

COMPLIANCE WHITE PAPER

Compliance.
Be mindful. Stay clean.

Reading Time: approx. 15 minutes

For us, compliance means: Be mindful. Stay clean. This is not just a motto for us, but a core basis for our business. ALLGEIER does not do business at any price, but only within the framework of legal and ethical principles. Our values, which are based on legal guidelines and social standards, are part of our external image and our corporate identity and culture.

As an internationally active company, compliance is a substantial part of our business activities. The compliance officers responsible throughout the group report directly to the Executive Board of the holding company ALLGEIER SE. The management of the ALLGEIER business units, together with their compliance officers, are responsible for the operational implementation and controlling of the compliance guidelines. Our compliance officers regularly coordinate internally on the basis of their expertise in order to achieve an overarching best practice of compliance at ALLGEIER.

Compliance is part of our corporate culture.

We do not do business at any price.

1 Overview of our ALLGEIER Compliance

ALLGEIER has created a dedicated compliance organisation to accompany our business activities. ALLGEIER Compliance is on board from the first business contact to the completion of our orders by advising our business units and accompanying our operational activities from a compliance point of view. The responsible compliance officers, data protection and IT information security officers answer questions and are involved in defined interface processes. Information on any compliance violations can be reported confidentially and without disadvantages for the whistleblower to our ombudsmen.

ALLGEIER Compliance operates on the basis of our ALLGEIER Compliance Guidelines, which cover areas such as the use of external personnel (temporary employment), anti-corruption and money laundering prevention, data protection and IT information security. We also focus on competition and antitrust issues. We have also introduced processes that ensure consistent compliance in our supply chain, i.e. with our subcontractors service providers. This shows us how the quality and adherence to compliance standards of our subcontractors is and how they can improve it in coordination with us, if necessary. More on this below.

We place particular emphasis on increasing awareness of compliance issues among our ALLGEIER employees. All our employees are therefore regularly trained in the compliance areas that concern them. This applies in particular to our sales department, our software developers and IT service providers and of course also to our management. To this end, we have developed digital training courses for all relevant compliance areas and had their quality tested by external experts.

Our digital checklists (scorecards), the Code of Conduct for Employees issued during the onboarding of new employees and additional sheets help our employees to find out whether their planned behavior is compliant.

We design compliance-relevant business processes of all kinds in an open and transparent manner and document them in a sustainable manner.

By means of regular reporting and the notification of compliance incidents, we ensure that compliance is practised in our company. Potential compliance incidents can be reported confidentially to our ombudsmen. Compliance incidents are recorded and reported via our digital database. By means of spot checks and audits, we evaluate where ALLGEIER stands in terms of compliance and what we need to improve in the future. We also use external experts for this purpose.

ALLGEIER has established a dedicated compliance organisation. It defines and implements appropriate processes and monitors compliance with them.

We make sure that our subcontractors are also compliant.

Completion of digital training is mandatory for our employees.

Digital checklists help to find out whether a behavior is compliant.

Regular reporting and following up on compliance incidents are basic principles for us.

2 Details of our Compliance Areas

By means of business risk analyses, we determine in which areas (compliance modules) our focus and main risks lie. In addition to the use of external staff with its risks of employee leasing and bogus self-employment, we also prioritize IT information security and data protection. This does not mean that we do not devote our full attention to the other compliance modules.

2.1 Use of External Personnel (temporary employment)

When using external personnel, both in the provision of our own staff and in the purchasing of external personnel, we distinguish before any order whether or not a service contract is possible according to the differentiation criteria for temporary employment of personnel. We do this in purchasing on the basis of a so-called consultant's self-assessment, which we give to the service providers, freelancers, etc. to fill out as a questionnaire. Otherwise, we check, for example on the basis of our own digital checklists (scorecards), whether a service is eligible for a services contract or whether a temporary employee contract is to be concluded. If circumstances change later in the practical provision of services or in the contents of the contract, we check the original result again. In order to always act in accordance with the law, we coordinate with our contractual partners on any measures to be taken, if necessary.

Before deploying external personnel, we check whether a service is suitable for service contracts. During the practical performance of the service, we check the original result.

2.2 Anti-Corruption (benefits/gifts & invitations)

Our employees are sensitized to both giving and receiving benefits. For us, the term "benefits" also includes sponsoring activities, donations and memberships. But we also consider the granting of other material or immaterial benefits, e.g. the awarding of contracts or jobs. Every employee has access to our digital checklist (scorecard) for benefits. According to a certain catalogue of questions and criteria, it is determined whether, for example, a gift or an invitation may be given or accepted. We take a particularly critical look at benefits to public officials or persons of equal status. In particular, we respect the existing guidelines of our business partners. We always grant benefits in any form transparently and record them in our books.

Using digital checklists, our employees can determine whether a benefit is compliant or not. We make donations transparent.

2.3 Anti-Money Laundering

Even if this is not our most likely risk, money laundering prevention does affect ALLGEIER in the sense that the services of the group of companies fall under the concept of a so-called goods trader according to the German Money Laundering Act. In this respect, ALLGEIER is subject to certain obligations with regard to the implementation of conditions concerning organisation, procedures and contents. For example, we have appointed a person responsible for anti-money laundering matters in each corporate unit, as well as a member of management with decision-making authority for anti-money laundering matters. In most cases, these are also our compliance officers. Appropriately and depending on the respective risk, we define and take measures to prevent the risk of money laundering and terrorist financing. This mainly applies to our contacts and offers to our customers (know-your-customer principle) and the transactions intended with them.

As a so-called goods trader, ALLGEIER basically belongs to the group of obligated parties for the prevention of money laundering.

2.4 Cooperation & Exchange of Information (antitrust law)

We exchange confidential, company-relevant information with our business partners or, in some cases, enter into exclusive cooperation agreements or other arrangements with them. We market our ALLGEIER products and services through resellers, among others. In doing so, we are aware of the possible competition and antitrust law conditions that may arise. Our special antitrust e-trainings for our employees, especially in sales, as well as a digital checklist (scorecard) help us to make an initial assessment. Due to the increased complexity of individual cases, we always offer advice from our competent Legal & Compliance Officers. In the case of cooperation agreements in joint ventures and reseller agreements etc. we strive for a more intensive legal examination. If the circumstances of the individual case or the legal situation have changed later, we reassess our original result.

In particular, exclusive cooperation and reseller agreements are the focus of a special antitrust law review at our company.

2.5 Business Partner & Code of Conduct

ALLGEIER wants to ensure that not only we ourselves, but also our supply chain, i.e. subcontractors (service providers, freelancers including cooperation partners) are compliant. They are contractually bound to adhere to the ALLGEIER Code of Conduct for Business Partners, which references all key compliance areas. In addition, certain business partners must complete a so-called Business Partner Check (BP Check). A BP Check is a questionnaire of questions from various compliance areas, which the business partner answers independently and confirms its correctness and completeness. For certain business partners, a simple self-assessment about possible bogus self-employment / temporary employment risks is sufficient. Both the BP Check and the self-assessment are usually requested by the ALLGEIER buyer from the business partner before an order is placed. The BP Check results are stored in a Business Partner database. Existing BP Checks entries are checked on a random basis. BP Checks must be updated by the Business Partner (BP), usually every two years at the latest. Information obtained on the BP's

We ensure that not only we, but also our business partners in the supply chain are compliant.

compliance status and reports of compliance violations by business partners (e.g. in the press, on the Internet, etc.) are also taken into account. Should our business partners violate compliance regulations, appropriate measures for improvement will be determined in consultation with them. Should this not be successful, ALLGEIER reserves the right to take contractual measures up to and including termination of the contract. Likewise, an internal blacklisting of the business partner can take place, which can exclude the business partner from further orders with ALLGEIER for a certain period of time.

2.6 Data Protection & Personal Rights

The protection of personal data and the personal rights of natural persons is an important concern for us. In accordance with the General Data Protection Regulation (GDPR), we are required to take technical and organisational measures to ensure that legal data protection requirements are met. Data protection is organized via the ALLGEIER data protection organisation with the data protection officers and coordinators and their implementation and compliance is monitored and continuously improved. To this end, we have established various processes and created and introduced guidelines for data protection-compliant processing, for ensuring the rights of data subjects and for handling data protection violations. At the same time, a reporting system adapted to data protection has been defined.

ALLGEIER has its own data protection organisation.

2.7 Information Security

We see the growing cybercrime, which attempts to disrupt business processes or to steal information and valuable know-how worth protecting from ALLGEIER and our business partners, with appropriate protective measures at the organisational, technical and awareness levels. ALLGEIER has original in-house know-how in information security, which we not only offer to our customers, but also use for ourselves and the products and services we offer. In doing so, we follow the standards of the ISO/IEC 27000 series, even if we are not certified according to these standards in all of our group units.

With our original security know-how, we protect our data as well as that of our business partners.

2.8 Anti-Discrimination & Mobbing

ALLGEIER does not tolerate any discrimination on the grounds of race or ethnic origin, gender, religious affiliation or world view, disability, age or sexual identity. The same applies to harassment and mobbing. Already during the recruiting process, we make sure that everyone has the same opportunities with us and that they retain them later on after being hired. In the event of complaints, our ombudspersons serve as contact persons for anti-discrimination and mobbing.

Satisfied employees are our backbone. We do not tolerate discrimination or mobbing.

2.9 Conflicts of Interest/Insider Trading

Regular M&A activities are part of ALLGEIER's strategy. We therefore pay special attention to so-called insider trading. We draw attention to these risks via our digital trainings for all employees. In accordance with the Market Abuse Directive, we publish insider information in a timely manner (ad-hoc notification) in order to minimise the risk of insider trading. So-called directors' dealings are subject to internal reporting and are published, as required by law. In the event of potential conflicts of interest, the following applies to us above all: communication, coordination, documentation.

We pay particular attention to insider trading.

2.10 Corporate Governance

Not only external standards, laws and other regulations are important to us, but also our internal business organisation with its processes, internal rules and supplementary guidelines. These help us to make our business better and more efficient - for us, but above all for our customers. Functioning processes ultimately save time, money and nerves. Our internal processes are particularly effective at the points in our operative business that are crucial for our customers - from the offer to order processing in the project and in the operation of IT solutions. In order to define such processes, we identify a best practice in our group units, which we then pass back to the ALLGEIER business units for consistent implementation, adapted to a specific business model, if necessary.

ALLGEIER internal guidelines on operational processes must be adhered to. This saves time, money and nerves.

We hope we have been able to show you how important compliance is for us and our daily activities. With our ALLGEIER White Paper, we have tried to give you some initial insights. Of course, we cannot present all of our established compliance processes here. Should you have any further questions, please do not hesitate to contact your ALLGEIER contact person or the Compliance Officer responsible for the respective company unit. They will be happy to help you.

Thank you for your time. Please feel free to contact us if you have any further questions.

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