



Kässbohrer  
Company Policy on  
Corporate Hospitality  
September 2024



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## 1. OBJECTIVE

The purpose of the Company Policy on Corporate Hospitality ("**Policy**") is to determine the rules and standards to be followed in giving and receiving gifts, entertaining guests, or accepting an invitation for Hosting and performing other similar activities while acting on behalf of the Kässbohrer companies ("**Company**" or "**Kässbohrer**").

All employees and managers of the Company are obliged to comply with this Policy, which is an integral part of the Code of Conduct of the Company. The Company expects all Third Parties to comply with this Policy to the extent applicable and takes necessary actions to ensure this.

## 2. DEFINITIONS

"**Cash Equivalent**" means any document that has a certain value, including but not limited to gift vouchers, gift cards, discounts, negotiable instruments, and coupons to purchase gold or fuel.

"**Chief Supervisor**" means the first manager to whom the respective employee directly reports.

"**Code of Conduct**" means the Company's code of conduct.

"**Compliance Manager**" means the Company's compliance manager.

"**Corporate Event**" means the any Hosting event the Company is invited to, participate at and/or hosting.

"**Gift**" means any benefits or goods with a material value, such as discount, gift card, promotional material, job interview or recruitment promises, cash, credit, membership, service, privilege, that are given or received either directly or through intermediaries.

"**Hosting**" includes dining, short- or long-term accommodation and travel and transportation, as well as social events performed for commercial, cultural, promotional, sports or other purposes.

"**Management**" The board or managing director whichever is the top decision maker as well as applicable at the respective Company.

"**Public Official**" means the person participating in the performance of a public activity continuously, for a definite period or temporarily by being appointed or elected.



**“Politically Exposed Person”** means a person who is assigned to or trusted for a significant public function. Politically exposed persons can be any of the following, but are not limited to them:<sup>1</sup>

- Heads of governments, ministers, and deputy ministers;
- Parliament members;
- Members of supreme courts, constitutional courts or other supreme judicial bodies, decisions of which cannot be further appealed except for exceptional cases;
- Judges;
- Board members of central banks;
- Ambassadors;
- High rank officers in the military;
- Members of administrative, management or audit organs of state enterprises or persons working in positions equivalent to the aforesaid positions and
- Family members and close business partners of the aforesaid persons.

**“Third Party”** means natural persons or legal entities acting on behalf of or related with the Company, such as any distributor, dealer, agent, advisor, representative, contractor, subcontractor.

<sup>1</sup> <https://www.fatf-gafi.org/documents/documents/peps-r12-r22.html>

### 3. SCOPE

The Company has adopted general corporate standards for Gifts and Hosting accepted throughout the world. All employees, managers and the Management of the Company are obliged to comply with the standards specified in this Policy and responsible for its implementation.

### 4. GENERAL PRINCIPLES

Gifts and corporate Hosting events are used widely to establish and reinforce business relationships. However, these are legitimate instruments only if the following principles are followed:

- Accountable, not continuous and with a reasonable value;
- Transparently and accurately recorded in the books; and
- In compliance with the applicable legislation, generally accepted commercial practices, and the Company's Code of Conduct and other policies.



Any Gift and Hosting event must be offered or accepted in good faith and the purposes, results and effects of such activities must be evaluated in detail. For this purpose, the employees are liable to pay attention to the following points when offering or accepting any certain Gift and invitation to a Corporate Event:

- Gift and Corporate Event must not affect decision-making mechanisms of the Company or third parties or must not cause any such perception.
- It must not damage the Company or the Company's reputation if known by the public and
- It must not cause any conflict of interest.

All Gift and Corporate Events must be in accordance with the principles stated above, as well as the limitations and detailed procedures stated in this Policy.

Approvals and sufficient explanations for Gift and Hosting activities must be documented in accordance with the rules determined by the Company and announced to its employees, and such actions must be accurately and transparently noted in the books and records.

If our employees have any doubt about the compliance of any Gift and Hosting with this Policy, they are expected to report these personally whether verbally or in writing via email notifying their Chief Supervisor, manager or directly sending an email to the risk and/or compliance manager ([risk@kaessbohrer.com](mailto:risk@kaessbohrer.com) - [compliance@kaessbohrer.com](mailto:compliance@kaessbohrer.com)), or online through the compliance helpline available at <https://kaessbohrer.com/en/kaessbohrer-compliance-helpline> anonymously, which is also available for Third Parties.

*For detailed information on this subject, please review the Company Policy on Protection of Whistleblowers.*

## 5. IMPLEMENTATION OF THE POLICY

### 5.1 Gifts

The Company's employees must not give and accept cash, cash equivalents, service, membership, recruitment promises and any similar non-cash gifts.

The limit on Gifts given to or accepted from a single party, including but not limited to customers, suppliers, authorized representatives or their representatives, managers, or staff, was determined by the Company as EUR 70 or its equivalent in a year. Also, any Gift that may adversely affect to take fair and objective decisions or that might contradict with general commercial practices must be refused independently from the aforesaid monetary limit, and such Gifts must not be given to Third Parties.



The Management may reevaluate and change the above-mentioned limit any time and shall announce such limit to its employees through relevant channels as well as update this Policy.

Hosting activities and events organized under a corporate scheme for marketing and training purposes are excluded.

Gifts from customers or stakeholders within the framework of local customs and traditions, for example cologne, Turkish delight, chocolate, local foods are not within this scope if they are reasonably priced. All departments are obliged to declare these activities in weekly meetings with the Chief Supervisor.

Tea, coffee, lunch, etc. offered to the guests of the employees within the Company premises are exempt from this Policy.

## 5.2 Corporate Events

Business dinners and events are popular practices in business life. The Company and Third Parties may compensate the dining expenses of each other while working on a joint project. The following principles must be followed to ensure that such expenses do not contradict with the legislation and the Company's policies:

- There must be a continuing or potential business relationship, i.e., a legitimate business interest, with the Third Party.
- The event must be limited to three times a year and must not be repeated regularly.
- All employees must pay attention to the fact that the Hospitality invitations from Third Parties they are in contact with are explainable, non-continuous and of reasonable value that is not exorbitant. The venue of the event must not be inappropriate for Corporate Events. All employees are obliged to report the relevant activity to their Chief Supervisors.
- The Corporate Event must not adversely affect fair and impartial judgement or cause a negative perception in the eyes of others.
- Inviting stakeholders to events organised by the employees within the framework of customs and traditions or accepting invitations to such events like a wedding, engagement party or funeral) is exempt from this Policy. Expenses incurred should be reasonable according to customs and traditions.

It is allowed only to join Hosting activities organized according to above criteria. Records on Hosting activities must include details that explain the business relationship with participants and, if any, relevant documents and the expenses have to be accurately and transparently noted in the books and records.



Employees that were assigned for Hosting activities must enter relevant details to the system and, if any, must provide original documents to Finance Department to be kept according to the Company policies and the applicable legislation.

### **5.3 Relations with Public Officials and Politically Exposed Persons**

Communication with Public Officials and Politically Exposed Persons is subject to strict rules. Both local and international legislations absolutely prohibit to give any valuable thing to Public Officials or Politically Exposed Persons to perform any work in order to gain an interest.

Giving Gifts to Public Officials or Politically Exposed Persons may raise doubts of bribery or corruption. For this reason, such Gift and Corporate Event must be offered in accordance with the Policy with reasonable and relevant arrangements and must never be perceived as a bribery or any improper benefit.

### **5.4 Training**

All relevant employees of the Company must receive regular training to increase their awareness for the criteria and relevant risks stated in this Policy with regards to Gift and Corporate Events.

All employees of the Company have to read this Policy when being employed and join the training on this Policy at least once a year. The training courses are organized and tracked by the Human Resources Department.

### **5.5 Audit**

The Company's external audit shall include Gift and Corporate Events to its audits conducted within the Company and reports the results of such audits to the Management.

## **6. AUTHORITY AND RESPONSIBILITIES**

The Management is responsible for updating this Policy.



The Company's employees and managers are obliged to comply with this Policy and the Third Parties are also expected to comply with this Policy as much as possible. If there is any difference between this Policy and local legislation effective in the countries in which the Company operates, the more restrictive one shall be applied.

If the Company's employees witness any action in contradiction with this Policy, the applicable legislation, or the respective Code of Conduct in accordance with the articles written above, they have to report these personally whether verbally or in writing via email notifying their Chief Supervisor, manager, directly sending an email the Compliance Manager (compliance@kaessbohrer.com), or online through <https://kaessbohrer.com/en/kaessbohrer-compliance-helpline> anonymously, if desired.

The employees can also direct their questions about Gift and Hosting activities and implementation of this Policy at any time to their Chief Supervisor and/or the Human Resources Department.

The Management is responsible for conducting audits by external counsel to increase the possibility of detection of potential violations and ensuring that mitigating checks on the identified risks are applied across the Company.

As explained in more detail above, if the Policy is violated, disciplinary actions might be taken for employees, including dismissal.

## 7. REVISION HISTORY

This Policy entered into force on 2 September 2024.

Revision	Date	Remarks