

schlatter

# Guidelines on compliance with anti-corruption laws

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The secure connection

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## A. General Provisions

### 1. Principles

Employees are not allowed to present monetary gifts or other contributions with monetary value (such as vouchers) to authorities, public officials, private individuals, or companies engaged in business relationships with us or where such relationships may develop.

### 2. Bribery

Bribery is defined as either active (the briber makes a contribution) or passive (the bribe-taker receives a contribution).

Bribery always involves the purchase of the decisions or actions of a public official (bribery of officials) or a private individual (bribery of individuals).

Bribery frequently begins with the granting of favours through small gifts and courtesies without the direct request of a benefit in return. The following regulations also apply to this area, and a strict approach must be taken.

Whether involving public officials or private individuals, active or passive bribery is a criminal offence that is punishable by imprisonment or a monetary fine.

### 3. Public officials

A public official is defined as a member of a judicial or other authority, an official, an officially appointed expert, translator or interpreter, an arbitrator or member of the armed forces and also as a private individual performing public duties. Public officials specifically also include government officials and parliamentarians.

### 4. Granting of an Advantage

Granting of benefits and acceptance of benefits ("sweetening") are defined as illicit benefits granted or accepted not for the purpose of influencing a specific action but in consideration of future exercise of the function or - in the area of private bribery -- cultivating a relationship. The aim is to convince someone to agree a favourable action and creating dependencies from which it would be possible at some point to benefit in some way.

In Switzerland, the granting and acceptance of benefits involving Swiss public officials is a criminal offence. The transition to bribery punishable under private law is flexible, however.

## 5. Overview of Regulations in Switzerland

	Active	Passive	Objective of the offence
Swiss public officials	Bribery Art. 322 <sup>ter</sup> of the Swiss Criminal Code	Bribery Art. 322 <sup>quater</sup> of the Swiss Criminal Code	The benefit arises in exchange for a specific action or omission.
	Granting of an Advantage Art. 322 <sup>quinquies</sup> of the Swiss Criminal Code	Acceptance of benefits Art. 322 <sup>sexies</sup> of the Swiss Criminal Code	Sweetening. The benefit arises with regard to the exercise of the function without the expectation of a specific official action.
Foreign public officials	Bribery Art. 322 <sup>septies</sup> Para. 1 of the Swiss Criminal Code	Bribery Art. 322 <sup>septies</sup> Para. 2 of the Swiss Criminal Code	The benefit arises in exchange for a specific action or omission.
Bribery of individuals	Bribery Art. 322 <sup>octies</sup> Par. 1 of the Swiss Criminal Code	Bribery Art. 322 <sup>novies</sup> Para. 1 of the Swiss Criminal Code	The benefit is connected to the breach of a duty or influences discretion.

## B. Invitations/Gifts

### 1. Principles

Gifts (such as flowers, gift baskets, wine, boxes of chocolates), hospitality (such as invitations to restaurants or sporting events) and favours on behalf of or by clients and contractual partners are permissible only to an extent regarded as customary and reasonable. Moreover, these must also be compatible with local customs and not in conflict with applicable law, internal directives or ethical principles and may not influence business decisions.

### 2. Cash Gifts

Cash gifts and the acceptance of cash are prohibited in all cases (unless Section C [other cultures] applies). This also applies to vouchers or other monetary substitutes. This ban applies regardless of the amount because this would create the appearance of corruptibility.

### 3. Minimal or socially accepted contributions

In principle, gifts, hospitality, and favours are deemed as customary and reasonable where they have a value below CHF 300 per person and event and take place on an occasional basis.

Minimal or socially accepted contributions are defined as tokens of low value that are customary in the country. This includes the following examples:

- Distribution of drinks and refreshments at or following an event (coffee, pastries/croissants, etc.);
- Dining together at or following an event (the meal is “incidental” to the event and takes place at a point in time during or following the conclusion of the event);
- Inviting clients to dinner
- Simple promotional and advertising gifts (annual calendar, pen, notepad, USB drive);
- Work materials at conferences;
- Minimal services such as an invitation to share a taxi to/from the train station;
- Flower bouquet or box of chocolates as a gift for a specific occasion.

Gifts must never be sent to the private address. Should this occur, the supervisor must be notified to coordinate next steps (return, availability within the company, etc.).

**4. Decision-making and Procurement Process**

In any event, it is not permitted to grant or accept gifts and invitations where a connection between the granting of the benefit and a decision-making or procurement process cannot be excluded.

**5. Outside the Decision-making and Procurement Process**

If there is no connection between the granting of a benefit and a decision-making or procurement process, gifts or invitations may be accepted under the following, cumulative criteria:

- Independence, objectivity, and freedom of professional action are not adversely affected by such acceptance;
- The gift is sent to the business address, not the private address;
- Contributions are within a socially accepted range and are of low commercial value (up to CHF 300).

**6. Restrictive Use, No Regularity**

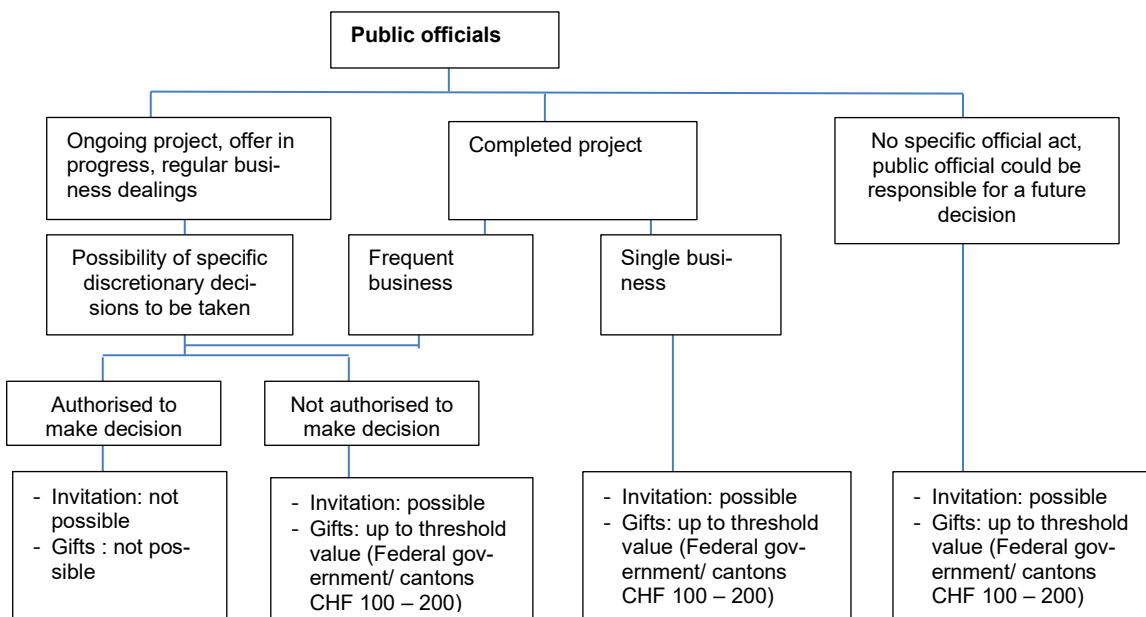
Even if occasional gifts and invitations are acceptable in accordance with the aforementioned conditions, gifts and invitations occurring with a regularity that goes beyond that required for the business purpose, must be declined. With this in mind, gifts and invitations should not be offered on a monthly or more frequent basis.

**7. Cases of Doubt**

In cases of doubt or where the value of the gift or invitation exceeds CHF 300, the management member responsible or, as second instance, the management team shall make the final decision regarding acceptance and further steps.

There is a possibility, for example, of donating the gift to charity or distributing it within the company.

**8. Flow Chart**



## C. Other cultures

In certain countries and cultures, refusal of a gift valued at CHF 300 or more can be seen as a breach of custom and courtesy. In this case, a member of the management team can make an exception.

## D. Cooperation with Agents

A contractual relationship may only be entered into with individuals meeting the requirements of the Code of Conduct. Thorough prior clarification of professional qualifications, experience and, in particular, personal integrity must be documented. For this purpose, Schlatter has created a questionnaire. It must always be possible to trace payments to agents (to create a paper trail; verified through receipts and other documents).

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Schlieren, July 12, 2020