

Planmeca Group – Global Anti-Corruption Policy

Introduction

Planmeca Group is committed to continuously developing corporate responsibility in its operations. Prohibiting corruption, bribery, and fraud is an integral part of this mission. The purpose of this Anti-Corruption Policy is to ensure that Planmeca Group companies and employees comply with all applicable anti-corruption, anti-bribery, and anti-fraud laws globally in their day-to-day business activities.

This policy has been drafted since the compliance with anti-corruption, anti-bribery and anti-fraud laws is in the best interest of Planmeca Group. Any conduct that is against applicable anti-corruption, anti-bribery and anti-fraud laws is not only illegal, but it also weakens the business efficiency. Additionally, monetary penalties and reputational risks relating to such infringements are significant.

Planmeca Group's management requires all Planmeca Group employees to comply with applicable anti-corruption, anti-bribery, and anti-fraud laws. Supervisors must ensure that the employees of Planmeca Group understand the contents of this policy and comply with it.

Planmeca Group's Head of Compliance and Corporate Responsibility and Chief Financial Officer have oversight over this policy. Head of Compliance and Corporate Responsibility and Chief Financial Officer also have the authority and duty to report any breaches of the policy to the management. Sufficient resources shall be given to Head of Compliance and Corporate Responsibility and Chief Financial Officer to ensure that Planmeca Group complies with this policy.

Scope of the policy

Planmeca Group has adopted this policy with respect to its global operations. This includes all group companies, joint ventures, partnerships, and business segments. This policy applies to all Planmeca Group employees, including the management.

Planmeca Group will reasonably endeavour to influence entities not controlled by Planmeca Group, but acting on its behalf, to implement their own sufficiently similar policies in order to mitigate risk of violation of any applicable anti-corruption, anti-bribery, and anti-fraud laws.

This policy should be read in conjunction with Planmeca Group's Global Code of Conduct. Each and every employee of Planmeca Group has a responsibility to comply with this Anti-Corruption Policy and Planmeca Group's Global Code of Conduct.

Definitions

"Anti-corruption, anti-bribery, and anti-fraud laws" refer to all global laws that apply to Planmeca Group in the area of corruption, bribery, and fraud, including the legislation in all EU countries, the US Foreign Corrupt Practices Act and The UK Bribery Act.

"Bribe" means an inducement or reward offered, promised, or provided in order to gain any commercial, contractual, regulatory, or personal advantage. A bribe can be of any value, including gifts, cash, cash equivalents, services, entertainment, or other courtesies. Bribes can be given directly or indirectly using intermediaries.

“Chief Financial Officer” means the Chief Financial Officer of Planmeca Group.

“Competitive tendering” means a competitive process in which Planmeca Group participates to offer its products or services.

“Corruption” means the abuse of entrusted power for private gain. Activities classified as corruption may be illegal, such as bribery or fraud, or just unethical. Corrupt activities may be undertaken by private individuals, public officials, politicians, and business operators.

“Distributor” refers to any distributor of a Planmeca Group company.

“Election and political party funding” means the funding of any political party or electoral candidate anywhere in the world.

“Employee” means the employees, officers, supervisors, and directors of a Planmeca Group company.

“Facilitation payment” means a small bribe, which is usually made to a government entity to secure or expedite the performance of a routine or necessary action to which the payer has legal entitlement.

“Fraud” means the offence of intentionally deceiving someone in order to gain an unethical, unfair, or illegal advantage. Most countries consider such offences to be criminal or a violation of civil law.

“Government entity” refers to any governmental actor, including all levels and subdivisions of government from national to local, any representatives, employees and officials of governments, any political parties, public officials and electoral candidates, any state- or government-owned entities or corporates and their employees, and any international organisations.

“Head of Compliance and Corporate Responsibility” means the Head of Compliance and Corporate Responsibility of Planmeca Group.

“Kickback” is a form of bribe, in which an employee of a company or a government entity colludes with a provider to grant the provider a benefit (for example a contract) in exchange of receiving a remuneration.

“Lobbying” means unofficial negotiation through which the lobbyist aims to influence societal decision-making. It is targeted at both decision-makers and public officials preparing the decisions.

“Management” refers to Planmeca Oy’s Board of Directors and Management Board.

“Planmeca Group” refers to Planmeca Oy and all of its direct and indirect subsidiaries and all of their employees, officers, directors, and anyone acting on behalf of Planmeca Group, including third parties.

“Public procurement” refers to a competitive tendering for a government entity.

“Representative” refers to anyone acting on behalf of Planmeca Group, including distributors, agents, consultants, and others aiming to secure or retain business opportunities for Planmeca Group.

“Supervisor” refers to an employee of Planmeca Group who has one or more persons reporting to them.

“Supplier” means any Planmeca Group supplier.

Anti-corruption, anti-bribery and anti-fraud provisions

Compliance with anti-corruption, anti-bribery and anti-fraud laws

All business activities and other operations of Planmeca Group shall be carried out in strict compliance with all applicable laws and this Anti-Corruption Policy. Corruption, bribery, and fraud are strictly illegal and punishable for both individuals and companies in most countries. Despite applicable laws, corruption does occur. Therefore, we expect our employees as well as our suppliers, distributors, and other representatives that we work with to take responsibility for prohibiting illegal and unethical behaviour.

Prohibition of corruption, bribes, kickbacks, facilitation payments and fraud

It is prohibited, directly and indirectly, to give, promise to give, offer, or accept a payment, a gift, hospitality, or entertainment to or from third parties on behalf of or in the name of Planmeca Group with an expectation or a promise of a business advantage. The improper and illegal payments include bribes, facilitation payments, and kickbacks of all kinds. If the purpose of the payment, gift or hospitality is suspected improper, it shall not be accepted.

All fraudulent conduct is prohibited in the operations of Planmeca Group. All corporate invoices, accounts, and other documents and records should be prepared and maintained with strict accuracy and completeness. No records shall be kept secret to facilitate or conceal improper payments. All employees must record and report all financial information accurately and follow all internal accounting controls. Any record falsification as well as not making proper and complete disclosures in a timely manner is strictly prohibited.

Employees must ensure that they act in compliance with anti-corruption, anti-bribery, and anti-fraud laws. The fact that an illegal act might be local practice in some jurisdictions is not an acceptable reason to violate this Anti-Corruption Policy or applicable laws.

Working with government entities, public procurements and competitive tendering

Planmeca Group is committed to fair business. Each employee must ensure that they comply with competition and public procurement regulations and Planmeca Group's competition law guidance in their in day-to-day business activities.

Working with government entities poses a heightened risk for corruption. When working with government entities, all employees must pay special attention to any red flags.

All applicable competition laws and regulations must be followed in competitive tendering.

Working with health care professionals

Many countries have specific legislation governing interactions between companies and health care professionals that require compliance from each Planmeca Group employee working in that specific jurisdiction.

Planmeca Group products must be promoted, among other appropriate qualities, based on their superior quality, pricing, obtained certifications, and any governmental and regulatory approvals. Unethical or illegal communications and marketing practices are not allowed. An appropriate business purpose is required for all interactions with health care professionals.

Working with distributors, suppliers and other representatives

Planmeca Group prohibits all forms of corruption in all circumstances. This applies also for using any third parties, including distributors, suppliers, or other representatives, to facilitate bribery or other forms of corruption. All business decisions within Planmeca Group must be made without an improper influence from third parties.

Planmeca Group's suppliers and distributors are required to accept Planmeca Group's Global Supplier and Distributor Code of Conduct. All Planmeca Group employees working with distributors and suppliers should ensure that our distributors and suppliers accept, are aware of the obligations of, and comply with our Distributor and Supplier Code of Conduct.

Planmeca Group employees, who interact with suppliers and distributors or oversee their selection, must ensure that all suppliers and distributors are reputable and comply with Planmeca Group's high ethical standards.

It must be ensured that required third-party due diligence procedures regarding suppliers and distributors, such as adverse media and anti-corruption screenings, are followed.

Election and political party funding

Planmeca Group does not make, and expects its business partners not to make, contributions to politicians or political parties with an intention to influence political community, political decision-making process, or legislative processes.

Charitable contributions

Planmeca Group contributes to the surrounding society. However, monetary and other contributions to charities must always be handled with caution because they can be conduits for corruption. In order to minimise the risks related to corruption, it must be ensured that chosen charitable partners comply with Planmeca Group's high ethical standards and that they are reliable and transparent. This policy must be followed when donating to any charitable causes.

Gifts, hospitality and entertainment

This Anti-Corruption Policy does not prohibit reasonable and appropriate gifts, hospitality, or entertainment given to or received from third parties. Hospitality and gifts are considered normal and appropriate when they fulfil all of the following criteria:

- They comply with the applicable legislation, including anti-corruption, anti-bribery, and anti-fraud laws
- They are not intended for influencing a third party to obtain or reward the provision of a business advantage or to exchange explicit or implicit favours or benefits
- They are not offered by or accepted from a government entity, without the prior approval of the employee's supervisor
- They are given on behalf of Planmeca Group and not personally
- They do not include cash, gift cards, vouchers, or other cash equivalents
- They are given openly, not secretly.

Periodic risk assessment

Planmeca Group's anti-corruption efforts are based on risk assessments that Planmeca Group performs on a periodic basis. Risk of corruption, bribery, fraud, and other forms of corruption may differ depending upon the location of the business activities, as well as the companies and individuals who we do business with. Planmeca Group's Head of Compliance and Corporate Responsibility shall conduct a periodic risk assessment regarding Planmeca Group's exposure to corruption risks and its compliance with this Anti-Corruption Policy.

Red flags for corruption, bribery and fraud

- A transaction involves a government entity
- Representatives or any type of intermediaries are used to conduct business
- Credit cards are used improperly by a Planmeca Group employee or any third party, including representatives, suppliers, or end-user clients
- Funds allocated for a specific programme are used for unrelated programmes
- A false claim for expenses by a Planmeca Group employee or any third party
- A supplier requests payment for work they have not performed
- Altering payment amounts or other details of invoices or documents
- Collusive bidding in a competitive tendering or public procurement
- Overcharging a client by a Planmeca Group employee or a supplier overcharging Planmeca Group
- Unrecorded transactions, falsified transactions, or recorded transactions for incorrect sums
- Cash borrowed by a Planmeca Group employee without an authorisation or stolen cash
- Supplies or equipment stolen or borrowed without acceptance
- Manipulation of the procurement process, including an undisclosed conflict of interest
- Not recording charitable donations wholly or partially
- False insurance claims
- Inappropriate use of assets for personal purposes
- A distributor, supplier or end-user client is located in a country that has widespread corruption
- A distributor or supplier refuses to comply with Planmeca Group Global Distributor and Supplier Code of Conduct
- A representative lacks the facilities or staff to perform the agreed services or is otherwise new or inexperienced in the business
- Odd requests from representatives, such as modification of invoices or other official documentation
- A representative tries to hide the identity of their beneficial ownership or do the same for their end-user clients
- A representative asks for commission rates significantly higher than market pricing
- Artificial payment mechanisms such as bank accounts in third countries.

Training and certification

Where applicable, all new Planmeca Group employees must certify that they have access to this Anti-Corruption Policy, that they have received, read, and understood it, and that they will comply with this policy for the whole duration of their employment. Annual trainings and relevant certifications will be directed to employees working in identified risk areas.

Whistleblowing

All Planmeca Group employees are encouraged to report suspected breaches or misconduct to their supervisors. If employees do not feel comfortable doing this, they can always report the matter to a representative of the Human Resources, Legal or Compliance departments, or to any management representative. To foster a speak-up culture and to comply with applicable laws, Planmeca Group operates a whistleblowing channel, in which reports of misconduct can also be made. Each Planmeca Group employee is encouraged to report any breaches or suspected breaches they encounter, regardless of whether they concern the law, applicable regulations, our own Global Code of Conduct, or this Anti-Corruption Policy.

Through the whistleblowing channel, all Planmeca Group employees and stakeholder representatives are able to report any witnessed or suspected violations confidentially and anonymously. Breaches or suspected breaches can be reported even when the reporting party is not absolutely certain of whether a breach has been committed or not. However, the reporting party must have just cause to suspect that a breach was committed.

Planmeca Group is prohibited from retaliating against the reporting party for reporting any breaches or suspected breaches. Planmeca Group is also prohibited from attempting to prevent a person from reporting information on breaches.

Planmeca Group counts on each employee to do the right thing and act in the best interests of Planmeca Group.

Further information

If you have any questions regarding this policy, or if you are unsure of the right course of action, you can always contact the Planmeca Group's Compliance Department by email at compliance@planmeca.com.

In case you wish to report a case on the whistleblowing channel, you can access the whistleblowing channel here: <https://report.whistleb.com/en/planmeca>.

Changes to this policy

This Anti-Corruption Policy is maintained by Planmeca Group's Compliance Department.

The mandatory reviewer of this policy is Planmeca Group's Head of Compliance and Corporate Responsibility.

The mandatory approver of the policy is Planmeca Group's Chief Financial Officer.

The English version of this policy has been approved. The approved version will be translated into applicable languages.

Version history

Reviewed on 7.8.2023

Reviewed on 08.03.2020

Originally published on 25.06.2015.

References

UN Convention Against Corruption

www.unodc.org/documents/treaties/UNCAC/Publications/Convention/08-50026_E.pdf

OECD Anti-Bribery Convention

www.oecd.org/corruption