

## D C Anti-Corruption and Anti-Bribery

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## A Purpose

OC Oerlikon Corporation AG, Pfäffikon, and any of its affiliates, (“Oerlikon”) is committed to highest ethical standards. This policy operationalizes our corporate values in general and integrity specifically. It defines Oerlikon’s ethical business conduct principles following the overarching

principles in Oerlikon's Code of Conduct. We expect our employees to make decisions in line with our stated position.

## B Scope of application

This PD applies to any Oerlikon director and/or employee, unless health, life or security of our employees (or directly related individuals), is at risk (state of emergency).

## C Definitions

Corruption and Bribery:

Corruption is the offering, promising, giving, accepting or soliciting of an advantage as an inducement for an action or act of omission which is illegal or a breach of trust.

Anti-bribery laws, including the UK Bribery Act, prohibit: The offer, promise, authorization payment or giving of anything of value, to an employee or agent of a business, for the purpose of influencing the employee or agent, to obtain or retain business or any other improper advantage.

Facilitation payments:

"Facilitation payments" are very small payments to obtain routine services from persons in their official capacity who provide said services as part of their customary duties (eg. obtain visas, connect utilities, customs processing).

## D Roles and Responsibilities

The Group CEO is responsible for ensuring that this policy is applied consistently with clear lines of authority. Oerlikon's senior management (SLT and their direct reports) demonstrates visible and active commitment to the implementation of this policy.

## E Content

### 1. Oerlikon's approach to Corruption and Bribery

Oerlikon prohibits all forms of corruption, bribery and facilitation payments, this includes anything of value (money, gift, discount, contribution, loan, fee, reward, or other financial or non-financial advantage) given, received or promised with a corrupt intent.

#### 1.1 Corruption and Bribery

Oerlikon has a clear position on corruption and bribery. This encompasses:

*Active and passive corruption*, i.e. offering, promising, giving, accepting or soliciting of an advantage.

*Direct or indirect corruption*, i.e. through Oerlikon employees or third parties. All agents, advisors, consultants and other third parties shall be selected with particular care and shall be contractually obliged to adhere to Oerlikon's standard integrity clause.

*Direct or indirect benefit, i.e.* employee's own benefit or that of the employee's family, friends, associates or acquaintances

*Corruption and bribery, i.e.* no differentiation is made between governmental officials and private counterparties.

## 1.2 Political contributions

The use, directly or indirectly, of Oerlikon's funds for political contributions to any political party, legislative campaign, election committee or candidate for, or a holder of a political office or representatives are only permitted if compliant with applicable laws. Political contributions are not to be used as a subterfuge for bribery and need authorization by the Group CEO.

## 1.3 Charitable contributions and sponsorship

Charitable contributions are not to be used as a subterfuge for bribery. They must be justified by a legitimate charitable or cultural purpose and must be authorized by Segment CEO.

Sponsorship needs to be used and authorized as defined in the Oerlikon Sponsoring guideline.

## 1.4 Facilitation payments

At Oerlikon facilitation payments are prohibited. Such payments are prohibited by law or by custom in many countries. However, in some countries they are a generally accepted cultural phenomenon.

Even where lawful and generally accepted, Oerlikon does not allow facilitation payments as they represent payments or other benefits in exchange for preferential treatment. Apart from legal and reputation aspects, Oerlikon does not apply double standards.

We recognize that in some countries an employee's own welfare and safety could be at risk if they do not make a facilitation payment. If you find yourself in this situation, you should never put yourself in danger. Make the payment and report it promptly to your manager who should, in turn, quickly inform your Legal Counsel and document and properly account the incident.

## 1.5 Giving and receiving Gifts, hospitality and entertainment

A minimum standard for business-related gifts, meals and entertainment is set forth below and is applicable to all business-related gifts and entertainment provided or received by Oerlikon employees, directly or indirectly. Businesses are expected to adopt specific monetary limits on gifts and entertainment consistent with this policy and industry and local standards, and to consider whether lower monetary limits on gifts are appropriate in some locations. Implementing procedures and guidelines on business gifts and entertainment adopted by individual businesses are in the accountability of the business segments and are subject to auditing. Employees with questions regarding whether particular gifts or entertainment events are permissible under these implementing procedures should consult a compliance officer before proceeding.

### 1.5.1 Gifts and hospitality

Courtesy gifts and hospitality, whether they are accepted or given, shall be of modest value for the recipient and shall not exceed the limits established by law and/or policy.

Gifts need to be:

- Decent, esthetic, socially adequate, once in a while, as a sign of esteem or good business relation and part of normal business practices.

- For business reasons only
- No cash
- As a general principle no cash equivalent gifts should be given. Exceptions from this rule need to be approved by Segment CEO.
- Without expectation of consideration in return
- Open and not undercover and not against the code of ethics of the recipient's company - Recorded in the books

It is unacceptable to use personal funds to provide business-related gifts on behalf of Oerlikon otherwise prohibited under this policy.

In general gifts need to have an adequate value unless an exception has been approved in writing by the respective legal counsel or their designee.

### **1.5.2 Special application for government employees and foreign officials**

Gifts and entertainment provided to officials and employees of governments are subject to a variety of laws and regulations limiting the amount and type of such gifts. Oerlikon employees must obtain prior approval from a compliance officer for any gift or entertainment, exceeding customary limits or what is considered normal business courtesy (e.g. standard meals/dinner, to the extent legally permitted), provided to a government official or employee.

Keep in mind that individuals employed by publicly-owned institutions such as hospitals or joint ventures involving government entities are generally subject to the same restrictions on receipt of gifts as other government employees.

Questions regarding whether a particular entity should be treated as a government instrumentality, or whether a particular person is a government official, should be directed to a legal counsel. In doubt always assume that the entity is a government official. In general all gifts to government officials should be properly documented.

### **1.5.3 Business entertainment**

Reasonable and limited entertainment of business clients is a long-recognized and legitimate business practice throughout the world, provided that entertainment is offered or received not as a quid pro quo to obtain business, but rather as a way to develop business relationships, discuss customer needs and promote the services of the host company.

Oerlikon employees may provide appropriate meals and entertainment to representatives of commercial (non-governmental) companies, or accept unsolicited meals and entertainment from such companies in support of business activities, provided:

- No obligation arises for any party involved
- The practice does not violate any law or regulation, or the standards of conduct of the recipient's organization and are not offered for the purpose of influencing a business decision. Thus cannot reasonably be interpreted as an attempt to gain an unfair business advantage.
- The acceptance of the courtesies will foster goodwill and successful business relations.
- The cost of business courtesies are consistent with local industry practices and not lavish or extravagant. While it is difficult to define "lavish or extravagant" by means of a specific monetary amount, a common sense determination should be made, taking into account

industry custom and practice, as well as the frequency of entertainment events involving the same individuals or companies.

- The business courtesies would not negatively impact the reputation of the company or those involved.

Entertainment of government officials and employees, if exceeding normal business courtesy (e.g. standard meal/dinner, to the extent legally permitted), must be approved in advance by the local compliance officer or in his/her absence legal counsel and should generally be avoided. Appropriate business entertainment does not include “adult entertainment” - nightclub-type entertainment with an overtly sexual content (e.g., topless bars, strip clubs, etc.) - or any entertainment which could negatively impact the reputation of the company or individuals involved, even where such entertainment is part of a locally accepted custom.

## 2. Dealing with third parties

To ensure that our (based on a risk assessment) prioritized business partners – including operators, suppliers, agents, intermediaries, lobbyists, consultants, professional customers, and companies to be acquired (“counterparties”) - have a transparent structure and ethical business conduct, we perform a standardized Business Partner Integrity Screening (“BPIS”) prior to entering into a contractual obligation.

The BPIS is of the utmost importance in ensuring that Oerlikon does not conduct business with corrupt parties or otherwise becomes associated with illegal or unethical practices. The BPIS process is designed to assist decision-making by assessing the risk of conducting business with a particular potential counterparty. It also helps to develop an objective basis upon which management can proceed in the reasonable belief that the counterparty is not likely to make improper payments to government officials or commit other illegal or unethical acts in performing its agreements or functions with Oerlikon.

## 3. Validity

This policy should be reviewed periodically, the first time one year after coming into force.

# F Appendix

## 1. Quick reference examples for gifts

	Types	Occasions	Individuals
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Appropriate exemplary	-Oerlikon logo items -Items with no market value - Calendars, mugs -Courtesy gifts	-When culturally appropriate (i.e. during festivals) -In exchange for hospitality	-Commercial customers -Representatives of government departments
Inappropriate exemplary	-Cash, stocks, - Luxury items of high value, such as gift coupons, jewelry, Expensive liquors, cigarettes or cigars	-Before/during submission of bids. - Before contract signing. -Frequent giving to one individual. - When overall situation gives an appearance of impropriety. -Receipt of gifts is prohibited by the law or recipient's employer.	-Commercial customers -Representatives of government departments -Receipt of gifts is prohibited by the law or recipient's employer

NOTE: The above examples are not exhaustive. Be mindful of the value and type of the gift and seek the appropriate pre-approvals before proceeding.

## 2. Quick reference examples for business entertainment

	Types	Occasions	Individuals
Appropriate exemplary	-Business meals - Non-meal refreshments as part of hospitality -Cultural or sporting events	-Where business is conducted during or immediately after/before the entertainment	-Commercial Customers -Representatives of government departments with whom no bid or deal is pending

<p>Inappropriate exemplary</p>	<ul style="list-style-type: none"> <li>-Massage parlors</li> <li>-Saunas</li> <li>-Adult entertainment and adult movies</li> <li>-Illegal activities at karaoke lounges -</li> <li>Recreational events where an Oerlikon employee does not attend with the customer</li> </ul>	<ul style="list-style-type: none"> <li>-Before/during submission of bids</li> <li>-Before contract signing. -Frequent entertaining of one individual.</li> <li>-When overall situation gives an appearance of impropriety. -Receipt of entertainment is prohibited by the law or recipient's employer.</li> </ul>	<ul style="list-style-type: none"> <li>-Representatives of government departments with whom a bid or deal is pending. -Receipt of entertainment is prohibited by the law or recipient's employer</li> </ul>
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NOTE: The above examples are not exhaustive. Be mindful of the value and type of the entertainment and seek the appropriate pre-approvals before proceeding.