

Bribery Government employee: Group personnel may not directly or indirectly offer, promise, authorize or pay anything of value to any Government Employee, spouse or relative of a Government Employee, or any other person, knowing or suspecting that all or some portion of the thing of value would be offered, given, or promised for the purpose of including the Government Employee to use his or her influence to secure advantage, or to obtain, retain or direct business to the Group or any other person or entity

Commercial Bribery: Group personnel may not directly or indirectly offer, promise, authorize or pay anything of value to any employee, agent, or representative of another company or to any other person, with the intent to induce or reward any improper performance (acting or non-acting, making of a decision, in breach of an expectation or duty that the act or decision will be carried out in good faith, in an impartial manner, or in keeping with a position of trust) of a relevant function or activity (meaning any function or activity of public or business nature) Similarly, Group personnel may not request, agree to receive, or accept anything of value from any other person as in inducement or reward for the improper performance of a relevant function or activity

The Group and all personnel shall avoid any act or conduct that could be construed or interpreted as a bribe or improper payment.

4.1 Record Keeping and Accounting

The Group and all its personnel shall make and keep books, records and accounts which in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Group's assets.

Secret, unrecorded, or knowingly misrecorded use of accounts, funds, or assets of the Company is strictly prohibited. The company shall also implement and maintain internal accounting controls and systems.

4.2 Transaction Partners

The Group business may involve the transaction with partners such as contractors, vendors, agents, distributors and other parties acting, communicating or transacting on the companies behalf. The Group may be held liable for improper acts or payments made by such partner. Following rules need to be obeyed when dealing with a transaction partner:

Due diligence: before engaging any transaction partner, the Group personnel shall conduct an appropriate level of due diligence to evaluate potential compliance risks.

- Written contracts: for each transaction partner acting on the Group`s behalf or with whom the Group has a business interaction, there must be a written agreement in place. The agreement should include at least the definitions of the partner`s duties, terms of payments and the partner`s compliance obligations
- Payments: all payments made to transaction partner must be reasonable in relation to the bona fide services rendered, cash payments are prohibited.
- Fair business conditions: when selecting a transaction partner, all partners must be offered equal conditions to compete. No partner should be offered better condition due to personal or other non-business related benefits.

4.3 Gifts, Hospitality/Entertainment

Gifts: include any gratuity, favor, discount, entertainment, hospitality, loan or other item or good having monetary value that is bestowed voluntarily. Small items such as plaques, certificates or trophies that have no intrinsic value are not considered to be a gift under this Policy (such as marketing and advertising items).

Rules for accepting or receiving gifts: no cash or cash equivalent gifts shall be made or received, gifts must be permitted under local law and the guidelines of the partners` employer, should be presented openly and with transparency, gift should be provided as a token of esteem, courtesy or in return for hospitality and should comport with local customs

No gifts should be provided or accepted from government employee, unless under special circumstances and pre-approval from the responsible CEO must be obtained

No gift can be offered or accepted, in order to obtain or retain business or to gain an improper business advantage.

4.3.1 Hospitality/Entertainment

Hospitality includes meals or entertainment (e.g. music, sports or theatre performances) and is permitted under following rules: it is used to promote or *demonstrate the Group`s products or services*; *all such meals or entertainment must be of a reasonable value and frequency*; the expense for such must be permitted under local laws and customs; the expense should be paid directly to the provider of the meal/entertainment and not as a reimbursement to the partner.

All expenses for meal/entertainment must be properly recorded and documented in an expense report. Such report should state the business purpose of the expense and where possible also the attendees of the event.

No meals or entertainment may be provided to a Government Employee without prior approval of responsible CEO.

4.4 Charitable Gifts

No charitable donation should be made, unless being provided to bona fide charitable organization, which does not have any conflict of interests, with any current or potential transaction partners or government employees.

A request for a charitable gift should be assessed independently of commercial activities and it is inappropriate for charitable gifts to be linked to past, current or future business activities.

The Group is not allowed to provide any gifts to politicians or political parties or candidates, unless approved in advance by responsible CEO and made bona fide.

4.5 Non-Compliance and Reporting

When the Group or any of its employees or partners fail to comply with this policy, it can result in significant consequences, such as financial penalties, criminal fines and imprisonment. A violation of law can also significantly damage the Group`s reputation.

The Group will review any violation of this Policy or applicable law as a significant matter that warrants disciplinary action.

Any action, which may even in insignificant matter violate this policy must be reported without any delays to compliance@linetgroup.com . All reports may be made anonymously and in any event will be treated as confidential. Failure to report known or suspected violation of this Policy, may lead to disciplinary actions, including dismissal or termination.

5 POLICY APPROVALS

Approved on September 24, 2014

Approved by Ing. Zbyněk Frolík, Managing Director Linet Group SE, Dr. Michael Rosada, Managing Director Linet Group SE