

## Contractual Provisions as a Part of Compliance Principles in Contracts with Suppliers, Dealers and Customers

1. *Preventing Bribery and Corruption*
  - 1.1 *A Supplier/Dealer will proceed in accordance with what is stated below (and will ensure that all its managers, employees and sales representatives so proceed):*
    - 1.1.1 *It will not provide bribes to anybody;*
    - 1.1.2 *It will not accept bribes from anybody;*
    - 1.1.3 *It will not propose or request any bribes, it will not offer them, broker them or otherwise get involved with them;*
    - 1.1.4 *For any actions stated in Sections 1.1.1 to 1.1.3 it will not arrange or use any other persons;*
    - 1.1.5 *It will always proceed in accordance with the Principles for Preventing Corruption and Bribery valid in Cleverlance (available on request), as amended;*
    - 1.1.6 *It will always proceed in accordance with all valid acts and legal and other regulations concerning the prevention of corruption and bribery, in particular the 2010 Bribery Act (Great Britain) and the 1977 Foreign Corrupt Practices Act (United States of America);*
    - 1.1.7 *It will maintain procedures to prevent corruption and bribery that prevent any bribery or corrupt conduct and/or influence trading that may occur in connection with this Contract; and*
    - 1.1.8 *It will promptly notify Cleverlance in the event it has a suspicion or fear that in connection with Cleverlance's business there is bribery or it learns of any such action. Such notification can be made by e-mail to the address [compliance@cleverlance.com](mailto:compliance@cleverlance.com).*
  - 1.2 *A Supplier/Dealer will ensure that all persons that work with it and that, in connection with this Contract, provide goods or services, provide the relevant goods or services only based on a written contract that imposes on each of the relevant persons conditions equivalent to the conditions that this article imposes [on the Supplier/Dealer] (the "Relevant Conditions"). A [Supplier/Dealer] will be responsible for compliance and performance of the Relevant Conditions by such persons and will be directly liable to Cleverlance for any breach of the Relevant Conditions by such persons.*
  - 1.3 ***A breach of this article entitled Preventing Bribery and Corruption will be regarded as a material breach of the Contract. A breach of this provision gives Cleverlance the right to terminate this Contract without notice or based on a 30-day notice term (as it sees fit).***
  - 1.4 *To exclude doubts, it is stipulated that Cleverlance reserves the right to disclose all information concerning a breach of these principles (or any part thereof) to authorities active in criminal proceedings, regulatory authorities, other investigating authorities and other third parties, it reserves the right to commence civil-law proceedings for the purpose of obtaining compensation for damage caused to it as a consequence of a breach of these provisions and also reserves the right to commence criminal proceedings against any person that breaches these provisions.*



## Anti-corruption Principles

- 1.1 *Cleverlance completely rejects any form of corruption. From its employees, managers, business partners and customers Cleverlance expects that they will, as a part of their business activities, always act ethically and they will act honestly, lawfully and correctly in every regard. This is because we are fully aware of the harmfulness of consequences that corrupt conduct could have for our business activities, our employees and the communities in which we operate.*
- 1.2 *Cleverlance always acts in accordance with the legal regulations of the countries in which it does business. It is important that we do not breach any valid legal regulations or international agreements and that we are not regarded as a company that breaches any valid legal regulations or international agreements.*
- 1.3 *Most forms of corruption are a criminal offence in the countries in which we do business. In most of such countries the natural persons that offer or accept any bribe are sentenced to long punishments of imprisonment. Many countries have introduced regulations determining that the acceptance and offering of bribes by their citizens is a criminal offence, even in the event it happens abroad. In many countries both individual employees or managers, as well as whole companies can be prosecuted for unlawful actions.*
- 1.4 *Any suspicion or accusation of corrupt conduct would have as a consequence fundamental damage to our reputation and that of the KKCG group, material interference with our business activities and the necessity of incurring marked costs of legal advice and other financial costs when dealing with any such suspicion or accusation.*
- 1.5 *Cleverlance fully prohibits:*
  - (a) *The provision of bribes to any persons;*
  - (b) *The acceptance of bribes from any persons;*
  - (c) *Any form of indication or proposal of the possibility of offering or accepting a bribe, request for a bribe, offering or arranging a bribe or any other handling of bribes; or*
  - (d) *The use of other persons for any of the above activities.*
- 1.6 *In brief, a bribe is something that is provided to any person with the intention of getting him/her to abuse his/her position or perform other unlawful conduct or rewarding such person for the relevant abuse of a position or other unlawful conduct.*
- 1.7 *A bribe could have any form: it could be provided in the form of cash, a bank transfer of funds, physical goods, various expressions of hospitality, offers of travel opportunities, the provision of certain services, contributions for political or charity purposes or offers of employment. The form of a bribe could be, for example, reimbursement of a holiday for any person.*
- 1.8 *It is not important whether the person that abuses his/her position or otherwise acts unlawfully is also the person that accepts the bribe. An example is a situation where, in exchange for the abuse of a position or unlawful conduct, employment is offered to a relative of such person – such action is also a bribe and is prohibited.*
- 1.9 *It is not important whether the person that accepts a bribe is a civil servant. Any form of corruption is prohibited also in the case of persons acting in private business.*



- 1.10 *It is also not important whether the person that accepts a bribe is rewarded for the performance of his/her ordinary work duties (i.e. payments for the purpose of rapid resolution of a request or a payment for facilitation of action). Such payments are unlawful in accordance with local legal regulations almost without exception and are prohibited by Cleverlance.*
- 1.11 *Situations that probably represent a risk of corruption are set out below:*
- *We participate in tender proceedings for the delivery of new software. A civil servant tells us that he/she will select our product if we pay his/her brother an “agency fee”.*
  - *We are purchasing products from a foreign supplier. He/she proposes to you that if you buy his/her goods, he/she will pay for two weeks’ holiday in Dubai for you.*
  - *The Revenue Authority is performing a check on our tax return for the past year. Our accountant proposes that he/she can “take care of it” if we pay him/her an extraordinary bonus of CZK 100,000.*
  - *We are getting ready to open a new training center. A work safety inspector, however, declares that he/she will issue the relevant safety certificate only in the event you pay him/her CZK 50,000.*
- 1.12 *Cleverlance provides contributions for political and charity purposes only in the event their provision was properly approved. You can find more information about this topic in the Cleverlance internal principles called Principles for Providing Contributions for Charitable Purposes and Principles for Providing Contributions for Political Purposes.*
- 1.13 *The provision of gifts, other expressions of hospitality and travel opportunities to persons who are not employees of the company and the acceptance of gifts from other persons could sometimes be an ordinary part of standard business relationships. It is, however, necessary to ensure that such gifts, expressions of hospitality or travel opportunities are not inappropriate and do not lead to the impression that we are participating in any corrupt practices. Without prior approval from the legal department at Cleverlance we will never provide gifts, expressions of hospitality or travel opportunities to civil servants. You can find more information about this topic in the Cleverlance internal principles called Principles for Provision and Acceptance of Gifts and Other Expressions of Hospitality.*
- 1.14 *Any third parties that in any way participate in our business (including partners in a joint venture, subcontractors, suppliers and sales representatives) cannot participate, on our behalf, in any corrupt conduct. Cleverlance will perform reasonable due diligence for every third party before it commences the relevant cooperation: you can find more information about this topic in internal Cleverlance principles entitled Principles for Cooperation with Sales Representatives, Agents and Partners in joint ventures.*
- 1.15 *The anti-corruption procedures will be integrated into all activities related to the realisation of mergers and acquisitions, including deal development, the performance of due diligence, the realisation of an acquisition and post-acquisition integration phases.*
- 1.16 *Employees or managers that believe that, in connection with the KKCG group, there is any corrupt conduct are obligated to report such fact promptly to the statutory representative of Cleverlance and the Cleverlance legal department or to send an e-mail with a description of the relevant suspicion to the address [compliance@cleverlance.com](mailto:compliance@cleverlance.com). It is also possible to make use of anonymous channels for reporting suspicions of possible corrupt conduct stated in the Principles for notifying a suspicion of possible unlawful conduct by Cleverlance. The Principles for Notifying a Suspicion of Possible Unlawful Conduct also explain in what way Cleverlance will deal with such suspicions.*



- 1.17 *Cleverlance will provide its employees and managers with training regarding anti-corruption procedures based on an assessment of the relevant risks. It will also regularly support the awareness of employees and members of the statutory body of such principles and of the significance of anti-corruption procedures.*

***If you are not certain how you should act in a certain situation or you think that we are not acting in accordance with Cleverlance's values in a certain area, please inform us of this fact as soon as possible. You can discuss your questions with your superior or your contact at Cleverlance, with a compliance department worker or the Cleverlance legal department. You can also contact the director of the compliance department or the director of the legal department at the KKCG group. You can contact us by e-mail, by sending an e-mail to [compliance@cleverlance.com](mailto:compliance@cleverlance.com).***

## Compliance and Ethical Conduct

*At Cleverlance we have firmly decided that we will always perform our activities in an ethical and lawful manner, in accordance with our values, which are:*

- ***Cooperation and decency:*** *We know we can trust our colleagues. We can reach out to each other at any time. We always help each other. We respect our colleagues and clients and we are mindful of each other. We perform our contractual obligations in full and on time, we comply with valid rules and acts. We are a friendly company with good relations - this is not marketing, but lived reality.*
- ***Results and freedom:*** *We do not have to do everything in accordance with templates or directives. We have a free field of operation to a great extent. We can use the tools that personally suit us. We can develop our ideas and nobody will slow us down. What we always want is that there is a high-quality result at the end of the process, as is expected of us.*
- ***Ideas and enthusiasm:*** *For us it is a habit to take the initiative and to take responsibility into our own hands. This enables us to implement the ideas we believe in. And this is what we enjoy. This is because you can't do good work, if you're not enjoying it. We know this well at Cleverlance.*
- ***Creativity and Communication:*** *We actively listen to clients and always check that we correctly understand them. This helps us create a better relationship and therefore more precisely meet their and our expectations. For us, creativity is not the uninspired firing out of ideas that seem interesting to us, but a constant process of searching, discussing and iterating new paths and solutions.*

*This non-negotiable decision was adopted by the company's management with the support of the founder and owner of the KKCG group and applies, as appropriate, to all members of the KKCG group and to all their employees around the world. For the purpose of putting this decision into practice, Cleverlance created a comprehensive compliance programme whose aim is to ensure that all valid legal regulations, as well as our own ethical standards, are complied with. Cleverlance has prepared a set of principles that deal with the topic of bribery, preventing money laundering, correct economic competition and other topics related to compliance.*

*Cleverlance believes that bribery endangers public institutions, interferes with the functioning of markets and damages society as a whole. Cleverlance therefore quite clearly rejects the provision of bribes to any persons, the acceptance of bribes from any persons, any forms of hints or proposing the possibility of offering or accepting a bribe, a request for a bribe, offering or arranging bribes and also using other persons to do any of the above activities. In this context a bribe is anything that is provided to any person with the intention of getting him/her to abuse his/her position or perform other unlawful conduct or rewarding such person for the relevant abuse of*



*a position or other unlawful conduct. Cleverlance takes active steps leading to any forms of bribery being excluded from its business activities. For example, Cleverlance provides its workers with training on the topic and teaches them how to recognise and prevent various forms of bribery.*

*Cleverlance also, inter alia, selects business partners that share its decision to limit bribery, provide contributions for political purposes only in situations where it is appropriate and where they can do so fully in accordance with the law, and never make use of its social responsibility activities to achieve certain business aims. Cleverlance supports its workers if they have any doubts about this and urges them to make reports, to which it will promptly respond. You can find an abbreviated version of our Principles for Preventing Corruption and Bribery at this website.*

*Cleverlance's workers and business partners can ask the Cleverlance compliance department for advice, by contacting it on: [compliance@cleverlance.com](mailto:compliance@cleverlance.com), concerning questions related to ethical conduct and compliance. Cleverlance actively supports its employees, business partners and members of all communities in which it is active that have doubts about whether unethical or unlawful conduct could be occurring in connection with Cleverlance's business activities and urges them to contact Cleverlance (even anonymously) through the e-mail address [compliance@cleverlance.com](mailto:compliance@cleverlance.com). Cleverlance will deal with doubts notified through the aforementioned contact details promptly and will resolve them in a suitable manner.*

