



Anti-bribery Policy

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1. PURPOSE AND SCOPE

IQNet Ltd is committed to undertake certification activities in such a manner as to ensure the highest levels of professionalism, fairness, honesty and transparency and prevent receiving or offering bribery in all its forms. This is reflected in every aspect of operations, activities and at all levels of the organization.

A bribe may include a payment, benefit or gift offered or given with the aim of influencing or in return of a decision or outcome such as a certification decision or outcomes of an audit or assessment.

Friendly and safe channels are made available to all interested parties to alert, inform or complain with any bribing and corruption related issue. Procedures were defined (P041 Complaints and Appeals procedure) to address complainants (or whistle-blowers) protection and prevent retaliation.

All IQNet Ltd management, committee members and personnel and IQNet Ltd Representatives' involved personnel shall have access to anti-bribery related awareness information, including this document and training material.

The anti- bribery and corruption statement shall be publicly accessible and be used when addressing the issue with internal and external parties.

This policy is applicable to IQNet Ltd management, committee members and personnel, either directly employed or acting on behalf of IQNet Ltd (including auditors, trainers, technical specialists, translators, observers, etc.). This policy extends to all IQNet Ltd operations, including operations conducted by any IQNet Ltd Representatives' offices, subsidiaries and personnel in connection to the services under the scope of the signed Representative Agreement.

2. IQNet Ltd ANTI-BRIBERY AND CORRUPTION RISK COUNTRY'S PROFILE

Taking into consideration available information and indicators from governmental organizations and NGOs on anti-bribery and corruption related issues, IQNet Ltd has established a Country's profile for the countries where audit and certification services are delivered.

Each country anti-bribery and corruption characterization supports its inclusion in different risk categories: insignificant, moderate, sensitive, high and extreme and complements accreditation criteria. The anti-bribery and corruption risk assessment is presented at the annual Impartiality Committee meeting for debate and agreement.

Additional bribery preventing measures, then the ones established in this document, can be taken as an outcome of the risk assessment, in particular for high and extreme risk countries.

3. OUTBOUND AND INBOUND BRIBING PREVENTION AND DETECTION MECHANISMS

3.1 Outbound Bribery

Outbound bribery stands for IQNet Ltd and Representatives personnel bribing others on behalf of IQNet Ltd (e.g., to win business), mainly including:

- a) Gifts, hospitality, transport, donations or similar benefits;

Market practices might vary in the countries or regions where IQNet Ltd operates and, to this end, what is normal and considered acceptable in one place, might not be accepted in another.

No IQNet Ltd management, committee members and personnel and IQNet Ltd Representatives' involved personnel shall offer or facilitate any form of benefit or value, including currency, goods, services or entertainment to any party, directly or indirectly related to an IQNet Ltd social compliance or social management system service.

No IQNet Ltd management, committee members and personnel and IQNet Ltd Representatives' involved personnel shall offer gifts, whether goods or services, to any party directly or indirectly related to an IQNet Ltd social compliance or social management system service.

There is no minimum threshold (acceptable value) for any offered benefits or gifts.

External auditor/inspector (external to IQNet Ltd) travelling, accommodation and meal expenses are to be supported only when necessary for the proper undertaking of the planned duties and associated with reasonable or previously defined criteria.

Expenditure payment of family members or friends, as well as holidays or recreational expenses are completely prohibited.

Political or charitable donations, client or public personnel travel payment and membership offer of any kind shall be prohibited, as well as any concealed personal favours, in a business context. If contributions of a similar nature are considered (e.g., event participation, social action plan, etc) the expenditure shall be properly documented, approved and avoid being performed during or immediately before/after any contract negotiations.

Any sponsorship, community benefit, or combined/included training offer shall be detailed, planned and documented in a marketing plan or similar document, with defined application criteria and duly approved. No audit and/or certification service quotation can be entirely covered with such benefits or include them in a non-transparent or discriminatory way.

- b) Facilitation payments and other business context payments

Any payments which are intended to influence or could reasonably be perceived to influence a tender or other decision in favour of IQNet Ltd shall be prohibited.

If a payment to a client or public organization or to its personnel or representative is deemed necessary in a business context (e.g., to buy a tender related document), it shall be assured that:

- The payment is permitted by demonstrable applicable law or client/public regulations;
- An IQNet Ltd or Representative appropriate manager approve the payment;
- A payment receipt is required.

Personnel evaluations, promotions, bonuses and other performance-based rewards can encourage, even unintentionally, personnel to participate in bribery. It shall be made clear to all personnel that any kind of payment as to improve their performance rating (e.g., achieving sales targets) is not acceptable, will not be tolerated and will result in disciplinary action.

In extraordinary situations, payments can be requested to IQNet Ltd management, committee members and personnel and IQNet Ltd Representatives' involved personnel through a real or perceived fear for their or someone else's health, safety or liberty. If, in case of imminent danger IQNet Ltd management, committee members and personnel and IQNet Ltd Representatives' involved personnel are forced to make such payments, an immediate communication their superior or appropriate manager shall take place. The event shall be investigated, and the payment correctly recorded in the accounts. The outcome of the investigation may include the reporting of the payment to relevant authorities (e.g., if appropriate or required by law).

IQNet Ltd and Representatives keep financial records and maintains appropriate internal controls in place, which evidence the business reason for making any payments to third parties.

3.2 Inbound bribery

Inbound bribery is related to the bribing of IQNet Ltd management, committee members and personnel and IQNet Ltd Representatives' involved personnel by others. If it occurs, it will probably be directed to IQNet Ltd personnel that are able to make or influence a decision (namely auditors and intermediate managers) and include:

- a) Gifts, hospitality, transport, donations or similar benefits;

No IQNet Ltd management, committee members and personnel and IQNet Ltd Representatives' involved personnel shall solicit, accept or facilitate any form of benefit or value, including currency, goods, services or entertainment from any party, directly or indirectly related to an IQNet Ltd social compliance or social management system service. As it is not possible to always understand the motivation or rationality of the individual providing the benefit or value, there is no minimum threshold (acceptable value) for any items received.

No IQNet Ltd management, committee members and personnel and IQNet Ltd Representatives' involved personnel shall accept meals, except for beverages such as water, coffee, tea or soda which are customarily provided to visitors at the facility, from any party, directly or indirectly related to an IQNet Ltd social compliance or social management system service. The respective personnel shall pay for the respective meals at the current market rate, obtain a receipt to evidence payment and submit the receipt to IQNet Ltd for reimbursement.

No IQNet Ltd management, committee members and personnel and IQNet Ltd Representatives' involved personnel shall accept transportation from any party directly or indirectly related to an IQNet Ltd social compliance or social management system service. In the event such personnel is provided transportation by any party directly or indirectly related to a social compliance or social management system service (for example in cases where the audit location is not otherwise reachable), it is required to pay for the transportation at the current market rate, obtain a receipt to evidence payment and submit the receipt to IQNet Ltd for reimbursement.

No IQNet Ltd management, committee members and personnel and IQNet Ltd Representatives' involved personnel shall accept gifts, whether goods or services, from any party directly or indirectly related to an IQNet Ltd social compliance or social management system service.

The refusal of a gift in certain situations and/or countries might be regarded as an offense. However, as it is not possible to always understand the motivation or rationality of the individual providing the benefit or value, there is no minimum threshold (acceptable value) for any items received.

In case of any doubt or concern, the involved IQNet Ltd management, committee members and personnel and IQNet Ltd Representatives' involved personnel shall contact IQNet Ltd Technical Manager or Managing Director for approval. Any situation not complying with the above criteria shall be transparently documented and supervised.

b) Additional payments

No payments are to be made to IQNet Ltd or its Representatives apart from the certification costs and fees stated in the audit and certification rules and included in the quotation signed by IQNet Ltd, the involved representative and its client.

All payments shall be supported by a formal receipt and cash payments should be restricted.

Payments made directly to auditors are prohibited. Extraordinary situations may occur if duly authorized by an appropriate manager and supported by an official document.

c) Conflict of interest

The control of conflict of interest such as family, financial or related to any previous or current connection or relationship that, in fact or in appearance, may create an incentive to report anything other than the true and accurate facts gathered during a social compliance or social management system audit and/or certification are dealt with by the certification community for a long time, normally related to impartiality assurance issues.

IQNet Ltd manages conflict of interest in detail when assessing impartiality risk and through contractual arrangements.

3.3 Raising concerns and bribery detection mechanisms

IQNet Ltd established anti-bribery and corruption related communication channels and responsibilities, available for those who, in good faith or based on a reasonable belief, wish to raise a concern about attempted, actual or suspected bribery or breaches of IQNet anti-bribery policy.

Although reporting on these issues may be done anonymously, confidentiality criteria are applicable to protect the identity of the internal/external reporter and of any others involved, except to the extent required to progress or conclude an investigation or by the law.

Any reporting on these issues will be classified as a complaint (and follow complaint communication channels) and should be addressed to the IQNet Ltd Technical Manager or to the Managing Director. Each IQNet Ltd Representative shall identify an appropriate manager with the responsibility to provide advice to internal or external parties on what to do if faced with a concern or situation which could involve bribery.

Retaliation on involved personnel or parties is strictly prohibited and mechanisms are in place to assure it (e.g as defined for complaint handling).

4. INVESTIGATING AND DEALING WITH BRIBERY AND FOLLOW UP ACTIONS

4.1 Investigation of bribery issue

The related investigation will depend on the circumstances of each issue of bribery, or breach of anti-bribery controls, which is reported, detected or reasonably suspected. The investigation should be carried out by someone not involved in the bribery issue, who will be given authority, resources and direct access to IQNet Ltd Board of Directors. The investigation aims to establish the facts and collect all necessary evidence.

During the investigation of bribery issues:

- No related statements shall be made (risk of defamation);
- Applicable law must be considered (e.g., including legal advising);
- The issue shall be kept confidential;
- Personnel involved shall be protected from any retaliation;
- Results shall be frequently communicated to IQNet Ltd Technical Manager and Managing Director and, if relevant, to the Board of Directors.

4.2 Follow up actions.

Once a bribery investigation is completed and/or has sufficient information to support a decision, a report shall be made to the IQNet Ltd Impartiality Committee and Board of Directors. In case of proven bribery event, the Board of Directors shall decide on the following:

- Related to IQNet Ltd management, committee members or personnel and IQNet Ltd Representative related personnel, irrespective of being an inbound or outbound event, the following actions shall be undertaken:
 - o Termination of the respective employment of contractual relationship with the involved individual;
 - o Report illegal conduct to the local authorities if such reporting is mandated by local laws;
 - o Taking actions to mitigate or deal with any possible legal consequences;
 - o If the issue arose due to inadequate anti-bribery criteria, taking immediate steps to review procedures.
- Related to IQNet Ltd clients and other interested parties, depending on the circumstances and the severity of the issue, the follow up action shall include one or more of:
 - o Terminating, withdrawing from or modifying IQNet Ltd involvement in a project or contract;
 - o Raising of critical non-conformities, suspending or withdrawing certification of an involved client;
 - o Repeating the audit activity with a newly appointed audit team;
 - o Repaying or restitution of any improper benefit obtained;
 - o Reporting illegal conduct to the local authorities if such reporting is mandated by local laws;
 - o Taking actions to mitigate or deal with any possible legal consequences;
 - o If the issue arose due to inadequate anti-bribery criteria, taking immediate steps to review procedures.

5. PUBLIC ANTI-BRIBERY STATEMENT

In IQNet Ltd we are committed to undertake our activities in such a manner as to ensure the highest levels of professionalism, fairness, honesty and transparency and prevent receiving or offering bribery in all its forms. This is reflected in every aspect of our operations, activities and at all levels of our organization.

Anti-bribery Policy

Our policy as a certification body is to comply with all laws, rules and regulations governing anti-bribery and corruption, in all countries where we operate. We have a “zero tolerance” approach to acts of bribery and corruption, by ensuring that no bribes or corrupt payments are made, offered (outbound), sought or obtained (inbound) either by IQNet Ltd management or personnel or by anyone acting on our behalf.

Through the establishment of gifts, hospitality and other benefits criteria, strictly forbidding any situation which are intended to influence, or could reasonably be perceived to influence a tender or other decision in favour of IQNet Ltd, implementing appropriate financial and non-financial control procedures, IQNet Ltd aims to comply with legal and ethical obligations and to support our commitment to integrity, transparency and credibility.

On the other side, IQNet Ltd management or personnel or anyone acting on our behalf shall not solicit, accept or facilitate any form of benefit or value, including currency, goods, services, entertainment, meals or transport from any party, directly or indirectly related to an IQNet Ltd social compliance or social management system service. As it is not possible to always understand the motivation or rationality of the individual providing the benefit or value, there is no minimum threshold (acceptable value) for any items received.

We established anti-bribery and corruption related communication channels and responsibilities, available for those who, in good faith or based on a reasonable belief, wish to report or raise a concern about attempted, actual or suspected bribery or breaches of IQNet anti-bribery policy.

Confidentiality will be assured throughout the communication/detection and investigation process, and we will strive for the protection of reporter/complainant and other involved, as “zero tolerance” is also applicable regarding any retaliation issue.

This policy is applicable to IQNet Ltd management, committee members and personnel, either directly employed or acting on behalf of IQNet Ltd (including auditors, trainers, technical specialists, translators, observers, etc.). This policy extends to all IQNet Ltd operations, including operations conducted by any IQNet Ltd Representatives offices, subsidiaries and personnel in connection to the services under the scope of the signed Representative Agreement.

6. FINAL PROVISIONS

It shall be continuously reviewed for adequacy and relevance to maintain the undertaken commitment.

The IQNet Ltd Anti-bribery Policy was approved by the Board of Directors of IQNet Ltd.

IQNet Ltd, Bern/Switzerland

A handwritten signature in blue ink, appearing to read "Pedro Castro Alves".

Pedro Castro Alves
Managing Director