

ANTI-BRIBERY AND CORRUPTION POLICY

SP-Q-23018-BCQA

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1 PURPOSE OF THE POLICY

'We act with integrity' is one of the values of Bekaert. Acting with integrity reflects our commitment - as a company and as individuals – to operate with the highest standards of business ethics and legal compliance. Bekaert conducts business in an open, honest, and ethical manner and we take a zero-tolerance approach to bribery and corruption for all our employees & external Bekaert representatives.

Bekaert, and the individuals working on its behalf, are required to comply with applicable anti-bribery and anti-corruption laws in all jurisdictions. Bekaert implements procedures to prevent and detect bribery and other forms of corruption to protect the company and its employees, including raising awareness of everyone's responsibility. Failure to follow applicable international laws and/or this policy could result in serious consequences, including:

- reputational damage
- criminal sanctions including fines and penalties for Bekaert and its employees, including imprisonment
- blacklisting of Bekaert (or its subsidiary businesses) from public and private tenders
- termination of business contracts by customers and vendors

Moreover, in addition to full adherence to legal requirements, Bekaert respects and enforces moral and ethical principles as set out in SM-C05-A03-BCQA "The Bekaert Code of Conduct". As employees of a global organization, we must be diligent and aware of situations that could put Bekaert and ourselves at risk. Prevention, detection, reporting of bribery, other forms of corruption (extortion, abuse of power, embezzlement and money laundering) and financial fraud are the responsibility of all employees.

Each employee is required to avoid any activity that might constitute, lead to, or suggest, bribery and/or corruption activities.

To promote this message and raise awareness around our zero tolerance for bribery and corruption, this policy outlines principles that are found in the majority of anti-bribery and anti-corruption legal systems around the world. This policy is intended to make you sufficiently familiar with the subject matter hereof thus enabling you to spot and seek advice on any issues involving potential fraud and/or corruption. This policy is not meant to be a complete overview of anti-bribery and anti-corruption laws.

In case of doubt, we urge you to seek advice from the Group Compliance Manager and/or your Contact Lawyer.

2 MOTIVATION FOR CHANGE

Internal information.

3 SCOPE

The principles laid out in this policy apply to interactions with our stakeholders, existing or prospective customers, suppliers, Third Party Intermediaries or other business partners and Government Officials.

This policy applies to all Bekaert employees as well as those representing Bekaert including self-employed persons, independent contractors, consultants, agency staff, Joint-Ventures, temporary workers, management and any other individuals who are engaged by Bekaert.

Bribery categories contain:

- Giving a bribe (classified as “active bribery”) – offering, promising, or giving anything of value (financial or other advantages) to another person with the intention of influencing that person to act dishonestly or improperly.
- Accepting a bribe (classified as “passive bribery”) – requesting, agreeing to receive, or accepting a bribe in exchange for acting dishonestly, or improperly.
- Public bribery (Government Officials) & private bribery (business-to-business).
- Direct from or towards vendors, customers, Government Officials & indirect when a Third Party Intermediary is used to funnel bribes (e.g. an agent, distributor or consulting company) towards the end customer, vendor or Government Official. When they are acting on our behalf, Bekaert can be held responsible for the acts of the hired and appointed Third Party Intermediary. Third Party Intermediaries representing Bekaert are also required to observe the same level of integrity, ethical conduct and compliance with the law.

4 DEFINITIONS/ABBREVIATIONS

ABC	Anti-Bribery and Corruption
Bekaert	Group Bekaert, including all entities and Joint-Ventures trained on the Code of Conduct
BGE	Bekaert Group Executives
Bribery	Bribery is a form of corruption, and is the practice of offering something to gain an undue or illicit advantage. It can be offering, promising, giving, receiving, or soliciting anything of value (not only cash, but gifts, hospitality, entertainment, travel, jobs), directly or indirectly, with the intent to influence how someone carries out (including omitting carrying out) a public, official, commercial, or legal duty.
Corruption	An abuse of (or inducement to abuse) a position of trust or power (personal, political, or commercial) in order to gain an undue personal, political, or commercial advantage. “Corruption” is generally a form of dishonesty or criminal activity undertaken by a person or organization entrusted with a position of authority, often linked to the abuse of entrusted power for private gain, including financial gain and non-financial advantages.
DD	Due Diligence: gathering and analysis of information to assess the risks associated with a Third Party.
GRC	Governance, Risk and Compliance department of Bekaert
GO	Government Official, defined broadly to include: <ul style="list-style-type: none"> • officials, whether elected or appointed, who hold a legislative, administrative or judicial position of any kind • any person who performs public functions in national, local or municipal government • any person who exercises a public function for a public agency or enterprise or state-owned entity • any person acting on behalf of any government, including entities such as state-owned enterprises.
TPI	Third Party Intermediary, representing Bekaert, refer to paragraph 6
TP	Third Party, e.g. customer, vendor

5 SUMMARY OF RESPONSIBILITIES

Internal information.

6 POLICY

6.1 Key Principles

All the below key principles are applicable across the categories of direct spend (paragraph 6.2), and also expenditure via TPIs (paragraph 6.3).

6.1.1 Legally allowed

The business interaction must be legally allowed. In countries or situations where local laws, regulations or Bekaert procedures set stricter rules than those set out in this policy, the most restrictive requirements must be followed.

Multiple national laws are applicable nationally and / or across jurisdictions and countries, prohibiting the corruption of Government Officials and 'private' bribery, e.g.:

- Belgium Anti-Corruption Law 1999,
- UK Bribery Act 2010,
- US law Foreign Corrupt Practices Act – FCPA US law 1978,
- Criminal Law of the People's Republic of China 1980.

In short, all Bekaert entities in all countries and jurisdictions are subject to the various ABC laws; hence, it is the purpose of this ABC policy to list existing restrictions and things to be aware of.

The main requirements of ABC Laws are two-fold:

- Anti-Bribery Provisions – Prohibit offering, promising, giving, or receiving directly or indirectly, anything of value to/from any Government Officials/entity, person, or commercial entity, to influence any act or decision to obtain or retain business.
- Accounting and Record Keeping Provisions – Require that all books, records and accounts include a reasonable amount of detail, and accurately and fairly reflect all transactions. The accounting provisions also prohibit individuals and businesses from knowingly falsifying books and records or knowingly circumventing or failing to implement a system of internal controls.

Bekaert employees may contact Group Compliance Manager or their Contact Lawyer for additional information.

6.1.2 Appropriate purpose

All business interactions must be ethical and have an appropriate business purpose. We should gain business based on our professional behavior, quality of our products, values and reputation of Bekaert. No incentives should be accepted or offered, which are intended to improperly influence the recipient in order to gain or retain a business advantage.

6.1.3 Avoid conflict of interest

Each employee shall avoid – directly or indirectly – conflict of interest situations. Conflict of interest situations are, for example, first degree relatives (spouse/husband/partner, parent, child, brother/sister) or second degree (first degree relatives of the first degree relatives) working for vendors, customers, competitors or local government, and in a position to have an influence on Bekaert business or share

confidential information. Another example is offering or promising a job in return for receiving business advantages, which can be considered a conflict of interest and also a form of bribery.

If an actual or potential conflict of interest exists or can occur, we must be transparent and promptly disclose the conflict in writing to our direct line manager and to local HR management.

In addition, a conflict of interest can also arise out of activities outside Bekaert, when the employee's personal, social, financial, charitable or political activities have the potential of interfering with his or her obligations to Bekaert.

Hence, what is prohibited under Bekaert policy should also be avoided by employees in its personal activities. This also includes the receiving of business courtesies, e.g. gifts, personal travel, meals. Refer to SP-Q-23018-A01-BCQA "Approval Table ABC Policy".

6.1.4 Government Officials

Gifts, hospitality, sponsoring meals and business trips for Government Officials are not allowed, unless approved via the exception process - see SP-Q-23018-A01-BCQA "Approval Table ABC Policy".

Government Officials are often subject to more strict legislation than business-to-business interactions, e.g. for gifts and meals. Business courtesies which are accepted in the public sector, can be strictly forbidden in certain jurisdictions. Hence, Bekaert must maintain a cautious approach when working, directly or indirectly, with Government Officials in order to ensure compliance with all applicable laws, e.g. when participating in a public tendering phase.

6.1.5 Fair market value

The value of business transactions (anything of value, including but not limited to the categories in paragraph 6.2) must be reasonable and in line with normal business practices. Should fair market value be unclear, the following questions should be asked:

- would you, as a private person, pay these amounts?
- would you or Bekaert appreciate that the interaction appears in the newspaper?
- would you provide the higher amount to one specific party only, or to multiple parties?

6.1.6 Approval, transparency and documentation

Approval must be provided and documented according to the applicable procedure.

Employee expenses and company expenditure must be documented, where possible, with original invoices and receipts. Expenditure comments must be transparent and clearly describing the exact products and services obtained. Actual received services or products must be in line with the ordered and approved expenditure.

It must be verifiable that paid and invoiced service/goods were received and in line with the planned and approved expenses. For example, the actual receipt of ordered services from consultants (the proof of performance) should remain available and verifiable during subsequent years.

Standard general ledger accounts must be used to allow maximum transparency on direct expenditure and accurately and fairly reflect all transactions.

6.2 Categories of expenditure

The above principles apply to the below categories.

However, stricter rules than those below can apply according to local law, especially when, directly or indirectly, dealing with Government Officials. In case of doubt, please consult the Group Compliance Manager or your Contact Lawyer.

6.2.1 Gifts and hospitality

Gifts given to, or received from, external persons must be approved in accordance with SP-Q-23018-A01-BCQA “Approval Table ABC Policy”, or lower amount per local policy. Exceptions must follow the approvals specified in SP-Q-23018-A01-BCQA.

Gifts must be non-luxurious, non-excessive, never be in cash or cash-equivalent (e.g., cash voucher), reasonable in cost/quantity/frequency not create a conflict of interest (e.g., received or offered during a tender process) and not compromise the integrity/reputation of anyone. Examples of unacceptable gifts are electronics (e.g. smartphone, screens, laptops), luxurious clothing, golf-clubs or holiday packages.

We must be fully transparent:

- When receiving gifts, we must inform our line manager in writing. Where possible, gifts received should be shared with colleagues.
- When purchasing gifts for third parties, the purchase must be approved by management, and if available, in line with the gift policy for the country of employee residence and business partner residence.
- Where possible, gifts for multiple third parties must be purchased via a normal purchasing process allowing prior approval (i.e. purchasing order).
- The list of recipients of the gift must be maintained and approved, listing the reason and actual recipient.

Gifts at year-end must follow the rules listed above.

6.2.2 Meals

Meals paid by Bekaert for customers/third parties or received by Bekaert employees must be approved in accordance with SP-Q-23018-A01-BCQA “Approval Table ABC Policy”, or lower amount per local policy. Exceptions must follow the approvals listed in SP-Q-23018-A01-BCQA.

Meals with third parties must take place in a moderate setting allowing business discussions and in the overall context of business working days, adjacent to business meetings. Improper entertainment or location is not allowed.

Sponsoring for partners (e.g. person living together with vendor/customer) is not allowed.

6.2.3 Sponsoring, and receiving sponsoring, for travel

Sponsoring for travel costs (e.g. flights, rental cars, hotels) of customers, vendors, and third parties is not allowed. Receiving sponsoring for travel (e.g. by vendors or potential vendors) is not allowed neither. Exceptions must follow the approvals listed in SP-Q-23018-A01-BCQA.

6.2.4 Samples and free of charge goods

Excessive samples and free of charge goods can be perceived as a bribe as they have a certain sales value and can be sold on the end-market.

Free of charge Bekaert shipments are allowed in limited value and frequency, but must be provided for legitimate purposes, e.g.:

- allow testing of Bekaert product to prospects.
- as part of formal tendering procedures.
- compensation for a claim.

However, in all cases local management control is required, e.g. prior approval of a certain amount, and/or periodic reporting and review on the total value sent at no-charge.

6.2.5 Charitable donations

Bekaert may provide charitable donations (monetary, services, or product) to support legitimate charitable purposes, e.g. children and public education.

Donations must be made to truly independent charitable and not-for-profit organizations that are fully separated from customers, vendors, and government organizations. Even a legitimate contribution, when made in exchange for obtaining a business activity, may be considered a corrupt payment according to ABC Laws.

Hence, the following key principles must be followed in advance of any payment:

1. The recipient of the donation must not be related to Bekaert in a manner that the payment could be interpreted as a bribe, e.g. connected to/suggested by a customer, vendor, or Government Officials related to Bekaert.
2. The timing should be chosen carefully and not related to any business event (e.g. building permits, public tendering, changes in local rules or standards in the context of lobbying).
3. Documentation should be available illustrating independence of the donation, and consist of:
 - a) A written request by recipient or formal document signed by both parties, providing details on the amount, the bank account of recipient organization, the purpose, and a disclaimer statement explaining that there is no intention to influence any particular decision and detailing the charitable purpose of the recipient.
 - b) Status information e.g. a formal confirmation by the recipient upon receipt of the donated goods/amount.
 - c) Register or specific general ledger account per Bekaert entity listing detailing the recipient, timing and the amount.

6.2.6 Lobbying/ public policy

Bekaert may conduct legitimate lobbying and advocacy activities to promote legislation, regulations and government policy favorable to Bekaert interests. However, various countries have adopted mandatory laws that regulate and restrict lobbying activities, requiring the public disclosure of private-sector efforts and obligation to keep a (publicly available) log of lobbying activities with Government Officials. In addition, specific categories of Government Officials may be subject to specific limits locally e.g. for meals.

When lobbying is conducted in compliance with all applicable legal requirements, and prior approval is obtained (see SP-Q-23018-A01-BCQA “Approval Table ABC Policy”), Bekaert may conduct legitimate lobbying and advocacy activities.

6.2.7 Political contributions

Contributions to political parties or Government Officials (e.g. elected officials) are prohibited. Bekaert may never suggest, promise, or offer campaign contributions in exchange for (a promise to perform) any act.

6.2.8 Facilitation payments

Facilitation payments are prohibited. These are usually small, unofficial and are often made to secure or expedite a routine government action (for example, payments to expedite customs operations, obtaining documents, issuing visas, providing police protection, mail delivery, etc.). Facilitation payments are a form of bribery, e.g. under UK legislation (the UK Bribery Act).

Even when such payments appear “harmless”, or are perceived to be a part of “local practice or custom”, they should not be made. When a facilitation payment is demanded from you, you should (in addition to refusing to make the payment) make an appropriate enquiry, for example by asking for confirmation of the demand from the superior(s) of the requesting party.

RESTRICTED

6.3 Third Party Intermediaries

Bekaert may onboard and use TPI's. TPI's are not employed by Bekaert, however are engaged to provide services, or engage in business activities on behalf of Bekaert.

Bekaert can be held responsible for the acts of the hired and appointed TPI's when they are acting on our behalf. To reduce the risk associated with engaging TPI's, we must perform an appropriate level of due diligence, investigate any red flags, monitor behavior, and not accept any form of bribery and corruption.

Principles for managing TPI's are listed below in addition to the general requirements of service approval, see SP-Q-31108-BCQA.

6.3.1 Performing Due Diligence for TPIs

Definition: Due diligence (DD) is also sometimes referred to as performing a background check, screening or vetting a TPI. This enables the hiring company (Bekaert) to understand if the TPI company:

- is present on a sanction list (these national or international lists enumerate companies/individuals that are forbidden to sell to or purchase from),
- is flagged for criminal behavior based on court judgments,
- has a bad reputation e.g. via local adverse media.

DD must be performed on an appropriate level, dependent on risks associated with the TPI (e.g. activity, location of activity). DD is applicable for new and for current TPIs and must be repeated periodically.

Scope: DD is mandatory for:

- TPIs in a sales environment: typically represent Bekaert towards end-customers, such as sales agents and distributors and also consultants in sales and marketing, lobbying, meeting and event organizers, and technical advice and design companies.
- TPIs working with Governmental Officials: custom brokers and local freight forwarding companies, lobbying companies, tax lawyers, consultants supporting registrations with the government (e.g. obtaining a building permit for plant enlargement).

Process:

- As an initial step, using a selection process, business owners should identify the most appropriate third party if and where needed; including interviews, on site visits, reference checks, financial statement review.
- Before contracting with a new TPI, the business needs to initiate an in-depth back-ground review and DD.
- If red flags are identified during the DD, they must to be discussed with your Contact Lawyer and Group Compliance Manager and mitigation actions must be put in place before contracting with the TPI. For specific assignments, approval will be required by relevant divisional CEO and CFO before executing a contract.
- Examples of red flags include: end-customer demands usage of a specific TPI, the TPI is subject to investigations or sanctions in any field, or no pertinent experience or qualifications. More examples of red flags are listed in SP-Q-23018-A02-BCQA “Third Party Intermediaries – examples of red flags”.

6.3.2 Contracting with TPIs

For approved TPI's (after due diligence), for long term relationships, a signed written agreement is required before services are provided.

The contract itself should also contain specific compliance and ABC language, including appropriate representation concerning past and future adherence to general and anti-ABC laws, the possibility to raise an integrity-concern to integrity@bekaert.com, right to termination for failure to comply with laws, and the right to audit.

The signed contract must be specific for the provision of services, allowing the independent review to reconcile the contract with payments and services received, including expected deliverables of the third party (e.g. KPIs and milestones) and payment structure (schedule and timing).

6.3.3 Management of TPIs

Payments towards TPIs must be on the basis of actual received services, detailed invoices listing the services performed and in line with contract specifications. Detailed documentation illustrating the receipt of the services must remain available for a minimum of three years as “proof-of-performance”.

Once per year, the business should review the TPIs in the sales channel (agents and sales/marketing consultants) and discuss the current situation, go-to-market strategy and plans for each TPI. A log must exist with the current agents and sales/marketing consultants.

7 CORRECTIVE ACTIONS

N/A

8 REFERENCES

SP-Q-23010-BCQA	“Raise an Integrity Concern”
SP-Q-23018-A01-BCQA	“Approval Table ABC Policy”
SP-Q-23018-A02-BCQA	“Third Party Intermediaries – examples of red flags”
SM-C05-A03-BCQA	“The Bekaert Code of Conduct”
SP-Q-31108-BCQA	“Approval procedure for service suppliers”

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