

# APN Promise Anti-Corruption Policy

---

Version 1.0



## What is the scope?

**This Policy is applicable to all of APN Promise's Employees** broadly understood as all individuals working at all levels of APN Promise, including interns, individuals engaged in long-term and temporary labor relationship with APN Promise, who have concluded a contract of a civil law character with the Company, agents, contractors hired by APN Promise with the engagement of outside organizations dealing with the supply of personnel and any third party working on APN Promise's behalf.

**APN Promise's Compliance Officer and other responsible Compliance Area Owners shall administer this Policy with reference to the Compliance Management System in APN Promise.**

**This Policy applies to all types of activities undertaken by APN Promise.**

**In case of any questions regarding application of this Policy, please contact the Compliance Officer.**

## Penalties

Consequences of non-compliant behavior.

## What is the purpose of this Policy?

This Policy specifies the basic rules and requirements for compliance with the provisions of applicable anti-corruption laws by APN Promise and its Employees.

Verification of contractors will be performed on the basis of the APN Promise Third-Party's Anti-Corruption & Anti-Tax Fraud Due Diligence Policy.

The objective of this Policy is to:

- 1) Provide clear guidance for compliance with all applicable anti-bribery and anti-corruption laws.
- 2) Encourage and provide guidance for reporting any suspect violations.
- 3) Comply with applicable internal and international laws and regulations, including FCPA, UK Bribery Act, UN Convention against Corruption and domestic legislation.
- 4) Strengthen APN Promise's commitment to conduct business with the highest integrity and transparency standards.
- 5) Improve APN Promise's corporate and compliance culture, applying the best practices and standards of responsible business conduct, particularly in regard to anti-corruption compliance.
- 6) Establish rules and principles aimed at preventing and responding to situations inconsistent with this Policy and other applicable laws and regulations in force and as such to ensure APN Promise's compliance with the requirements of applicable anti-corruption laws.
- 7) Unify APN Promise's anti-corruption regulations in all of its business operations.
- 8) Perfect APN Promise's understanding of its Partners' financial decisions and therefore manage corruption-related risks adequately.

## What if we don't comply?

### Penalties Applicable To Individuals

Individuals guilty of breaching this Policy and/or the applicable anti-corruption laws may face disciplinary action up to and including termination of employment or cooperation as well as individual criminal liability (severe financial penalties as well as imprisonment). Every violation can additionally result in civil liability for damages.

### Penalties Applicable To Companies

Apart from the above-mentioned consequences to individuals, companies and partners (including their employees) who violate this Policy directly or indirectly may face severe consequences including termination of contract, liability for any fines or penalties applied to APN Promise and civil liability.



## Why do we need definitions?

By defining our requirements we help you to understand our values, share them and comply with them to create integrated business environment.

APN Promise bears liability for prohibited actions of their Employees and every individual/entity:

- 1) Acting on behalf or in the interest of APN Promise within the scope of power or duty to represent it, make decisions on its behalf, acting on its behalf as part of employment or assignment or exercise internal control.
- 2) Permitted or not restricted to act as a result of exceeding powers or failure to perform duties by the person referred to in subparagraph 1.
- 3) Acting on behalf or in the interest of APN Promise, with the consent, instruction, knowledge or acquiescence of the person referred to in subparagraph 1.

- If this behavior brought or might have brought to APN Promise some benefit – even if it was non-material (such as favoritism).

## What are the main definitions?

### Anti-corruption Compliance

Any laws and regulations applicable to the Company dealing with preventing and combating corruption, including but not limited to the FCPA and Polish anti-corruption laws, as well as the laws of any jurisdiction where the Company conducts its business.

### Anything of Value

The term “anything of value” is broad and can include any item or type of monetary or personal value provided directly or indirectly.

Examples of benefits include, but are not limited to:

- 1) Cash or cash equivalent (including gift cards).
- 2) Favorable/steered contracts.
- 3) Employment opportunities (including those for friends and family members of the receiver).
- 4) Travel, meals, lodging, shopping or entertainment expenses.
- 5) Stock, options or other financial instruments.
- 6) Political contributions.
- 7) Charitable donations.
- 8) Medical, educational (scholarships, internships, training) or living expenses (including those for friends and family of the receiver).
- 9) Personal recognitions or awards.
- 10) Personal favours, assistance or preferences (to the receiver or their family or friends).
- 11) Monetary support of personal causes including without direct tangible benefit to the receiver.

### Applicable Anti-corruption Law

Any laws and regulations in force applicable to the Company governing corruption including but not limited to the FCPA and Polish anti-corruption laws, as well as the laws of any jurisdiction where the Company conducts its business.

## Why do we need definitions?

By defining our requirements we help you to understand our values, share them and comply with them to create integrated business environment.

## What are the main definitions?

---

<b>Business Unit</b>	Sales departments (EPG Enterprise&Partner Group, SMSP Small Medium Solution&Partners, CSP Cloud Solutions Provider, Retail) Procurement Departments
<b>(Business) Partner/ Third Party</b>	Any individual or entity cooperating with APN Promise in any business-related capacity. All relevant, distributors, service providers, suppliers, contractors, sub-contractors etc. (the list is not exhaustive).
<b>Bribery</b>	Offering, soliciting, giving, or promising Anything of Value to a Public Official, Person Exercising a Public Function, Private Sector Employee or any other person, directly/indirectly (through a third party), to improperly influence that person in the performance of his/her duty to obtain Improper Advantage. Also - Bribe.
<b>Compliance Team</b>	Compliance Officer and Department staff.
<b>Company</b>	APN Promise Spółka Akcyjna with registered seat on Domaniewska 44A, 02-672 Warsaw, NIP: 5210088682, KRS:0000375933
<b>Conflict of Interest</b>	Situation whereby APN Promise, its Employees or any other person acting in the interest of a client, APN Promise or other person under a professional, employment, fiduciary or other contractual obligation in any capacity, and whereby APN Promise, any other person or other connected entity would as the result of exercising such obligation be due to obtain personal benefits, to the potential detriment of the other party.
<b>Corruption</b>	The abuse of entrusted power for corporate, business or personal gain. Bribery and fraud are considered corruption practices.
<b>Employee</b>	All individuals working at all levels of APN Promise, including interns, individuals engaged in long-term and temporary labor relationship with APN Promise or who have concluded a contract of a civil law character with the Company, agents, contractors hired by APN Promise with the engagement of outside organizations dealing with the supply of personnel and any third party working on APN Promise's behalf.

---

## Why do we need definitions?

By defining our requirements we help you to understand our values, share them and comply with them to create integrated business environment.

## What are the main definitions?

---

### Facilitating Payments

Payments made to expedite or facilitate the performance of a Public Official or Person Exercising a Public Function for a non-discretionary, routine governmental action.

---

### Foreign Official

Any officer or employee of a foreign government or any department, agency, or instrumentality thereof, public international organization, or any person acting in an official capacity for or on behalf of any such government or department, agency or instrumentality, or for or on behalf of any such public international organization.

---

### Improper Advantage

Any received undue advantage made in a business context, such as:

- 1) Obtain, influence or prevent a government action or any other action of a business value, such as the awarding of a contract, imposition of a sanction, or the cancellation of an existing contract.
- 2) Obtain a license, permit, or authorization from the government entity or Public Official that the Company would not usually obtain or which obtaining is a result of the entity's discretion.
- 3) Obtain confidential information about business opportunities or information about competitors.
- 4) Influence the award of a contract.
- 5) Influence the termination of a contract disadvantageous to the company.
- 6) Be the recipient of any business value that was undue, not justified or for which the recipient was unqualified;

which was obtained, influenced or otherwise impacted by illegal or improper means such as by paying, giving or attributing Anything of Value to a Public Official, Person Exercising a Public Function, Private Sector Employee or other individual or entity, directly or indirectly.

---

### Kickback

A seller's return of part of an item's purchase price to a buyer or buyer's representative, for example as a means to induce a purchase or improperly influence future purchases.

---

## Why do we need definitions?

By defining our requirements we help you to understand our values, share them and comply with them to create integrated business environment.

## What are the main definitions?

### Money Laundering

Receiving, possessing, using, conveying or transporting abroad, concealing, transferring or converting legal tenders, financial instruments, securities, foreign exchange, property rights or other movable or immovable property that have been obtained from the benefits derived from a committed prohibited act, or assisting in transferring their ownership or possession, or undertaking other actions that may frustrate or substantially obstruct the determination of their criminal origin or location, or their detection, seizure or forfeiture; it may be a consequence of corruption or the Company's involvement in tax fraud.

### Organizational Unit Provided with Public Funds

A governmental or non-governmental agency, unit, agenda or other entity equipped with public funds or roles (e.g. public financing, public donations, exercise of public functions), including in particular the state treasury, governmental agencies, public procurement offices, local government units or publically funded entities (including commercial).

### Person Exercising a Public Function

For the purposes of this Policy, the catalogue of people "exercising a public function" includes but is not limited to:

- 1) a Public Official;
- 2) a member of the local government;
- 3) a person employed in an Organizational Unit Provided with Public Funds or in a different entity, involved in the spending of public funds;
- 4) a person having discretion or authority to decide directly or indirectly on the spending of public funds;
- 5) any other person whose rights and obligations in terms of public activity are defined or recognized by law or international agreement binding the Republic of Poland.

### Policy

APN Promise Anti-Corruption Policy.

### Private Sector Employee

It refers to every person who is engaged in labor relationships or who has concluded a contract of a civil law character with a private company, including commercial entities and companies controlled or jointly controlled by state authorities, including Microsoft Employees.

## Why do we need definitions?

By defining our requirements we help you to understand our values, share them and comply with them to create integrated business environment.

## What are the main definitions?

---

For the purposes of this Policy, the term “Public Official” includes but is not limited to:

- 1) the President of the Republic of Poland;
- 2) a member of parliament, a senator, a counselor;
- 3) a member of the European Parliament;
- 4) a judge, a lay-judge;
- 5) a prosecutor;
- 6) an official of a financial body of preparatory proceedings or of a body supervising a financial body of preparatory proceedings;
- 7) a notary public;
- 8) a bailiff;
- 9) a probation officer, a receiver, a court-appointed supervisor and administrator and a person adjudicating in disciplinary bodies acting pursuant to law;
- 10) an Employee in a state administration, another state authority or local government, and anyone else authorized to make administrative decisions;
- 11) an employee of a state audit and inspection authority, or a local government auditing and inspection authority;
- 12) a person in a managerial position in another state institution;
- 13) an official of an authority responsible for the protection of public security, or an official of the State Prison Service;
- 14) a person performing active military service;
- 15) an Employee of an international criminal tribunal, unless exclusively a service employee;
- 16) a director, officer, representative, agent or employee of any government-owned or controlled business or company;
- 17) any person with the responsibility to allocate or influence expenditures of government funds, including persons serving in unpaid, honorary or advisory positions;
- 18) an officer or employee of a public international organization (e.g. International Red Cross, United Nations etc.);

### Public Official



## Why do we need definitions?

By defining our requirements we help you to understand our values, share them and comply with them to create integrated business environment.

## What are the main definitions?

---

- 19) any person acting in an official capacity or on behalf of any government or public international organization (e.g. an official advisor to a government);
  - 20) any officer or employee of a political party;
  - 21) any candidate for political office;
  - 22) a close family member of any of the above (e.g. spouse, child, sibling, parent).
-



This Policy constitutes APN Promise's basic document in the area of Anti-Corruption Compliance. However, **it does not present exhaustive anti-corruption instructions and solutions.** It must be read in conjunction with other APN Promise documents, such as the APN Promise Code of Conduct and other related documents which APN Promise may adopt in the future.

## **APN is committed to observing the standards of conduct set forth in all applicable laws.**

APN Promise may implement other documents on matters relating to Anti-Corruption Compliance to the extent that APN Promise shall deem to be necessary for compliance with applicable laws.

In the case of a conflict between this Policy and other Company policies or/and procedures, Employees must **apply the more restrictive Policy or procedure.**

In such event, please **inform the Compliance Officer** so that he or she can adequately address the issue and undertake all necessary actions.

## **APN Promise only does business with reliable and fair Partners.**

## **Policy requirements**

APN Promise is committed to maintaining the highest level of legal and ethical standards in the conduct of its business and we expect our Employees and the employees of our Business Partners to conduct business with high ethical standards and in compliance with all the applicable laws and regulations.

The Company prohibits corruption of Public Officials and Persons Exercising Public Functions as well as payments of Bribes or Kickback of any kind, whether in dealings with Public Officials/Persons Exercising Public Functions, Private Sector Employees or individuals/entities in private sector, including employees of Microsoft.

No Employee shall, in any circumstances, pay or offer to pay a Bribe, or provide Anything of Value to obtain an Improper Advantage, to any third party, public or private, with whom APN Promise is doing business.

Each Employee shall conduct him/herself with high ethical standards and comply with all applicable laws. No Employee shall, directly or indirectly, promise, authorize, offer or pay Anything of Value (including but not limited to gifts, travel, hospitality, charitable donations or employment) to any Public Official, Person Exercising a Public Function or any other party to improperly influence any act or decision of such individual for the purpose of promoting the business interests of APN Promise in any respect, or to otherwise improperly promote the business interests of APN Promise in any respect in order to obtain an Improper Advantage.

APN Promise and its Employees are moreover forbidden to act as intermediaries in Bribery or any other form of Corruption, i.e., support or facilitate the Corruption process between third parties in any way.

APN Promise reserves the right to amend this Policy at any time and receiving a written confirmation of familiarizing with its contents by the entity/individual to which/whom they were presented.

APN Promise does not accept any forms of Corruption, payment of Bribes or Kickbacks on the part of private individuals/entities, Public Officials and Persons Exercising a Public Function. APN Promise does not participate in, nor does it accept, any form of corrupt payments.

Business Partners must never, under any circumstances, pay or offer to pay a Bribe. Every Business Partner agrees in its contract with APN Promise that the Business Partner will not pay Bribes, by including the following model clauses:

*"Company will comply with all applicable laws against bribery, corruption, inaccurate books and records, inadequate internal controls, and money -laundering, including the U.S. Foreign Corrupt Practices Act."*

All Business Partners certify that they will comply with the APN Promise Anti-Corruption Policy:

*"Company certifies that it has reviewed and will comply with the APN Promise Anti -Corruption Policy."*

APN Promise does not engage in any activity, which could be deemed unethical or non-compliant with this Policy/any applicable law.

**APN Promise places special emphasis on raising its Employees' awareness, especially in the area of Corruption, Conflict of Interest and Kickbacks.**

**APN Promise uses every precaution to avoid Conflicts of Interest.**

## Policy requirements

### Compliance Officer

Compliance Officer's official duties consist of implementing this Policy and other Company policies on matters related to Anti-Corruption Compliance. The Compliance Officer is endowed with the powers and tools enabling him/her to effectively implement and enforce this Policy and other applicable regulations.

### Awareness & Training

APN Promise's Anti-Corruption Policy shall be communicated to all Employees at the moment of implementation, upon each change thereof and on a regular basis through periodic reminders and/or regular trainings. As Employees involved in the sales process are particularly exposed to Corruption, Kickbacks, and Money Laundering risks, a special emphasis should be placed on raising their awareness of both risks posed and ways to mitigate them as dictated by the Company's annual training plan.

The training plan is developed and updated as necessary. It will identify the scope, target audience, and methodology for the training (stationary training, workshop, e-learning), as well as dedicated trainers (internal/external).

APN Promise may change this Policy at any time by posting a revised Anti-Corruption Policy on the Internet website or by notifying all interested parties unless otherwise provided in a written agreement between the interested party and APN Promise. All interested parties should regularly monitor the website for changes to this Policy.

### Avoiding Conflicts of Interest

APN Promise will avoid engaging in business activities that constitute or could create the appearance of a Conflict of Interest.

APN Promise uses every precaution to avoid Conflicts of Interest. In the event of a potential Conflict of Interest, an APN Promise Employee should consult with the Compliance Officer and obtain his/her approval for any further action regarding this situation.

In order to avoid Conflicts of Interest and build trust:

- 1) APN Promise, its Employees and Business Partners act in the best interest of the Company.
- 2) APN Promise and its Employees avoid situations, in which personal relationships or financial interests (including those of close family members/friends) in another company, business, venture may influence the decisions made in their professional life.
- 3) APN Promise will not undertake fiduciary or contractual obligations with regards to Third Parties, whereby APN Promise could already be under fiduciary or contractual obligation to another party, whose interests might be conflicting. Likewise APN Promise will not undertake fiduciary or contractual obligations with regards to Third Parties, whereby APN Promise could directly benefit from.
- 4) APN Promise and its Employees understand that Conflicts of Interest may occur even if we are certain, that an external relationship will not influence our decisions.
- 5) In the event of identifying a Conflict of Interest we divulge it in order to obtain an advice or an approval.
- 6) Before accepting an outside order APN Promise Employees ascertain that it will not harm the APN Promise business interest nor cause or arise out of a Conflict of Interest.

**Every APN Promise Employee and Business Partner covered by the scope of this Policy is *inter alia* responsible for:**

- 1) Compliance with its provisions.
- 2) Prevention of corruption incidents.
- 3) An adequate response to corruption events.

Incidents can be reported anonymously to a special email address:

[antykorupcja@promise.pl](mailto:antykorupcja@promise.pl).

## No Retaliation

APN Promise does not tolerate any forms of retaliation against Employees or Partners, who reported possible violation.

## Policy requirements

### Signaling violations/concerns & Policy-related inquiries

When dealing with customers, suppliers and representatives of different entities, Employees and Partners watch out for warning signs of an increased risk of improper or corrupt behavior (“red flags”). A red flag is anything that creates a suspicion of improper or corrupt behavior. Examples of red flags include but are not limited to:

- 1) Unreasonably or abnormally high fees, costs, compensation or commissions.
- 2) Repeated and/or disproportionate entertainment (leisure, meals, travel).
- 3) Unreasonably large discount, even from Microsoft employees side.
- 4) Contracts that do not accurately reflect the actual economics of the deal.
- 5) Non-standard terms or unusually complex terms of billing practices.
- 6) Insufficient or non-transparent documentation.
- 7) Sales completed by an Employee without authorization.
- 8) Lack of or suspicious supporting documentation for transactions.
- 9) “Consulting agreements” that include only vaguely described services.
- 10) Any ancillary arrangements with regard to a business transaction made with a Third Party or individual not party to the underlying contract.
- 11) Repetitive transactions or split invoicing of single transactions.

If you see a red flag, you **must consult it with the Compliance Officer**.

Anyone who experiences or obtains knowledge of an event inconsistent with this Policy or other anti-corruption laws/regulations is obliged to report the incident in accordance with the rules described in APN Promise Compliance Policy. Such reports can also be sent anonymously to a special email address: [antykorupcja@promise.pl](mailto:antykorupcja@promise.pl).

In the event that any APN Promise Employee has any doubts regarding this Policy (e.g. potential violations of its provisions or their interpretation etc.), he/she shall be obliged to consult with the Compliance Officer for advice/clarification.

### Anti-retaliation

APN Promise will not tolerate retaliation against anyone who has, in good faith, reported possible violation of this Policy or refused to participate in activities that violate this Policy. Within the limits of its powers, APN Promise shall ensure to maintain the identity of the reporting individual confidential and protect him/her from persecution or any other form of discrimination on the part of the party in relation to whom the report was made or APN Promise itself.

APN Promise guarantees that none of its Employees or Business Partners will be held responsible (by being dismissed, demoted, deprived of a bonus, prevented from or restricted in performing their job and so forth) by the Company if the Employee/Partner reported suspected Corruption, Bribery, Kickback Conflict of Interest or other action breaching this Policy in good faith, or if the Employee/Partner refused to give or take a Bribe, Kickback or participate in any way in actions breaching this Policy in good faith, including if such refusal results in foregone profit for APN Promise, or no commercial or competitive advantages were gained.

Breaching the non-retaliation policy may result in disciplinary action up to and including contract termination. APN Promise’s guarantee to withhold Employee responsibility and subsequent retribution does not extend to cases when an internal investigation proves that the report in question was deliberately false, or constituted perjury or libel.

## Audit & Violation-related Contract Termination Clauses

*“During the term of this agreement and for two years after the later of either:*

- 1) the termination of APN Promise’s agreement with Business Partner or*
- 2) the date of issuance of final payment between APN Promise and Business Partner,*

*APN Promise or its audit-related agents shall have access to any books, documents, records, papers, or other materials of the Business Partner related to this agreement (the “relevant records”).*

*APN Promise may exercise its rights under this provision any time it has a good faith reason to believe that APN Promise Business Partner or the Partner’s employee is in violation of any anti-corruption laws in connection with this agreement or in any manner that may impact APN Promise or its relationship with Business Partner.*

*APN Promise reserves the right to immediate unilateral termination of this Agreement in the event of violating APN Promise Anti-Corruption Policy.”*

## Policy requirements

### Reporting on compliance matters

Compliance Officer communicates the reported and identified cases of corruption-related violations to the Management Board member responsible for Compliance. Significant cases - as assessed by the Board member - are reported to the Management Board.

In case of a critical Incident/Non-compliance, the Management Board reports to the Supervisory Board and to Microsoft in accordance with its guidelines.

In case of a reported non-compliance the reporting path will bypass the individual in question and the case will be escalated one step higher in the reporting hierarchy. The conflicted individual should inform his superior about the conflicted situation and abstain from performing the task leaving it to his/her superior.

### Securing APN Promise’s value system and reputation

Before initiating contact/cooperation with a new client/commercial or Business Partner, APN Promise Employees shall apply reasonable efforts to verify the individual’s/entity’s activity in terms of compliance with this Policy.

In case of any doubts regarding a current/future client’s or Business Partner’s ability/willingness to comply with this Policy, consult the Compliance Officer.

APN Promise shall ensure that no person with a history of illegal activity is allowed to join the APN Promise management bodies.

All Employees are obliged to familiarize and comply with this Policy as well as the applicable anti-corruption laws. The fulfillment of the abovementioned obligation shall be confirmed by a written declaration. Each Employee, regardless of the position he/she holds, is also liable for violating legal or ethical standards in force.

### Third-party due diligence

APN consistently mitigates risks associated with business interactions with Third Parties, including but not limited to its (current and future) Business Partners and Employees.

For this purpose, APN Promise has developed and maintains policies and procedures for Third Party verification, including but not limited to *Third Party’s Anti-Corruption & Anti-Tax Fraud Due Diligence Policy*.

Any corruption risk indicator discovery must be reported, consulted and resolved with APN Promise Compliance Officer.

### Contract Requirements

Agreements concluded by APN Promise must envisage its Business Partners obligation to monitor and comply with the applicable anti-corruption laws (the anti-corruption clause).

The agreements with Third Parties must also establish APN Promise’s right to:

- 1) Carry out an audit of financial and other documentation regarding obeying the anti-corruption clause.
- 2) Effect immediate unilateral termination in the event of violating the anti-corruption clause.



## Standards For Partners

## Enforcement

## Gifts, Hospitality, Travel & Entertainment

### Policy requirements

#### Standards for Partners

APN Promise requires that its Business Partners hold their employees and representatives to the same standard that APN Promise applies to its Employees. Business Partners should conduct their own due diligence before hiring subcontractors and representatives to ensure they are legitimate business enterprises, qualified to perform the function for which they are being retained, trustworthy, and ethical.

#### Enforcement

In addition to its rights and remedies under applicable agreements, APN Promise may refer any Employee or Partner who violates this Policy to Polish or foreign authorities for criminal prosecution, other enforcement action, or bring suit for damages.

#### Gifts, Hospitality, Travel & Entertainment

Unless it has been authorized and approved in writing by APN Promise, Employees are prohibited from paying expenses for travel, lodging, gifts, hospitality, or charitable contributions for Public Officials or Persons Exercising a Public Function on APN Promise's behalf or where connected to acting in the interest of APN Promise. Unless it has been authorized and approved in writing by APN Promise, it is prohibited to use any funds provided by APN Promise, or any proceeds resulting from any APN Promise business, to pay expenses for travel, lodging, gifts, hospitality, or charitable contributions for Public Officials or Persons Exercising a Public Function. Payments or gifts given by Employees in their purely private capacity to Public Officials or Persons Exercising a Public Function, whom could impact APN Promise's business, should be notified and approved by Compliance Officer.

An improper benefit to a Public Official or Person Exercising a Public Function can take many forms. Paying travel expenses of a Public Official/Person Exercising a Public Function, or providing gifts or hospitality, can be improper if they are lavish or unrelated to a legitimate business purpose.

APN Promise recognizes that small gifts or tokens of esteem or gratitude can be an appropriate way for business people to display respect for each other and might be customary in some business deals. However, lavish, expensive, or extravagant gifts, travel, or hospitality may be viewed as Bribes if given with an improper purpose.

APN Promise prohibits Partners from paying expenses for Public Officials' or People Exercising Public Functions' travel, lodging, gifts, meals, and entertainment in connection with business for APN Promise.

Every Partner agrees with APN Promise that they will make such payments declaring that:

*"Company acknowledges that it is prohibited from paying expenses for travel, lodging, gifts or hospitality for public officials or people exercising a public function on APN Promise's behalf. Company also acknowledges that it is prohibited from using any funds provided by APN Promise, or any proceeds resulting from any APN Promise business, to pay expenses for travel, lodging, gifts or hospitality for public officials or persons exercising a public function."*

The indicated criteria shall also be applied to expenses on behalf and/or at the expense of APN Promise related to events aimed at attraction, retention or development of clients, as well as events connected with communicating with the public, the mass media, and professional society.

## Gifts, Hospitality, Travel & Entertainment

### Policy requirements

Before the completion of any payment or gift on behalf and/or at the expense of APN Promise, the Employee must contact the Compliance Officer and provide detailed information about the proposed gift or other paid expenses in order to receive confirmation about the legality and admissibility of such payment or gift. Symbolic gifts, such as pens or calendars bearing APN Promise's logo as well as standard marketing materials prepared by APN Promise, do not require prior approval of the Compliance Officer.

**The Compliance Officer shall be entitled to block transfer of the gift or payment of expenses if he/she establishes that such actions do not comply with the criteria set forth above, or create risks of violation of applicable anti-corruption laws for APN Promise.**

It is not permitted to give gifts on behalf of APN Promise to any individual/entity in the form of monetary funds, whether cash or not, as well as any of their equivalents (for example, checks, gift cards, cryptocurrencies, securities and so forth).

Also, as a general rule, it is never permissible to pay for airfare and travel for spouses, other family members or other guests of Public Officials, People Exercising a Public Function, Microsoft employees or any other Business Partner.

Employees are entitled to accept small gifts and payment of hospitality expenses of modest value from third parties, including but not limited to Microsoft employees, with whom the APN Promise Employees interact in the course of work for the Company, subject to the following conditions:

- 1) The acceptance of the gift or payment of hospitality expenses will not create any Conflict of Interest for the Employee in regard to his or her official duties in APN Promise and will not affect the performance thereof.
- 2) The gift is of low monetary or other value and is given with good cause.
- 3) The Employee believes in good faith that the giver has no intention of affecting the Employee's performance of his/her official duties in any way.
- 4) Employees must not solicit or request gifts.
- 5) Employees are obliged to inform the Compliance Officer if they receive any gifts or payment of expenses by Third Parties, or if they have any doubts concerning a value their value.

APN Promise's business decisions and those of its Partners must be made objectively, without influence by gifts or favors. A small, reasonably priced gift or gesture of gratitude may sometimes be an appropriate way for business people to display respect for each other. Nevertheless, regardless of value, the giving or receipt of a gift, meal, entertainment, or other hospitality benefit must not be done with the intent to improperly influence any Public Official, Persons Exercising a Public Function, Microsoft Employees or any other party doing business with APN Promise.

Any gifts and hospitality expenses of APN Promise (gifts which Employees may give on behalf of and/or at the expense of APN Promise to other individuals or legal entities, or which Employees, in connection with their work at the Company, may receive from other parties, as well as the corresponding hospitality expenses) must be in conformity with the following criteria:

## Gifts, Hospitality, Travel & Entertainment

## Public (Government) Officials

## No Political Donations

### Policy requirements

- 1) The gift/hospitality expense is not made with the intent to influence the recipient in order to obtain or retain any Improper Advantage for APN Promise or any other individual or entity, or as an explicit or implicit exchange for favors or benefits, or for any other corrupt purpose.
- 2) The gift/hospitality expense must not be prohibited by the Applicable Anti-corruption Law.
- 3) The gift/hospitality expense must not affect the capability of the recipient to make impartial and fair decisions in connection with the official powers he or she has been entrusted with, nor must it impose any moral obligation on the recipient.
- 4) The gift/hospitality expense must not constitute hidden remuneration for the obtainment of Improper Advantage, including any service, action, omission or decision, and likewise must not represent an attempt to exert influence on the recipient with another illegal or unethical goal.
- 5) The gift/hospitality expense must be reasonably justified and not be a luxury item separately or jointly, if gifts or payments are made to a person more than once.
- 6) The gift/hospitality expense must not create risks for APN Promise and its reputation in the event of disclosure of information on such gift or hospitality expense.
- 7) The gift/hospitality expense must not contravene the principles and requirements of this policy and other policies of the Company in the area of Anti-Corruption Compliance.
- 8) The gift/hospitality expense must be offered and accepted in a transparent manner and not be solicited.
- 9) The gift/hospitality expense must undergo the approval procedures established within APN Promise.

#### Hiring Public Officials and Persons Exercising a Public Function

Hiring or cooperating with a current or former Public Official/Person Exercising a Public Function as an Employee or a Business Partner of APN Promise is acceptable provided that :

- 1) The cooperation is **conducted in compliance with applicable local anti-corruption laws**, all other other applicable laws of the relevant jurisdiction, and **internal APN Promise regulations regarding recruitment and hiring**.
- 2) **Consultation with and approval of APN Promise's Compliance Officer has been obtained**.
- 3) **The cooperation does not lead to any Conflicts of Interest, nor can be seen as a type of consideration for any decisions made by that person prior to being employed**.

APN Promise Business Partners also may not use employment opportunities to improperly influence the decision making of Public Officials or Persons Exercising a Public Function. Offering a job to such individual or employing his/her friend or family member may be considered as Anything of Value, and therefore constitute a form of Corruption or Bribery.

#### Charitable & political contributions - No Political Donations Policy

APN Promise prohibits the use of company funds for political contributions. APN Promise Employees may not make or promise any political donations on APN Promise's behalf.

## Policy requirements

If a Public Official, Person Exercising a Public Function or any Business Partner makes a request, suggestion or threat related to a donation or contribution request to him/herself or other indicated party, the request must be denied and reported to APN Promise Compliance Officer.

From time to time, APN Promise may make charitable donations in the form of in-kind services, knowledge, time, or direct financial contributions. Charitable contributions are acceptable, provided:

- 1) The request for a donation is made in writing and sufficiently describes the charitable purpose of the donation, any business reason for the donation, and all details about the recipient.
- 2) The donation is legal and ethical under local laws and practices.
- 3) Proper due diligence is performed to ensure that the recipient is a bona fide charitable organization.
- 4) The recipient has no direct or indirect connection to a Public Official/Person Exercising a Public Function, who is in a position to act or take a decision in favor of APN Promise.
- 5) The donation will not be misused in exchange for an Improper Advantage.
- 6) It is approved in writing by the Compliance Officer in advance.
- 7) It is accurately recorded in APN Promise's books and records.

No Employee involved in Microsoft business is allowed to make, approve, solicit, propose, discuss any charitable or political donations, regardless of the above process.

### Payment through intermediaries in favor of third parties

APN Promise and its Employees are prohibited from making payments in favor of third parties if there exists a suspicion that all or part of this payment will be used to provide Anything of Value to a Public Official, a Person Exercising a Public Function, an agent or a Private Sector Employee in order to obtain Improper Advantage or otherwise constitute an act of Corruption.

For the purpose of prevention and/or discovery of the violations described above, APN Promise, its Employees and Partners shall ensure the economic reasonability and justification of indirect payments or any other indirect benefits to individuals/entities, and therefore mitigate the risks of involving APN Promise in corrupt activities. All professional relationships with third-party intermediaries must be approved by the Compliance Officer and take form of a written agreement.

### Prohibition on Money Laundering

APN Promise never uses its business to directly/indirectly receive, possess, use, convey or transport abroad, conceal, transfer or convert legal tenders, financial instruments, securities, foreign exchange, property rights or other movable or immovable property that have been obtained from the benefits derived from a committed prohibited act, or assist in transferring their ownership or possession, or undertake other actions that may frustrate or substantially obstruct the determination of their criminal origin or location, or their detection, seizure or forfeiture. No APN Promise Employee or Business Partner shall use its relationship with APN Promise to do so. Money laundering is closely linked to Corruption and therefore it can do as much damage as Corruption itself.

### Facilitating Payments & Kickbacks prohibited

Facilitating Payments and Kickbacks are expressly prohibited under this Policy. Employees must notify the Compliance Officer when identifying a Facilitation Payment request or a Kickback request.

**Payment  
Through  
Intermediaries**

**Money  
Laundering**

**Facilitating  
Payments**



## Books & Records

## Policy Application

## Monitoring

## Internal Risk Assessment

## Anti-corruption compliance monitoring

### Policy requirements

#### Accurate books and records

APN Promise develops and maintains a system of strong internal controls to prevent the payment of Bribes and provide reasonable assurance that financial statements and reporting are accurate.

APN Promise contract terms, conditions, and pricing shall be explicit and transparent, and reflect the actual economics of the deal. APN Promise does business in a transparent manner.

APN Promise Business Partners are required by both APN Promise and applicable anti-corruption laws to keep accurate books and records. Accurate books and records help ensure compliance with anti-corruption laws. False, misleading, incomplete, inaccurate, or artificial entries in books and records are prohibited.

#### Effective policy application

APN Promise consequently implements the requirements and principles established by this Policy. APN Promise follows and promotes the highest standards of ethical business conduct and ensures APN Promise Employees comply with this Policy's provisions.

#### Monitoring legislation and updating compliance standards

APN Promise is committed to continuous monitoring of all applicable legal amendments and their ongoing implementation into the Company's policies as well as other internal regulations.

#### Periodic internal risk assessment

The Company will undertake a high level, Company-wide Bribery and other financial crime risk assessment regularly, using the attached anti-corruption risk assessment questionnaire, and if specific circumstances require such a review in consequence of a material change to the Company's geographic or business coverage. The results of the analyses/interviews during the risk assessment will be documented and retained for record keeping purposes.

#### Anti-corruption compliance monitoring

To ensure that all transactions are conducted in accordance with this Policy, the Compliance Team carries out an anti-corruption compliance monitoring, based on internal control process, which consists of current verification, testing, and internal investigations. Current verification occurs daily, focusing mainly on the manner and scope of the decisions taken by dedicated Employees.

The Compliance Team conducts periodic tests (not less than on a quarterly basis) of Business Units' operating status to ensure proper functioning of the internal anti-corruption system. These reviews are structured in the testing plan that is approved by the Management Board.

Where the Compliance Team discovers significant problems in the functioning of the anti-corruption system, an internal investigation process aimed at detecting the root cause of the irregularity is initiated. The findings are reported to the Management Board in order to ensure that the necessary steps are taken to avoid or mitigate harm.

## Policy requirements

### Working with Third Parties

Under Applicable Anti-corruption Laws APN Promise and Employees are liable to ensure that all third parties, including Partners acting on its behalf or in its name are fully compliant with this Policy. APN Promise and Employees cannot direct, aid, abett, instruct or otherwise cause a third party or Partner to breach any of the principles contained in the Policy when conducting any APN Promise business.

APN Promise and Employees will ensure adequate supervision of any business conducted by third parties or Partners in its name or on its behalf, especially that all actions undertaken by such parties are adequately monitored, accounted for and documented. Furthermore APN Promise and its Employees will not ignore, deflect or otherwise not consider any signs, examples, evidence or suggestions of any actions of any such party breaching the Policy.

APN Promise and its Employees will undertake all necessary steps to investigate and, where needed, undertake all appropriate legal actions with regards to any identified instance of non-compliance with its Partners in accordance with this Policy and its enforcement procedures.

## Case Study: United States v. Kozeny, et al.

Violation: paying Public Officials to encourage the privatization of a state oil company.

### Case study developed by the Criminal Division of the U.S. Department of Justice and the Enforcement Division of the SEC

#### ***United States v. Kozeny, et al.***

In December 2011, the U.S. Court of Appeals for the Second Circuit upheld a conscious avoidance instruction given during the 2009 trial of a businessman who was convicted of conspiring to violate the FCPA's anti-bribery provisions by agreeing to make payments to Azeri officials in a scheme to encourage the privatization of the Azerbaijan Republic's state oil company.

The Court of Appeal found that the instruction did not lack a factual predicate, citing evidence and testimony at trial demonstrating that the defendant knew corruption was pervasive in Azerbaijan; that he was aware of his Business Partner's reputation for misconduct; that he had created two U.S. companies in order to shield himself and other investors from potential liability for payments made in violation of the FCPA; and that the defendant expressed concerns during a conference call about whether his business partner and company were bribing officials.

The Court also rejected the defendant's contention that the conscious avoidance charge had improperly permitted the jury to convict him based on negligence, explaining that ample evidence in the record showed that the defendant had "serious concerns" about the legality of his Partner's business practices "and worked to avoid learning exactly what [he] was doing," and noting that the district court had specifically instructed the jury not to convict based on negligence.

### Case study developed by the Criminal Division of the U.S. Department of Justice and the Enforcement Division of SEC

***At the trade show, Company A invites a dozen current and prospective customers out for drinks, and pays the moderate bar tab. Some of the current and prospective customers are foreign officials. Is Company A in violation of this Policy?***

No. Anti-corruption law was not designed to prohibit all forms of hospitality to foreign officials. While the cost here may be more substantial than the beverages, snacks, and promotional items provided at the booth, and the invitees specifically selected, there is still nothing to suggest corrupt intent.

***Two years ago, Company A won a long-term contract to supply goods and services to the state-owned Electricity Commission in Foreign Country. The Electricity Commission is 100% owned, controlled, and operated by the government of Foreign Country, and Employees of the Electricity Commission are subject to Foreign Country's domestic bribery laws. Some Company A executives are in Foreign Country for meetings with officials of the Electricity Commission. The General Manager of the Electricity Commission was recently married, and during the trip Company A executives present a moderately priced crystal vase to the General Manager as a wedding gift and token of esteem. Is Company A in violation this anti-corruption Policy?***

No. It is appropriate to provide reasonable gifts to foreign officials as tokens of esteem or gratitude. It is important that such gifts be made openly and transparently, properly

## Case study developed by the Criminal Division of the U.S. Department of Justice and the Enforcement Division of SEC

### Practise: Case Study

Decide on acceptability of the described actions.

recorded in a company's books and records, and given only where appropriate under local law, customary where given, and reasonable for the occasion.

***Company A's contract with the Electricity Commission is going to expire, and the Electricity Commission is offering the next contract through its tender process. An Employee of the Electricity Commission contacts Company A and offers to provide Company A with confidential, non-public bid information from Company A's competitors if Company A will pay for a vacation to Paris for him and his girlfriend. Employees of Company A accede to the official's request, pay for the vacation, receive the confidential bid information, and yet still do not win the contract. Has Company A violated this Policy?***

Yes, Company A has provided things of value to a foreign official for the purpose of inducing the official to misuse his office and to gain an improper advantage. It does not matter that it was the foreign official who first suggested the illegal conduct or that Company A ultimately was not successful in winning the contract. This conduct would also violate accounting regulations if the trip were booked as a legitimate business expense and suggests deficiencies in Company A's internal controls.

### Practise: Case Study

Decide on acceptability of the described actions.

## Industry-related case

***On December 26 an Employee of Microsoft contacts a cooperating Employee of APN Promise to offer a software to distribute among sellers. Knowing that such offer may prove to be unprofitable for APN Promise, apart from the standard offer, the representative proposes additional "personal remuneration" and preferential treatment in future transactions, while threatening that a refusal of purchase would have negative consequences for both the Employee and APN Promise. Is an Employee of Microsoft in violation of this Policy?***

Yes. Threats, kickbacks and unfair preferential treatment contradict the fundamental provisions of this Policy.

### Real-life Recent Microsoft Violations

## Real-life Microsoft cases reported by the Securities and Exchange Commission (2019)\*

In 2019 the American Securities and Exchange Commission discovered one of Microsoft's subsidiary's violations of the American anti-corruption regulation - the Foreign Corrupt Practices Act. The Hungarian subsidiary provided discounts on software licenses to its resellers, distributors and other third parties. As described by the SEC, instead of passing on the discounts to Microsoft's government customers, the discounts were used to fund improper payments intended for foreign Public Officials to secure software license sales for Microsoft



## Real-life Microsoft cases reported by the Securities and Exchange Commission (2019)\*

Recently it was also found, that Microsoft's subsidiaries in Saudi Arabia and Thailand provided improper travel and gifts to both foreign Public Officials and employees of non-government customers. The benefits were funded through slush funds maintained by Microsoft's vendors and resellers.

The SEC also established that Microsoft's subsidiary in Turkey provided an excessive discount to an unauthorized third party in a licensing transaction for which Microsoft's records do not reflect.

**Microsoft agreed to pay \$16 million to settle the charges.**

\* <https://www.sec.gov/enforce/34-86421-s-0>

## Roles & Responsibilities

Role	Responsibilities
<b>Compliance Officer</b>	<ul style="list-style-type: none"><li>● Responsible for implementing this Policy, the applicable laws and regulations</li><li>● Responsible for clarifying all concerns and doubts related to this Policy and all applicable laws, occurring among APN Promise's Employees</li><li>● Responsible for corrective activities (enforcement of requirements in everyday business following Compliance Officer directions) in particular subsidiary</li><li>● Responsible for compliance status monitoring - pre-approval and ex-post review as specified in particular compliance area procedures</li><li>● Responsible for incident and non-compliance reporting</li></ul>
<b>Compliance Area Owner</b>	<ul style="list-style-type: none"><li>● Responsible for implementing this Policy, the applicable laws and regulations</li><li>● Responsible for clarifying all concerns and doubts related to this Policy and all applicable laws, occurring among APN Promise's Employees</li><li>● Responsible for corrective activities (enforcement of requirements in everyday business following Compliance Officer directions) in particular subsidiary</li><li>● Responsible for compliance status monitoring - pre-approval and ex-post review as specified in particular compliance area procedures</li><li>● Responsible for incident and non-compliance reporting</li></ul>
<b>Employee</b>	<ul style="list-style-type: none"><li>● Conducting business practices and activities in accordance with this Policy, applicable law, regulations, rules and standards.</li><li>● Responsible for due diligence process in low risk cases.</li><li>● Responsible for incident and non-compliance reporting.</li></ul>
<b>Partner/Third Party</b>	<ul style="list-style-type: none"><li>● Conducting business practices and activities in accordance with this Policy and the applicable laws, regulations, rules and standards</li></ul>

## Informations

### Key Contacts

**Compliance Officer:**

Kamil Deryto

+48 607 590 493

[kamil.deryto@promise.pl](mailto:kamil.deryto@promise.pl)

**Incident & non-compliance reporting:**

[compliance@promise.pl](mailto:compliance@promise.pl)

### Version / Dates

Current Version: 1.0

**Approval: Management Board**

Date effective from:  
8 August 2019

Date of Next Review:  
January 2020

### Related documents & policies

- APN Promise Code of Conduct
- APN Promise Compliance Policy
- APN Promise Third Party's Anti-Corruption and Anti-Tax Fraud Due Diligence Policy
- APN Promise CSP Resellers' End Customer Compliance Policy
- APN Promise Internal Control Procedure Related To Sales Process
- Procedure in case of corruption events within the A.P.N. Promise S.A.
- APN Promise Internal Control Procedure Related To Sales Process



## Internal anti-corruption risk assessment

### Assessment-related instructions

In the event of identifying:

- 1) a low risk indicator - the assessing Employee makes a decision of his/her own;
- 2) a medium risk indicator - the assessing Employee must consult the Compliance Officer;
- 3) a high risk indicator - the assessing Employee shall report the case to the adequate Department Manager, who makes the decision regarding further steps in reference to the assessed transaction/Business Partner jointly with the Compliance Officer.

<b>Assessing Employee:</b>	
<b>Assessed individual/entity:</b>	
<b>Date:</b>	
<b>Cause of the assessment:</b>	



## Internal anti-corruption risk assessment - geographic risk

Criterion	Description	Level of risk indicated (high/medium/low)
<p>The perception of corruption</p> <ul style="list-style-type: none"> <li>potential sources include but are not limited to: Transparency International, locally-based resources (including Company Employees, local partners, embassies), external consultants (lawyers, accountants, investigators)</li> </ul>		
<p>The level of anti-corruption activities by the local government and the country's perceived willingness/unwillingness to tolerate corruption</p> <ul style="list-style-type: none"> <li>the presence of effective anti-corruption laws and procurement regulations,</li> <li>enforcement activity, including the imposition of significant penalties</li> </ul>		
<p>The level of government involvement in the business sector both as a direct participant (e.g. through state-owned enterprises or government investments) or as a regulator (e.g. via required approvals, permitting or licensing, taxation or other regulatory oversight)</p>		
<p>Government infrastructure, such as the rule of law, the role of law enforcement or other security forces, and the judicial system, as well as the economic infrastructure, such as banking, telecommunication, and transport systems</p>		

## Internal anti-corruption risk assessment - industry sector risk

Criterion	Description	Level of risk indicated (high/medium/low)
<p>Is this industry subject to a higher degree of regulatory scrutiny?</p> <p>e.g. is your industry subject to significant permitting and licensing requirements?</p>		
<p>The prevalence of government investigations of and oversight into this industry</p>		
<p>Do government agencies or state-owned enterprises make up a significant component of this industry's customer base</p>		
<p>The historical pattern of corruption in this industry</p>		

## Internal anti-corruption risk assessment - business and organisational risk

Criterion	Description	Level of risk indicated (high/medium/low)
<p>Any external factors specific to this kind of business operations that may make it risky?</p> <p>e.g.:</p> <ul style="list-style-type: none"> <li>● significant revenue from foreign government</li> <li>● regular interaction with Public Officials, including customs, immigration, and border control operations that depend on government contracts or critical licences</li> <li>● long-term operations such as joint ventures with government entities, including state-owned or state-controlled entities</li> </ul>		
<p>APN Promise's external profile</p> <p>e.g. media coverage, size (whether your organization is one of the largest in the sector)</p>		
<p>The potential effect of historic events on APN Promise's risk profile</p> <p>e.g. whether you have been involved in previous investigations or enforcement actions</p>		
<p>May APN Promise's internal operating structure create risk?</p> <p>e.g. more decentralized companies may present higher corruption risk</p>		

## Internal anti-corruption risk assessment - business and organisational risk

Criterion	Description	Level of risk indicated (high/medium/low)
<p>Are APN Promise's existing policies, procedures and controls adequate to address assessed risk.</p> <p>Factors to consider include but are not limited to:</p> <ul style="list-style-type: none"> <li>● Does senior management send a clear anti-corruption message</li> <li>● Do you have an appropriate compliance team in place</li> <li>● Are your anti-corruption policies and procedures adequately addressing assessed risk</li> <li>● Are policies and procedures translated into all relevant languages</li> <li>● Are you financial controls adequate to detect corruption</li> <li>● Is your training adequate</li> <li>● Are you monitoring and corrective actions systems adequate</li> </ul>		



## Internal anti-corruption risk assessment - transaction risk

Consider the specific risks that may exist for particular transactions and the prevalence of transactions which may present medium or high risks. These will include evaluating the above-mentioned factors, but also considering additional ones such as:

Criterion	Description	Level of risk indicated (high/medium/low)
Does this transaction involve charitable or political contributions?		
Does this transaction require inspection licences or permits?		
Does this transaction involve a public procurement project?		
Does this transaction include the use of intermediaries or Agents?		
Does this transaction evidence gifts, travel or entertainment provided to third parties?		

## Internal anti-corruption risk assessment - third party risk

Consider specific risks posed by different types of Business Partners, including each of the above factors and:

Criterion	Description	Level of risk indicated (high/medium/low)
The extent to which you use third parties to outsource sales or other core Company functions		
The extent to which you operate in joint ventures		
The extent to which your third parties interact with Public Officials		
Where is your third party located?		
Company/senior executive/key Employee connections to or with Public Officials		
How the third party will be compensated, including: <ul style="list-style-type: none"> <li>● is the payment based solely on performance</li> <li>● does the payment deviate from typical industry or market terms and/or APN Promise's standard practice</li> </ul>		
How third parties are selected, including: <ul style="list-style-type: none"> <li>● whether the third party was recommended by an Employee or customer</li> <li>● whether the third party was recommended or required by a Public Official</li> </ul>		

<p><b>No. of red flags identified</b></p>	<p><b>Comments</b></p>		
<p><b>Level of risk indicator</b></p>	<p><b>Low</b></p> <p><input type="checkbox"/></p>	<p><b>Medium</b></p> <p><input type="checkbox"/></p>	<p><b>HIGH</b></p> <p><input type="checkbox"/></p>
<p><b>Recommendation</b></p>			
<p><b>General Risk Assessment:</b>  (High/Medium/Low)</p>			
<p><b>Justification:</b></p>			

## Internal anti-corruption risk assessment - summary

<b>Justification:</b>	
Individuals completing this form (name, position, e-mail address)	<hr/> <hr/>
list of attachments: 1. 2. 3.	