



## POLICY FOR AVOIDING ECONOMIC CRIME / ANTI-BRIBERY POLICY

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### PURPOSE/FIELD OF APPLICATION

At TGW, compliance stands for cooperation based on trust. First and foremost, trust results from integer and responsible actions. The way in which we achieve our goals is essential to us. Our daily work is therefore characterised by legally and morally impeccable conduct.

Our Codes of Conduct (for employees and suppliers/partners) describe exactly what we expect from each other. In any case, we expect integrity and responsibility. This is why we provide this guideline as a basis for avoiding economic crime.

It must be the aim of all of us to secure the economic success of our company in the long term and to avoid risky behaviour as well as the associated penalties, fines, damage to our reputation etc. We understand compliance as a standard for integrity and sustainable entrepreneurship as well as a classic obligation to adhere to general legal conditions.

Compliance concerns everybody. We set a good example.

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## GENERAL INFORMATION

Compliance is not an obstacle to business success but it will support TGW and its partners in being successful in its processes and every business relationship. We expect sustainable, responsible and especially legally compliant behaviour not only of our employees but also of our partners.

We do not tolerate any form of conduct that might give rise to criminal suspicion and we comply with the relevant laws on the protection against or prevention of corresponding economic crime. Our internal guidelines and regulations provide us all with guiding principles and orientation.

Economic crime includes criminal acts against assets of others in connection with entrepreneurial activities. Typical cases of economic crime are

- **Embezzlement**
- **Fraud**
- **Breach of trust**
- **Corruption and bribery**
- **Money laundering and terrorist financing**
- **Violations of antitrust law**
- **etc.**

TGW's success depends on how we, as employees, behave towards our employer and how TGW behaves towards partners and third parties (e.g. competitors). We, as employees and as company, adhere to laws and act in the same way we would like to be treated by others. TGW stands for fair competition in any case.

**Compliance with rules and economic success do not contradict each other.**

As a global company, or rather a group of companies, we are obliged to comply with the **anti-corruption** laws of each country in which we operate. This also includes the U.S. Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act.



## WE FIGHT AGAINST/WE AVOID...

- **Embezzlement**  
In the event of embezzlement, a person unlawfully enriches themselves with something entrusted to them by TGW. With their actions, the person wants to increase their assets by the economic value of the entrusted object.  
Consequently, we handle company property with care and return TGW property entrusted to us.
- **Fraud**  
Any person who deliberately deceives someone else in order to gain financial advantage at the expense of another is acting fraudulently.  
We act in a fair and honest manner and openly talk about facts. Nobody enriches themselves at the expense of others and exploits the lack of knowledge of another to their own financial advantage (e.g. we are fair competitors, submit expense reports according to our guidelines and based on the actually incurred expenses etc.).

#### ■ Breach of trust

A person who knowingly abuses a power of attorney granted to them to dispose of property belonging to others and thereby inflicts a financial disadvantage on the other person commits embezzlement. The abuse of the power of attorney leads to a financial disadvantage for the principal in the event of breach of trust.

We act adhering to the law and according to our guidelines and powers of attorney. Careful handling of TGW assets and compliance with authorisations are expected.

#### ■ Corruption

Corruption is defined as the undue influence of bribery on business transactions and the unauthorised granting or acceptance of advantages. Such behaviour results in serious ethical, social, economic and political problems as well as to a distortion of competition.

We win projects in a fair way through a fair price/performance ratio and our quality and not by offering, promising or granting unfair advantages to people in the public sector or other decision-makers in private companies.

We are successful because third parties do not have a dishonest influence on the decision-making processes of TGW. Employees of TGW act honestly and with integrity. We expect the same from all our contracting parties. In all cases, misconduct will lead to reasonable consequences or sanctions.

**Even the mere appearance of corruption poses a high risk.** Therefore, nobody may use their position or function (directly or indirectly) to seek, to be promised or to accept undue benefits contrary to our policies.

**Any appearance of inappropriateness and/or dishonesty must be strictly avoided.**

## INVITATIONS AND GIFTS

Giving and/or accepting invitations and gifts is part of business life. However, if inappropriate use is made of this, accusations of bribery, corruptibility or other criminal conduct may be made. That is why we use the following principles as a guideline:

- the service or gift must adhere to the local law;
- the benefit must not be used as payment for the influence on a decision;
- the way the service is performed must be appropriate for the position and the circumstances of the receiver;
- the use must be transparent and verifiable; its value should correspond to the local customs and must not be extraordinary;
- the frequency of past services that are performed for the same beneficiary must not seem dishonest.



The maximum value of gifts/services is hard to define. Small gifts, such as ballpoint pens, calendars or other „stuff“ (useless things) are considered inadequate and are not eligible to influence any decisions in any way.

We respect, however, that the value of gifts and invitations **shall not exceed 100.00 EUR**. Gifts and invitations must be appropriate for the invited person and region.

Exceeding the value mentioned above may be permitted in special cases (such as invitations on management level). However, these cases always require the approval of the responsible Compliance Officer. There shall be no entitlement to being granted such an approval. The responsible Compliance Officer is **independent and not bound by instructions**.

Avoidance of the following situations:

- Inviting suppliers if the contract has not yet been awarded
- Reimbursing travel expenses of customers
- Inviting friends/family members (conflict of interest)
- Reimbursing/paying fees for public tenders
- Inviting (potential) contractual partners to vacation destinations

In case of doubt, please refer to your superior, the local Compliance Officer and/or the Group Compliance Officer.

Giving gifts and other benefits to public officials or receiving gifts and other benefits from them is prohibited in any case. It does not matter if it is a domestic or foreign public official and whether or not the advantage lies within the specified value limit mentioned above.

Everyone is obliged to inform the compliance organisation about and document given/received gifts and extended/accepted invitations. This shall be done on one's own responsibility and by means of the **TGW Gift Approval**, an automatic approval tool to protect the employees of the company. It can be accessed via the compliance page on the Intranet. The types of gratuity mentioned above, such as ballpoint pens, calendars and other „stuff“ do not have to be documented inasmuch as the amount is reasonable. Of course, everyone may also report and document these types of gratuity.



## SPONSORSHIPS

The risk of corruption is particularly high with sponsorships.

**Danger:** the consideration cannot be measured directly. Before concluding a sponsorship contract, we shall verify whether the kind of event or the association/organisation (etc.) corresponds with the goals of TGW.

**We refrain from any kind of bribery, benefits and the prohibited intervention no matter if it is passive or active.** Even the mere suspicion of dishonest conduct or the knowledge of illegal conduct (even in its beginning stages) shall be reported to the superior, the local Compliance Officer or the Group Compliance Officer.

## MONEY LAUNDERING

Money laundering is disguising the origin of illegally acquired assets. A transparent money transfer shall meet the following criteria:

- Each payment (active/passive) shall be based on a clear and verifiable business purpose and has to be attributable to a specific service or delivery.
- The amount of the payment shall be reasonable.
- Payments has to be made directly to the service provider and we receive payments exclusively from our contractual partners (verification of the account holder is required; e.g. by obtaining a commercial register statement, etc.).
- Payments shall be processed transparently and traceably and shall be documented.

Cash flows to and from natural persons who hold or have held public offices for the past 12 months and their immediate family members or persons known to be close to them, e.g. heads of state, ministers, deputies, party leaders, supreme judges, ambassadors, managing directors of state enterprises etc. (all **PEP**: politically exposed persons) require special assessment. In particular, the origin of the funds plays a relevant role.



## ANTITRUST VIOLATION

The law prohibits all agreements between companies, all decisions by associations of companies and all concerted practices which intend to avoid, limit or distort the competition.

### PROHIBITION

In particular, all agreements and practices listed below are **prohibited**:

- the direct or indirect fixing of purchase or selling prices;
- the limitation or control of production, sales, technical development or investments that are not covered by a corresponding group-wide hold-harmless clause;
- the sharing of markets or supply sources;
- the application of different conditions for equivalent services provided to trading partners, thereby placing them at a competitive disadvantage;
- the condition attached to the conclusion of contracts that the parties accept additional services which have no material or commercial connection with the subject matter of the contract;
- exclusivity agreements that exceed a duration of 5 years.

**ATTENTION:** recommendations regarding the compliance with certain prices, price limits, calculation guidelines, trading margins or discounts which are aimed to limit the competition are equivalent to a cartel. This does not apply to recommendations which explicitly refer to their non-binding character.

### AGREEMENTS DURING EVENTS

At trade fairs, industry meetings and other events, we shall avoid discussing prices, calculations, profit margins, markets, etc. with our competitors and always tell them that we are not allowed to give them any information according to the antitrust law.

## MEASURES

The present guideline helps us to avoid even the beginnings of criminal conduct (in particular corruption), to maintain the integrity and reputation of TGW and to uphold and strengthen the trust of our business partners.



### COMMUNICATION, INFORMATION AND TRAINING

We commit ourselves to communicating our principles of conduct and guidelines in regular trainings (e.g. data protection trainings, anti-corruption trainings, antitrust trainings, trainings on the compliance organisation, information about whistle-blowing, behaviour during search and seizure, etc.). Managers and employees in especially risky or sensitive departments shall be trained accordingly and separately. The trainings are provided by the compliance organisation (in coordination with the Group HR and the local HR departments).

The transfer of knowledge and the creation of awareness lies in the responsibility of the respective management board.

## NEED-TO-KNOW

Based on the need-to-know principle, the employees shall only receive information and authorisations they need to have to perform their work. Employees must not process information, give statements, conduct negotiations, conclude contracts, etc. without being authorised to do so.

The management boards of the TGW companies are authorised and obliged to represent their company. They are authorised to give employees relevant power of attorney and to assign them projects. Please refer to the respective signature and representation guidelines in such a case.

## TWO-MAN RULE

An effective measure is the two-man rule. Based on the applicable guidelines, e.g. regarding the signature guideline, employees of TGW are obliged to involve another colleague within the limits of their authorisations. Contracts shall be signed by two people authorised to sign and represent in order to be legally valid.

## BUSINESS PARTNER - DUE DILIGENCE

We shall check our business partners and acquire the relevant information about them in a legal way (by means of the TGW Denied Party Screening, via Dun & Bradstreet, TGW Business Partner Compliance etc.).

We know the people who are authorised to represent our partners and we know their business conduct. TGW assumes responsibility for the supplier chain and evaluates the compliance status of suppliers. Concerns regarding suppliers and their supplier chains shall be addressed openly and the supplier shall be requested to correct any deficiencies. Decisions on further or future cooperation are based on the compliance status of the supplier.

## REPORTING

Reports regarding misconduct or violations of guidelines/instructions/laws (etc.) submitted by employees are an important source of information for TGW in order to identify risks at an early stage and to resolve misconduct issues appropriately.

TGW offers its employees the opportunity to give anonymous tips (whistle-blowing) and ensures that such reports do not disadvantage the whistle-blower. A standardised process to handle reports will ensure confidentiality and equality. This process is based on the Guideline on the Compliance Organisation.

## SANCTIONS

Our regulations make it clear what behaviour and what actions we expect from all of us when it comes to such critical topics. In case of violations, it is our duty to take appropriate measures in order to establish clarity.

Misconduct, especially, but not only, violations of the anti-corruption regulations, will have appropriate consequences. With regards to our partners (and depending on the severity of the violation), this also includes the possibility of an extraordinary termination of contractual relationships as well as the reporting of criminal conduct to the responsible public prosecutor's office.

TGW pursues a **zero-tolerance-policy** which means that misconduct results in corresponding consequences. Regardless of the above mentioned measures, employees might face consequences under labour law or specific work instructions (as well as being reported to the public prosecutor's office if the misconduct is criminally relevant).

The organisation learns from the misconduct of others. This is why we will communicate compliance violations openly and as far as it is admissible, provided that it is for the protection of the company.

## COMPLIANCE BEI TGW – MIT HERZ UND HIRN



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