

ANTI-CORRUPTION & BRIBERY POLICY CTS GROUP



1 INTRODUCTION

High standards of professionalism and ethical behavior are essential for CTS Group Holding B.V. and its operating companies ("CTS") in order to implement our strategy and realize our goals. The management of CTS relies on the ability of all employees to exercise sound judgment on compliance with applicable laws and regulations, on integrity and ethics in business conduct and on maintaining our reputation in each and every situation.

In general, if you are in doubt about what to do, you can ask yourself the following questions:

- Does it feel like it is the right thing to do?
- Is it legal and consistent with our values and our Code?
- Does it reflect well on CTS?
- Would I still accept full responsibility if my decision or actions were made public?
- Would I do the same if it were my own business, relations or money?

If your answer to any of these questions is 'no', or if you are uncertain, seek help by discussing the matter with your colleagues or seek guidance from your manager or next higher level manager in the hierarchy chain up to and including the management of CTS.

This Anti-corruption and Fraud Policy sets out CTS's approach to the prevention of bribery and other forms of corruption. Corruption and bribery are illegal and unethical. They destabilize communities, undermine the rule of law, and pose serious threats to sustained economic progress and the healthy operation of markets. Failure to address the risk of corruption and bribery may undermine our reputation and lead to investigations, fines and/or other penalties for the company and/ or individuals.

We do not engage in corruption and we never pay bribes, regardless of local custom or practice. CTS's position on corruption is clear: the offer, payment, authorization, solicitation and acceptance of bribes and other improper advantages is unacceptable.

2. WHO DOES THIS POLICY APPLY TO?

This policy applies to all employees, directors and officers of CTS, as well as contractors under our direct supervision, working for a CTS office or industrial asset directly or indirectly controlled or operated by CTS worldwide.

We assert our influence over joint ventures we don't control or operate to encourage them to act in a manner consistent with our Values and Code.

3. WHAT IS OUR COMMITMENT?

We do not tolerate bribery of any kind, whether to a public official or a private individual.

We never offer, provide or authorize bribes of any kind, including facilitation payments, either directly or indirectly, to a public official or a private individual.

We never request or accept bribes of any kind, either directly or indirectly.

A bribe may be monetary or non-monetary, tangible or intangible. A bribe may take the form of, or be facilitated through:

- payments of money;
- gifts or entertainment;
- discounts, loans and/or financing given on non-commercial terms;
- rebates or kickbacks in relation to services provided;
- overpayments to business partners;
- use of assets at a discount or free of charge;
- sponsorships, charitable contributions and community investments;
- political contributions;
- employment or internships; or
- information or assistance.

To manage our bribery and corruption risk, we implemented a range of procedures and controls relating to dealings with public officials, gifts and entertainment, our business partners, sponsorships and donations, political contributions and record keeping.

We remain alert to corruption and bribery red flags and report them to our board of directors.

4. SPECIFIC DEALINGS

4.1. Public officials

Dealing with public officials brings a higher risk of corruption or the perception of corruption. We are especially careful when communicating with public officials, exchanging gifts and entertainment with public officials or providing assistance to public officials.

4.2. Facilitation payments

In certain jurisdictions, public officials may request small payments, known as facilitation payments to expedite or to secure the performance of a routine governmental action such as issuing permits, licenses, or other official documents; processing government papers such as visas; providing customs clearances; providing police protection; providing utility services; or handling cargo.

Facilitation payments are a form of bribery. We never pay, or authorize the payment of, facilitation payments. If we are asked to make a facilitation payment, we must not pay and we must inform the board of directors immediately.

4.3. Gifts and entertainment

The proper management of giving and accepting gifts and entertainment is key to avoiding the risk they present of actual or perceived bribery or corruption.

We only give or accept gifts and entertainment that are:

- in good faith, occasional, reasonable and appropriate;
- a normal business courtesy;
- of limited value; and
- transparent.

We don't give or accept gifts and entertainment:

- with the intent or prospect of influencing decision-making or other conduct
- with the intent obtaining any improper or undue advantage
- which are reasonably capable of being regarded in any way as a bribe, or
- in the form of cash, which includes prepaid cards or gift cards which can be redeemed for cash.

4.4. Sponsorships, charitable contributions and community investments

We never make a sponsorship, charitable contribution or community investment in order to disguise a bribe, or to gain an improper business advantage.

We ensure that before we enter into sponsorships, community investments or make charitable contributions we conduct risk-based due diligence. We monitor the appropriate use of our funds or resources when required.

4.5. Political contributions

We do not seek to influence the political process by improper or corrupt means. To mitigate this risk, we do not contribute any funds or resources towards any political campaign, political party, political candidate or any politically affiliated organization.

4.6. Business partners

We expect our business partners to share our commitment to ethical and responsible business practices. We never authorize a business partner to engage in bribery or corruption on our behalf.

4.7. Accurate record keeping

We ensure all transactions are accurately recorded in CTS's books and records in accordance with our procedures and reflect the nature and substance of the transaction.

5. CONSEQUENCES

Our policies support our Values and Code of Conduct and reflect what is important to us. We take breaches of our policies seriously. Depending on the severity of the breach, consequences may range from a warning up to and including termination of employment.

6. SUSPECTED IRREGULARITIES

Each person is encouraged to speak up. Report any (suspected) violation of this policy and any other (suspected) irregularity of a general, operational or financial nature relating to CTS to your manager, your next higher level manager in the hierarchy chain up to and including the management of CTS. CTS ensures that the employee who has in good faith made a report will not need to be concerned with any consequences for your position.

Further guidance about reporting a (suspected) irregularity is provided in the Speak up Policy.

RIGHT TO SPEAK

**Speak up
if you think
something's not
right.
If you believe there
has been a violation
of the Code of
Conduct:**

- 1. Discuss with the person(s)
involved**
or
- 2. Talk to your manager**
or
- 3. Talk to HR or the
Management of CTS**
or
- 4. Report your concerns
anonymously using
SpeakUp:**

