

# Anti-Bribery and Anti-Corruption Policy (ABC Policy)

Effective Aug 2021



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## Introduction

Anti-bribery and anti-corruption laws have a significant impact on our global operations. Particularly, the UK Anti-Bribery Act and the US Foreign Corrupt Practices Act influence how SUSE must behave, including when interacting with third parties worldwide. Where existing, local laws on anti-bribery and anti-corruption, in our various global locations, are applicable. Our SUSE LOVE values also mandate that we uphold trustworthiness, act with integrity, honesty and fairness and take responsibility for our actions. SUSE has zero tolerance regarding bribery and corruption, and any breach thereof will be treated as a serious offense and may be subject to disciplinary actions. At SUSE we comply with all applicable laws and regulations and expect our employees to comply with the principles set out in this policy in all jurisdictions where we operate.

## Purpose

This policy establishes SUSE's global approach to preventing bribery and other forms of corruption. The policy highlights the business circumstances that may give rise to the risk of corruption and describes what you should do in those situations. It also emphasises behaviours that are inappropriate and/or prohibited. Anti-bribery and anti-corruption are critical areas of compliance for SUSE and for you individually. If SUSE engages in bribery or corrupt activity or fails to prevent bribery by third parties with whom we deal, then this could result in criminal liability for SUSE (and, in some cases, the individuals involved), for which penalties include imprisonment and/or unlimited fines. If you know or suspect there is a "high probability" that a bribe is promised or given (even by another person) and fail to report it, you may have committed a criminal offence. SUSE's policy on anti-bribery and anti-corruption is guided by 5 main principles:

1. You must not give or take bribes (including facilitation payments), it is absolutely prohibited.
2. You must take adequate steps to prevent third parties bribing on our behalf.
3. You must not engage in activities that create the appearance of impropriety.
4. You must maintain accurate books and records.
5. You must comply with all anti-corruption laws, including those concerning money laundering.

## Scope

This policy applies to employees of all SUSE entities, members of the Boards of all SUSE entities and all relevant third parties, irrespective of whether they are engaged with SUSE on a full-time or part-time basis. Contract workers, consultants, freelancers and contingent workers are also required to act consistently with this policy in accordance with the appropriate contract terms.

Certain employees, depending on the nature of their role and the associated level of risk of bribery and corruption will be required to confirm on a regular basis that they have complied with all aspects of this policy. This confirmation will be mandatory when requested by the legal/compliance team.

Violations of this policy may lead to disciplinary action up to and including termination of employment or contract. Violations of this policy may also be a violation of applicable law which could result in fines or imprisonment beyond the control of SUSE. Any employee or third party with knowledge or suspicion of any violations of this policy must report these concerns to the SUSE Legal Team or appropriate channel for third parties.

No employee will suffer demotion, penalty or other adverse consequences for refusing to pay bribes or refusing to participate in other corrupt practices even if this may result in SUSE losing business.

Likewise, no third party will suffer abrogation of contract, penalty or other adverse consequences for refusing to pay bribes or refusing to participate in other corrupt practices even if this may result in SUSE losing business.

## Definitions

**Bribery/Corruption:** *Bribery occurs when one person offers, pays, seeks or accepts a payment, gift, favour, or a financial or other advantage from another to influence a business outcome improperly, to induce or reward improper conduct or to gain any commercial, contractual, regulatory or personal advantage. It can be direct or indirect through Third Parties.*

**Charitable Donation:** *A Charitable Donation is a voluntary contribution SUSE makes in the form of monetary or non-monetary gifts to a fund or cause for which there are no expected business returns.*

**Conflict of Interest:** *This occurs when an individual or organization is involved in multiple interests, one of which could be possibly corrupt, or be perceived to corrupt, the motivation for an act in another.*

**Employee:** *For the purposes of this policy this includes all individuals working at all levels at all SUSE entities and affiliate businesses, whether permanent, fixed term or temporary.*

**Facilitation Payment:** *A facilitation or "grease" payment is a payment, generally of low value, made to a government or regulatory official to facilitate or expedite a routine, non-discretionary government or controlled activity that the official is required to perform as a matter of course.*

**Kickback:** *A bribe to obtain an undue advantage, where a portion of the undue advantage is 'kicked backed' to the person who gave, or is supposed to give, the undue advantage.*

**Money laundering:** *Means the process of hiding the origin of money obtained through crime (the "proceeds of crime") within lawful business activities and also describes the use of any money to fund terrorism.*

**Public Official:** *Officials or employees of any government or other public body, agency or legal entity, at any level, including officers or employees of state-owned enterprises and officers or employees of enterprises which are mandated by a public body or a state-owned enterprise to administrate public functions.*

**Sponsorship:** *Refers to any arrangement whereby SUSE provides financial support, products, services or anything of value to a third party (including charitable organisations)*



*in return for the right to associate our image, brand or products with an activity, or receive some other lawful benefit, such as participation in an event.*

**Third Party:** *Any individual or organization you come into contact with during the course of your work for us. This includes actual and potential clients, vendors, business contacts, intermediaries, government and public bodies, including their advisors, representatives and officials, politicians and political parties.*

## Policy Statement

At SUSE, our integrity is non-negotiable. We do not tolerate bribery of any kind - and we will not knowingly facilitate any other party's corrupt conduct. Our 5 guiding principles for anti-bribery and anti-corruption, explained in-depth below, dictate core musts and must-nots.

<b>You Must</b>	Take adequate steps to prevent third parties bribing on our behalf.	You may not use third parties to take actions that we cannot otherwise take ourselves and must take active steps, where necessary, to ensure that third parties do not make illegal payments or engage in corrupt behaviour on SUSE's behalf. A non-exhaustive list of "red flags" which might indicate such behaviour is set out in this policy.
	Maintain accurate books and records.	You must fairly and accurately represent how we utilise company resources, in accordance with SUSE policies on expenses, records retention, information security, gifts and hospitality and other relevant policies.
	Comply with all anti-corruption laws, including those concerning money laundering.	This policy sets a global, minimum standard and provides the underlying principles to help our employees, officers and directors uphold SUSE's anti-corruption commitment. However, countries may have stricter rules. Where that is the case, those stricter rules apply.
<b>You Must Not</b>	Give or take bribes (including facilitation payments), it is absolutely prohibited.	You must not offer, promise, give, request or accept money or anything of value to or from any person, including government officials, political parties, or commercial-sector (non-public sector) parties, to improperly obtain or retain business, secure an improper advantage, or otherwise influence them to act improperly. This includes facilitation payments.
	Engage in activities that create the appearance of impropriety.	Activities that are otherwise legitimate must be avoided if they create the appearance of impropriety. This can include sponsorships, charitable or political contributions and giving away demonstration products, if they give the appearance of a bribe, kickback or buying influence.



# 1. You must not give or take bribes (including facilitation payments), it is absolutely prohibited

## 1.1 Gifts and Hospitality

- 1.1.1 You must never provide or promise to provide anything of value to a third party to improperly influence a decision on their part. You may provide or accept gifts, meals, travel, entertainment and other items of value only when this is proportionate, appropriate and in compliance with our relevant policies and procedures. You must never solicit any item of value from any third party.
- 1.1.2 Gifts of nominal value are generally permitted, but cash, cash equivalent and expensive or lavish items are not. You must not provide things of nominal value too frequently to the same recipient as their aggregate value could have an effect. Any gift or hospitality with a value more than \$250, cannot be accepted and you must obtain approval for such a gift or hospitality in advance of receiving or giving such a gift or hospitality. Approval can be obtained by emailing: [giftsandhospitality@suse.com](mailto:giftsandhospitality@suse.com).
- 1.1.3 Gifts or hospitality may only be offered or accepted in very limited circumstances and prior approval must be attained. An assessment will be made regarding whether the gift or hospitality is being received in a business context and are within industry norms. Breach of this policy will be taken seriously and may result in disciplinary action against the relevant employees.
- 1.2 It is an offence to bribe a government or a public official. Bribery occurs when an individual offers, gives, solicits, or receives any item of value as means of influencing the actions of an individual holding a public or legal duty. SUSE adopts a zero-tolerance policy towards bribery, and any giving or receiving of benefits from or to government officials is strictly prohibited unless prior authorisation and approval has been obtained
- 1.3 Facilitation Payments by SUSE employees or by any third party on SUSE's behalf are prohibited.
- 1.4 You must report any demands for facilitation payments immediately, whether the demand is made directly or indirectly, or if you learn of a demand or payment made by a third party acting on SUSE's behalf. See **How to Raise a Concern** later in this policy.

## 2. You must not engage in activities that create the appearance of impropriety

Activities that are otherwise legitimate must be avoided if they create the appearance of impropriety. This can include **sponsorships, charitable or political contributions** and **giving away demonstration products**, if they give the appearance of a **bribe, kickback** or **buying influence**.

### 2.1 Sponsorships:

- 2.1.1 Never provide a sponsorship to improperly influence anyone or obtain an improper advantage. No sponsorships should be offered without the prior written approval and authorisation of the SUSE legal team.
- 2.1.2 Never provide a sponsorship that could constitute or create the appearance of a bribe, kickback or other corrupt practice.
- 2.1.3 Record all sponsorship agreements in writing and make the payments to the contracting entity not to an individual.
- 2.1.4 Follow the principles in this policy and the limitations in the Gifts & Hospitality Policy with respect to giving away anything SUSE receives for the sponsorship, such as product or tickets to the event we are sponsoring.

### 2.2 Charitable Contributions:

- 2.2.1 Charitable donations should not be made by or on behalf of any SUSE entity if the contribution is or may in any way be interpreted as a means of buying influence that could impact on SUSE's business. Charitable contributions or donations should never be made without written approval and authority of the SUSE legal team.
- 2.2.2 You should keep your personal charitable activities separate from your role at SUSE.
- 2.2.3 Ensure that charitable contributions: do not create the appearance of a bribe, kickback or other corrupt practice; are never used to directly procure SUSE future business or otherwise be made with the intent to obtain or retain business, secure an improper advantage or induce anyone to act improperly; and are not used to circumvent SUSE's rules relating to giving hospitality or other amenities.
- 2.2.4 All charitable contributions must comply with and, where required, be approved in accordance with the SUSE Employee and Supplier Code of Business Ethics.



### 2.3 Political Contributions:

- 2.3.1 You should keep your personal political activities separate from your role at SUSE.
- 2.3.2 All contributions on behalf of or relating to SUSE (whether directly or indirectly) to political parties, campaigning organisations, individual politicians or political candidates are prohibited unless approved by the Board of SUSE in writing.

### 2.4 Demonstration and Evaluation Products: Giving away any product at no charge (that is, not having it returned or purchased) presents a corruption risk for SUSE if you do not follow appropriate processes. You must properly account for the provision of the product, as well as any payment received if the product is purchased, and apply these principles:

- 2.4.1 You must not provide any demonstration product to improperly influence anyone or gain an improper advantage, nor where it creates the appearance of a bribe, kickback or other corrupt practice.
- 2.4.2 You must select customers to receive demonstration products at no charge based on legitimate business prospects considered against defined criteria (not ad hoc).
- 2.4.3 You must obtain approval from the Legal Team if SUSE is engaged in a pending RFP or competitive bid for that customer.
- 2.4.4 Before providing a demonstration product to a third party you must comply with export and import policies and processes including Restricted Parties List screening.

## 3. You must take adequate steps to prevent third parties bribing on our

**behalf:** SUSE regularly engages with third parties, such as channel partners, distributors, resellers, agents, intermediaries, subcontractors, lobbyists, logistics providers, and other suppliers and vendors. This is one of SUSE's biggest areas of risk because SUSE can be held criminally responsible for any improper actions of third parties. Accordingly, you must follow these steps before engaging any third party:

- 3.1 **Conduct appropriate due diligence:** Agents, business partners, or third parties interested in engaging with SUSE must be verified through a due diligence process to prevent the acquisition of bribery or corruption related liabilities. Follow these SUSE processes to perform risk-based due diligence before retaining agents, business partners and other third parties.
- 3.2 **Third parties must be engaged for legitimate reasons:** When engaging with a third party there must be a legitimate business rationale for engaging the third party which must be justified.
- 3.3 **Compensation to third parties must be reasonable:**

3.3.1 Compensation must be reasonable according to the level and type of work being performed, and consistent with local laws and industry practice. Compensation may not be paid in cash.

3.3.2 Discounts that we provide on our products or services to partners, and commissions that we pay in connection with sales, must be appropriate, properly authorized and approved, and offered for legitimate business reasons.

### **3.4 Third parties must be informed of our ethical expectations and agree not to engage in bribery**

3.4.1 SUSE's authorized forms of agreement contain provisions prohibiting third parties from making improper payments and requiring channel partners to comply with SUSE's Supplier Code of Business Ethics.

3.4.2 To ensure that SUSE receives the benefits of these provisions, you must use the approved written contract template when engaging a third party. You should make all reasonable efforts to ensure that third parties acting on behalf of SUSE (for example, partners, suppliers, agents, consultants or contractors) are aware of, and comply with, SUSE's policy both at the beginning and throughout the relationship.

### **3.5 Employees must not have a conflict of interest**

Employees have a duty to avoid financial, business, or other relationships that might be opposed to the interests of SUSE or that might interfere with the proper performance of their duties, responsibilities, or loyalty to SUSE.

Employees have an ongoing duty to disclose situations that may constitute the appearance of or an actual conflict of interest. Employees who serve on boards of directors or advisory boards of any entity or organization or aim at an outside employment are required, prior to acceptance of the mandate or employment, to obtain approval from SUSE HR.

### **3.6 Third parties must not have a conflict of interest**

3.6.1 Third parties must not have a conflict of interest in connection with the particular transaction(s) for which they are engaged. For example, they may not receive payment from SUSE if they are also a family member of any party in the transaction, the client's consultant, paid adviser, or vendor relating to the transaction with SUSE, or if they are an employee, officer, director, proxy-holder, affiliate or shareholder of any other party to the transaction. Please see the Supplier Code of Business Ethics for more details.

### **3.7 Do not enter into agreements that may benefit individual government officials**

### **3.8 We must be alert for "red flags" that may indicate that a third party may engage in corrupt activity**

3.8.1 If you are not sure about what action to take, or if the assurances are not adequate, you should report your concerns immediately to the SUSE Legal Team. See How to Raise a Concern later in this policy or in the Supplier Code of Business Ethics.

3.8.2 Examples of "red flags" include:

- Use of business partners or agents who have a reputation for unethical conduct/behaviour
- Objection to SUSE's efforts to perform due diligence
- The appointment of a new supplier or partner in a high-risk jurisdiction
- Refusal to provide detailed invoices or to allow SUSE to audit relevant books and records
- A third-party requests payment to be made in cash or to a different bank account or to a country other than where the services are taking place

**4. You must maintain accurate books and records:** Our business records must be true, accurate and meet legal record keeping obligations. Keep email records or personal notes of all engagements and any rationales for the engagement.

4.1.1 You must follow the SUSE policies on expenses, records retention, information security and other relevant policies, including creating business records that accurately reflect the truth of the underlying transaction or event.

4.1.2 You must not establish any undisclosed or unrecorded SUSE fund or asset for any purpose ("off the book funds"). Margins, discounts or rebates must comply with the properly given approvals.

**5. You must comply with all anti-corruption laws:** This policy sets a global, minimum standard and provides the underlying principles to help our employees, officers and directors uphold SUSE's anti-corruption commitment. However, countries may have stricter rules. Where that is the case, those stricter rules apply.

## Roles and Responsibilities

### Monitoring and Review

The Compliance Officer shall ensure that this policy is regularly reviewed in respect of its suitability, adequacy and effectiveness, and any improvements made as appropriate.

### Ask a Question

If you have questions or need clarification relating to the matters covered by this policy, please direct your question to your usual contact in the Legal Team.

### How to Raise a Concern

If you wish to raise a concern or if you have questions or need clarification relating to anti-bribery and corruption issues you may contact the SUSE Legal Team directly or via e-mail.

## Exceptions

SUSE may authorise exceptions to the rules set out in this policy in justified individual cases. Applications for such exceptions must be requested in writing form and addressed to the Compliance Officer and SUSE Legal Team, which must decide together with company



management. Approved exceptions must be documented in writing and must include the reasoning for the approval.

## Policy Review

This policy should be reviewed annually by the Compliance Team within the SUSE Legal Department in conjunction with any relevant departments.

