

# **Compliance Guidelines for GKW Companies**

Mannheim, September 2023

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## Annexes

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Annex 2 – Guidelines for the Selection of Business Partners

Annex 3 – Guidelines for the Avoidance of Conflicts of Interest

Annex 4 – Guidelines for the Conduct towards Competitors

## **1 Scope of Application and Target Groups**

These Compliance Guidelines, including the Annexes, apply to all domestic and foreign subsidiaries of GKW Consult GmbH (GKW). The Compliance Guidelines apply to all line managers and all employees, as well as to all Managing Directors. GKW continuously and frequently depends on the assignment of freelancers. Freelancers also fall within the ambit of these guidelines as long as this is permissible under applicable law. If, and to the extent that these Compliance Guidelines are not in line with the pertinent national legislation of GKW subsidiaries, the national subsidiary concerned will adapt these Guidelines to pertinent legislation, and will document this adjustment and inform GKW on the modifications made.

## **2 Basic Code of Conduct**

### **2.1 Adherence to Laws**

Adherence to laws and legal provisions is a matter of top priority for all GKW Companies. All employees are bound to observe the statutory provisions, which are applied in the legal systems, where they execute their specific scope of business. If any doubts with respect to the legal situation, they will have to address the responsible Compliance Officer for his professional advice.

GKW has committed itself to credibly and convincingly implementing the Code of Conduct. Irrespective of specific disciplinary measures, which may be provided for in the individual legal systems, the employee – in case of violations against this Code of Conduct – will have to reckon with consequences under labour law, which may range from a written warning up to termination without notice.

### **2.2 Public Reputation of GKW**

The public perception and the reputation of GKW are significantly determined by the conduct of its employees. The misconduct of single employees may cause considerable material, but also immaterial damage to GKW and to its associated companies.

For this reason, all employees are called upon to strengthen the public perception and reputation of GKW Companies by conscientiously and correctly fulfilling their tasks.

### **2.3 No Discrimination**

GKW is very proud to employ male and female staff of different nationality, culture, religion and skin colour. GKW respects the personal dignity, the privacy and the personal rights of every individual and the company will actively intervene if any form of discrimination of employees occurs, above all discrimination based on gender, race, language, origin, religion, political or religious beliefs or discrimination based on an employee's disability.

GKW expects its employees to act and to behave open-mindedly, honestly and with mutual respect.

## **2.4 No Harassment**

In line with the (German) General Act on Equal Treatment (Allgemeines Gleichbehandlungsgesetz, AGG) GKW does not tolerate physical, verbal or non-verbal harassment, including sexual harassment.

Sexual harassment is any sexually motivated and incommoding behaviour, such as physical approach, contact or assault, any verbal comment of sexual nature, of abusive or demeaning language, any non-verbal behaviour of sexual nature, any showing or public exhibition of inappropriate images. In many legislatures sexually motivated physical contact that incommodes the affected person constitutes a criminal offence or felony (for example §184i, Sexual Assault, German Penal Code/StGB). Perception and interpretation vary subject to socio-cultural factors.

Employees and managers shall carefully consider whether their behaviour or language may incommode others. Affected persons shall immediately reply when language or behaviour evolve from acceptable to incommoding rather than tolerate recurring or progressively evolving incidents. Coworkers shall react with empathy, not looking the other way and assist the affected person. Managers are obliged to intervene. Affected persons, coworkers and managers can contact Compliance Officer, Ombudsperson, Senior Management or Workers Council for advice or support, on request confidentially or with external counsellors.

A verifiably false accusation of sexual harassment is a violation of this policy and results in disciplinary sanctions.

## **2.5 Chief Executives**

Chief executives assume an exemplary role when it comes to the implementation of the Code of Conduct. They bear the responsibility for their subordinate employees towards whom they have to perform and fulfil their organisation and supervisory tasks. They are responsible to ensure that no infringement of the law occurs within their area of responsibility, which could have been prevented or impeded by adequate and appropriate supervision. Even in the case of delegating particular tasks, the chief executive will assume overall responsibility.

## **2.6 Procedural Guidelines for Chief Executives and Employees**

As a complement to these Guidelines, Annex 1 contain *Guiding Principles and Procedural Guidelines for Chief Executives and Employees*, which shall help to prevent, that Chief Executives, employees and GKW Companies get into the situation, or run the risk of being accused of fraudulent and corrupt practices.

## **2.7 Freelancers**

The assignment of freelancers is frequently required in the project business. Since activities and tasks executed by freelancers cannot always be clearly separated from the services rendered by the GKW Company in charge – in a way that is visible and recognisable to third parties – it is of major importance that freelancers also adhere to GKW Compliance Guidelines. For this reason, the

Compliance Guidelines are an integral part of the freelance contracts, with the restriction, however, that disciplinary measures will not apply to freelancers.

### **3 Guidelines towards Business Partners, Competitors and Public Officials**

#### **3.1 Compliance in Competition and Anti-Trust Rules**

All over the world, GKW Companies stand out for the high quality of their engineering services, which is mainly due to the excellent training and qualification of its staff members and their long-standing experience in their particular business sector. GKW therefore particularly welcomes free and fair competition among competitors when competing for market shares.

All employees are bound to adhere to and respect the rules of fair competition.

As a basic principle, agreements with competitors on prices or capacities are inadmissible and forbidden. It is furthermore inadmissible and forbidden to agree on withdrawal from competition, on the submission of phantom offers in tender procedures or on the allocation of customers, areas or production programmes.

Should it be difficult, in individual cases, to clearly assess and evaluate competition and anti-trust issues, the Compliance Officer in charge or a legal advisor will have to be consulted. For more details, please refer to *Annex 4 – Guidelines for the Conduct towards Competitors*.

#### **3.2 Offering and Granting of Benefits/Advantages**

We compete for orders and projects on the basis of the quality and the prices we offer for our excellent and outstanding engineering and consulting services.

No employee or representative of a business operation shall be offered or granted, directly or indirectly, in business transactions and for the purpose of competition, either cash benefits, material values or other benefits in kind, when no legal entitlement exists. The same applies to any business activities executed abroad.

Smaller gifts of minimum value, such as promotional gifts or the usual and appropriate hospitality expenses in connection with business meetings as well as gestures of courtesy, such as picking-up a business partner from the airport with a company vehicle will not be included in this regulation. The same applies to invitations to business meals, which take place in accordance with the occasion and within the rules of usual commercial practices. It is above all important to avoid the mere appearance of dishonesty or incorrect behaviour.

No contributions or benefits whatsoever shall be granted to civil servants or other public officials either in Germany or abroad.

For more information, please refer to *Annex 1 - Principles and Conduct Guidelines for Chief Executives and Employees*.

### **3.3 Soliciting and Accepting Contributions and Benefits**

No employee shall abuse his/her official position to solicit, accept or solicit a promise on undue advantages either for himself or third parties.

For more information, please refer to *Annex 1 - Principles and Conduct Guidelines for Chief Executives and Employees*.

### **3.4 Special Rules for the Awarding of Contracts**

Anyone who applies for a contract expects his proposal to be evaluated in a fair and unbiased manner. Those employees who deal with the awarding of contracts will have to particularly observe the following rules:

- The employees will have to communicate to their line manager any potential personal interest that may exist in relation with the execution of their professional tasks.
- Suppliers shall not be unfairly favoured or impeded when competing for orders.
- Services and counter services in contracts with third parties will have to be clearly and unambiguously specified and the acceptance of the third party service shall be verifiably documented.

You will find further information on the selection of business partners in *Annex 2 – Guidelines for the Selection of Business Partners*.

### **3.5 Special Rules for Contracts with Representatives and Third Parties**

If GKW uses the services of consultants, representatives and other agents, as well as cooperation partners and subcontractors, their ethical standing and professionalism will have to be secured and documented.

The assignment of external persons and companies shall not be used to avoid anti-corruption policies. You will find more information on this topic in *Annex 2 – Guidelines for the Selection of Business Partners*.

### **3.6 Statutory Provisions and Legal Consequences**

Statutory provisions relating to corruption in public functions, bribery of employees, bid-rigging and antitrust violations, which are valid for the individual countries where GKW is represented with head offices are provided in the GKW intranet.

## **4 Avoiding of Conflicts of Interest**

GKW attaches great importance to the fact that its employees strictly avoid conflicts of interest or loyalty when executing their business activities. These kind of conflicts may arise if one employee participates in an external activity – especially on behalf of a company outside GKW – or if he/she

acts as a shareholder in another company. You will find more information on this topic in *Annex 3 – Guidelines for the Avoidance of Conflicts of Interest*.

## **5 Protection of Business and Trade Secrets and Protection of Company Assets**

### **5.1 Protection of Business and Trade Secrets**

Internal affairs of the company have to be treated confidentially. This applies, above all, to business transactions, particular details on the internal organisation and the internal reporting.

Business documents, copies, transcripts, notes and electronic records shall not be removed from the business premises or made available to unauthorised third parties.

As far as there is no direct relationship with the execution of business activities, it is not allowed – without the prior consent of the line manager – to establish records, files, image and sound documents or copies thereof.

The obligation of maintaining secrecy shall persist even after the termination of the employment relationship.

### **5.2 Protection of Company Assets**

All employees are bound to treat company assets with care and to protect them against improper use, damage and loss. The term company assets includes all operating equipment, which belongs to GKW Companies or which may be economically attributed to GKW Companies as well as all immaterial legal positions such as copyrights, technical know-how and drawings.

Company assets shall only be used for business purposes. The private use shall only be allowed if this kind of use has been permitted based on internal company rules or on a permission issued by the line manager.

As long as legally permitted and as long as it is considered usual practice according to the particular customs of the respective country, the use of electronic communication and information devices shall be regulated, for example, in company agreements or in employment contracts.

## **6 Transparency and Documentation**

All records and reports either for internal or external use shall be correct and truthful. Data records and other types of records shall always adhere to the principles of proper accounting and shall be always correct, complete and appropriate in terms of time and system. The requirement and obligation of truthful information applies especially in the case of expense reports and claims. It is to be secured – by appropriate control measures – that all transactions are correctly registered in the company's books of account.



The general rule of the “four-eyes-principle” will apply in all working areas. In order to follow this principle, special regulations will be established, e.g. signing rules. These signing rules define financial limits for procurement as well as for bidding and order processing procedures.

For this reason, GKW has introduced a Quality Management System and issued specific Financial Guidelines, which ensure that all requirements as to commercial processes are compliant with applicable laws and regulations

## **7 Data Protection and Data Safety**

Personal data of employees and business partners shall only be registered, processed or used as long as this is required for specified, explicit and legitimate purposes.

High standards have to be applied and guaranteed as far as data quality and technical protection measures against unauthorised access are concerned. The use of data must be transparent for the persons concerned, and their rights as to information, correction and, if necessary, objection, blocking and deletion of data to be safeguarded.

All applicable laws on data protection and data safety need to be explicitly indicated, for example, in employment contracts.

## **8 Money Laundering**

The term money laundering describes the introduction of money, which originated from criminal activity, into the legal economic cycle. All GKW Companies are committed to the objective of preventing and combating – in the scope of their business activities – any form of money laundering. All employees are therefore obliged to immediately inform the Compliance Officer as soon as they suspect that money or other assets proceed from illegal and criminal activities or that the illegal origin of money or assets shall be obscured.

Remuneration payments for services rendered shall only be transferred onto contractually agreed accounts of the contractual partner. Minor business transactions for daily use (e.g. the purchase of office material in a project) may also be executed on a cash basis.

## **9 Donations and Sponsoring**

It is the declared policy of GKW not to make any contributions to political organisations, parties or individual politicians. All exceptions to this rule require the prior consent of the Company Management. The Compliance Officer will have to be involved in this authorization procedure.

The term “sponsoring” defines contractually regulated business transactions, which rely on reciprocity and which are intended to promote and to foster corporate strategy goals of GKW Companies. Sponsoring measures have to be agreed in writing. The exchange of services has to be documented.

It is not allowed to sponsor organisations or persons whose objectives are incompatible with the company's Principles of Business Ethics.

If, and as soon as ticket and hospitality services are incurred in connection with sponsoring, the regulations specified under *Annex 1 – Guiding Principles and Procedural Guidelines for Chief Executives and Employees* will have to be applied.

## **10 Training and Communication**

Training programmes will take place on a regular basis. GKW mainly focuses on computer-aided training programmes, which may be complemented by on-site training measures. These training courses, on the one hand, serve to sensitise all employees and, on the other hand, are intended to start an open dialogue on eventual irregularities and deficiencies.

Training measures shall be, if possible, adapted to the individual needs and requirements of the different business areas. Participation is compulsory for all employees and will be centrally documented. Training measures will be repeated within reasonable intervals.

GKW Companies do of course have a great interest in continuously communicating all relevant compliance issues both internally and externally. All employees have the possibility to consult the GKW intranet "*Compliance*" platform and to address the responsible Compliance Officer for advice in case they have any questions related with Compliance Management.

Moreover, Compliance issues will be dealt with in all meetings, which are of particular importance within the operative business, especially Proposal Kick-off Meetings and Project Kick-off Meetings.

## **11 Procedure for the Notification of Irregularities**

To disclose irregularities is the only way to secure the reputation and the commercial success of GKW Companies on a long-term basis and to thus finally secure jobs. An early notification of irregularities can often prevent the occurrence of serious problems and difficulties within the company.

GKW has named an external attorney as qualified Ombudsperson who will be at the disposal of all employees and of all business partners to consult and clarify sensitive procedures and to anonymously notify irregularities. Those employees or business partners who want to notify irregular practices may do so by directly addressing the Ombudsperson or the Compliance Officer in charge. This possibility of consultation also applies if an employee is in doubt whether, or not, a particular behaviour adheres to the Compliance Guidelines or if he / she suspects any irregularities without being able to prove them.

The obligation of immediate notification of irregularities applies even if the employee believes that notification has already taken place.

No employee who, acting in good faith, notifies an irregularity shall be exposed to, or fear any disadvantages even if his / her notification finally proves to be unfounded.

The company management of GKW and the chief executives are responsible that the system for the notification of irregularities operates smoothly.

## **12 Consequences in Case of Identified Infringements**

Disciplinary measures must always be reasonable and proportionate as to the identified infringement against laws or Compliance Guidelines. Infringements will be identified and disciplinary measures will be imposed based on the results obtained by transparent and fair internal investigations.

As far as the whistle-blower provides self-incriminating evidence, this will be taken into account in his / her favour in the scope of the clarification of the case and in the final overall assessment.

In case of serious misconduct, the persons affected will have to bear all consequences according to civil and criminal law.

## **13 Compliance-Organisation**

### **13.1 Chief Compliance Officer and Compliance Officer**

In order to secure the adherence and fulfilment of the Compliance Guidelines and to provide a possibility for the employees, in case of doubt on an issue, to seek for quick and un-bureaucratic internal advice on this topic, GKW Companies have established the position of a Chief Compliance Officer (CCO). According to these guidelines, GKW subsidiaries will have to name its own Compliance Officer. The Compliance Officers directly report to the CCO within defined intervals and whenever individual cases of particular importance arise.

If you are not sure whether or not a certain procedure is fully consistent with Compliance-Guidelines, we ask you to contact your Compliance Officer in charge. He will explain the most important aspects to you – if necessary, in a personal meeting – and look for a solution, which may be acceptable for all the parties involved.

Please contact your Compliance Officer in all questions, which relate to the adherence and implementation of these Compliance Guidelines. No employee shall fear any disadvantages for having addressed the Compliance Officer – subject to the application of measures due to an infringement against these guidelines.

### **13.2 Ombudsperson**

For those cases where assistance is required by a person not belonging to the respective GKW Company, the company has retained an external lawyer who acts as Ombudsperson. In his capacity as lawyer, the Ombudsperson is subject to confidentiality and will not – without the prior and express consent of the employee – reveal any details on the information obtained.

Every employee shall have the possibility to contact the Ombudsperson free of charge. The Ombudsperson may also be contacted anonymously.

We kindly ask you to make use of this possibility to address, apart from your line manager and the Compliance Officer, the Ombudsperson as third contact person as well.

The Ombudsperson will examine information on irregularities as to their legal and actual conclusiveness. As soon as there is evidence for an infringement against current laws or internal guidelines, the ombudsperson will inform the CCO of GKW, who will then take the required measures to clarify the issue in coordination with the Ombudsperson.

The Ombudsperson will have to seamlessly document the measures taken and report to the GKW company management in regular intervals, at least however once a year.

### **13.3 Internal Revision**

In terms of organisation structure, the Internal Revision directly reports to the company management of GKW and will be equipped with all necessary competences to execute its tasks. The Internal Revision assists the company management in its control, supervisory and management functions by executing independent, internal audit mandates. The Internal Revision may also be addressed to reveal and clarify compliance relevant issues and will examine – within the scope of rule revision – the efficiency of implemented compliance measures.

Proposed improvements for the Compliance System will be implemented into the relevant business processes and existing instructions, in coordination with the company managements of the subsidiaries. The Internal Revision will report regularly to the GKW company management.

In case of improper conduct, and irregularities in connection with internal business transactions and/or in the course of transactions with business partners, the company managements of the individual GKW Companies have to ensure that specific evidence and justified suspicion are pursued, investigated and clarified. These processes have to be executed following the principle of proportionality. The individual company managements, in coordination with the Managing Director of GKW, may also address the Internal Revision for assistance.

## **14 Final Provisions**

These Compliance Guidelines replace the previous Compliance Guidelines.

The Compliance Guidelines will be made available to all employees. Employees will be instructed on the fundamental importance of the Compliance Guidelines by training measures and personal meetings. If questions or doubts arise, please refer to the Compliance Officer in charge or to the Ombudsperson.

Apart from national laws and regulations, there are numerous agreements and recommendations that have been issued by International Organisations. These agreements and recommendations basically address to Member States and not directly to companies. Nevertheless, they are very important for the conduct of an internationally operating company and its employees. Moreover, particular branch-specific codices exist. For this reason, GKW Companies all over the world attribute great importance to the adherence and fulfilment of these guidelines. They expect the same

from their business partners. You will find hereinafter, listed by way of example, the most important guidelines, which rule our international business activities.

- OECD (Organisation for Economic Co-operation and Development) Guiding Principles for Multinational Companies
- Code of Ethics of the International Federation of Consulting Engineers (FIDIC)

August, 2023

The Company Management