

Compliance Policy

Principles of Integrity-Based Behaviour

Impeccable ethical behaviour in business dealings is a basic prerequisite for creating and maintaining a trusting and fair environment to benefit all concerned. We, the staff of SOFTPRO, live and work according to these principles and also expect this of our suppliers and partners.

The principles of integrity-based behaviour below are aimed at two objectives:

- Creating a joint understanding in respect of integrity in business dealings, supported by all SOFTPRO companies and SOFTPRO staff.
- Preventing violations of integrity in business dealings by defining unacceptable behaviour in business life for all SOFTPRO companies and SOFTPRO staff.

The "Principles of Integrity-Based Behaviour" cover the following topics:

- Money laundering prevention
- Data privacy protection
- Relationships with customers, suppliers and partners
- Cooperation with governmental agencies
- International trade controls (ITC)
- Compliance with competition and antitrust laws
- Dealing with the property of the company and of our business partners
- Controlling
- Environmental protection, health and safety
- Active and passive bribery
- Gifts and gratuities
- Handling conflicts of interest

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Definition of integrity-based behaviour

«Integrity in business dealings» is defined as an ethical behaviour in business matters that is in harmony with the SOFTPRO corporate principles and that complies with local, national and international laws and all relevant SOFTPRO provisions and regulations. The preconditions determining appropriate behaviour in business dealings must be assessed in each individual case allowing for the relevant situation applicable to the individual case. It must be noted that legal and societal standards change over the course of time. Consequently, the required behaviour must be redefined in ongoing manner.

Responsibility of staff and employer

Each member of staff of SOFTPRO is personally responsible for maintaining integrity in business dealings. All members of staff must ensure that they are familiar with and understand the relevant legislation and SOFTPRO regulations and provisions. Members of staff are consequently responsible for behaving in accordance with the provisions of this Directive. If there are questions or unclear aspects in respect of interpretation of the Directive, the staff must consult their superiors or the SOFTPRO Compliance Manager. SOFTPRO offers its staff the appropriate, necessary information, further-education opportunities and assistance required for enabling them to comply with this Directive.

No members of SOFTPRO staff may suffer disadvantages in complying with the provisions of this Directive or in reporting possible violations or conflicts to the Compliance Manager.

The rules below are not all-embracing but are intended to encourage us to think and to promote and assist in achieving a critical attitude and openness for recognising and solving problems.

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Shared values

We let ourselves be guided by the following principles:

- **Equal treatment and non-discrimination**

We work together with others without consideration of sex, gender, skin colour, religion, culture, level of education, social origin or nationality.

- **Respect of contractual and legal obligations**

We meet our agreements and contracts. We comply with legislation in Germany and in all countries in which we operate.

- **Transparency**

We ensure that our actions and our motives are understandable and easy to follow.

- **Loyalty**

We behave loyally to the company. For us, this also includes constructive criticism that we express appropriately and openly within SOFTPRO.

- **Confidentiality**

We handle business information in confidence if the import of such information requires discretion or if discretion is expressly demanded.

- **Working together on a partnership basis**

We work together with our clients, suppliers and partners on a trusting basis, fairly and reliably.

This also applies to our behaviour toward our colleagues.

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We comply with these rules:

1. Prevention of money laundering

Various countries, among them the countries of the EU including Germany, have passed legislation to prevent money laundering. No member of staff may take action, either alone or in conjunction with third parties, that violates German or foreign legislation on money laundering. "Money laundering", as defined by these regulations, is, in particular, channelling monies or other assets originating either directly or indirectly from criminal acts into legal economic circulation, e.g. by exchange or transfer. The responsible Finance Department must be consulted as soon as there are doubts in relation to the propriety of financial transactions.

2. Data privacy protection

We undertake to comply with the relevant, applicable legislation, directives and other regulations. The following regulations are considered to be binding: collection, processing and use of personal data is permitted solely for business purposes. Wherever appropriate and required, only anonymous data (where the name is non-identifiable) or a collection of data (combined data that is consequently no longer attributable to a specific person) is used.

Access to personal data is restricted to persons who require the data for sound business reasons. Extreme care must be taken to prevent access by unauthorised persons and to avoid loss or destruction of personal data.

3. Relationships with clients, suppliers and partners

Clients, suppliers and partners must be treated fairly. SOFTPRO expects the same of its business partners. The private interests of staff and the interest of the company must be strictly separated. Personal relationships or interests may not influence business activities. Decision-making processes should be based solely on sound and objective business considerations. Relationships with our clients and suppliers are based on quality, reliability, competitive prices and other objective criteria. No member of staff may, consequently, demand or accept personal advantages such as payments, gratuities, gifts or other donations of value when dealing with suppliers, clients, other business partners or office-bearers if this may lead to bias, may be considered as such or may give the impression or feeling of contractual or moral obligation on the part of the company. However, it is recognised that hospitality and gifts are occasionally offered during the normal course of business and do not necessarily represent an unfair incentive (see also Section "Acceptance of gifts, gratuities and other advantages"). SOFTPRO expects every member of staff to inform his or her superior or the Compliance Manager if he or she receives similar offers from a business partner. Invitations from business partners that are not related to business appointments must be approved in advance by the superior or by the Compliance Manager. We expect that our suppliers and partners comply with all legislation and legal requirements and treat their staff fairly, ensure health and safety at work and protect the environment.

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4. Cooperation with governmental agencies

Our daily work may bring us into contact with governmental agencies, civil servants and international authorities. SOFTPRO staff and SOFTPRO partners are obliged to apply the very highest ethical standards at all times under all circumstances and to comply with all the valid legislation and regulations, including certain specific regulations that must be followed in the case of governmental agents and representatives.

No office-bearer either in Germany or abroad may be offered or granted a personal advantage of whatever nature!

We undertake to apply procedures to ensure that reports, confirmations, certifications, statements and quotations are up-to-date, correct and complete and that contractual requirements are reported extremely precisely to the responsible offices.

It is essential that contractually agreed goods or services not be replaced by non-approved goods or services and that such goods and services do not differ from the contractual agreements without the prior consent of the responsible office-bearer.

5. International trade controls (ITC)

National and international legislation restricts or prohibits import and export of or domestic trade in certain goods, technologies or services, dealing in certain products, capital movements and payment transactions (embargoes). The restrictions and prohibitions may result from the nature of the goods, the country of origin, country of use or the person of the business partner.

6. Compliance with competition and antitrust laws

Competition and antitrust law:

- prohibits agreements or arrangements between competitors that could represent a restraint of competition
- stipulates the behaviour of companies dominating the market and
- demands prior review and, in certain cases, approval of mergers, take-overs and certain other transactions in order to prevent transactions that would represent a restraint of competition.

Such legislation and regulations are complex and have a global reach. In addition, it is frequently important to take legal advice at an early point when developing new trade initiatives since applicability of such legislation may be unclear.

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7. Dealing with the property of the company and of our business partners

Each member of staff is obliged to deal with company property responsibly. Company property also includes communication facilities and intangible assets, such as know-how and commercial property rights. Our inventions, patents and know-how are of special importance for the long-term success of our company. Confidential company information must always be kept secret and protected against access by third parties. This also applies to information that third parties allow us to access on a confidential basis. Every member of staff must comply with the relevant Directives, such as the Information Privacy Protection Directive and the Directive on Use of the SOFTPRO Intranet and VPN.

Without the express consent of the responsible office, facilities or items of company property may not be used for private purposes or removed from the company premises.

The approval is not required for Laptops / Notebooks / TabletPCs (used for business purposes) and mobile phones / PDAs / smart phones.

8. Controlling

Staff in the Finance Division and all other staff dealing with commercial circumstances are urged to follow the rules below in particular:

- It must be ensured that all business transactions are promptly and correctly documented in the closing statements, in full compliance with the corresponding internal rules, directives and statutory reporting rules and in full compliance with all applicable, generally recognised principles of orderly accounting, besides all standards and regulations applicable to accountancy reporting and financial reporting.
- Responsible usage of and control over assets and resources entrusted to SOFTPRO or used and owned by SOFTPRO must be ensured.
- All relevant legislation, directives and regulations must be complied with.
- Regular exchange of information and further training so as to reserve the specialist knowledge required for internal and external business partners.
- Action shall be taken in good faith and responsibly, with care, prudence, competence and dedication, without misrepresenting facts or subordinating one's own judgement or decisions to unrelated considerations, such as compensation aspects, and without allowing oneself to be guided by such considerations. In cases of doubt, every decision should indicate a conservative assessment of business transactions.

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9. Environmental protection, health and safety

Compliance with all legislation on protection of man and the environment is an elementary principle for our company resulting equally from legal and ethical principles. This applies to our products and to our processes equally.

Each member of staff is co-responsible for protection of man and the environment in his or her working area. All corresponding legislation and regulations on environmental protection and on plant safety and on health and safety must be strictly complied with. The same applies to the in-company Directives and regulations. Every superior is obliged to instruct his or her staff in observance of this responsibility and to supervise them and assist them in this respect. In areas in which neither regulations on health, safety or environmental protection exist, nor in-company Directives and targets exist, a decision must be taken at the person's own responsibility, if applicable by agreement with the superior.

10. Active and passive bribery

It is not permitted to demand, accept, offer or give monetary bribes or gifts of value or advantage either directly or indirectly.

The following special regulations apply to acceptance of gifts and other personal advantages and to bestowing gifts and granting other advantages.

Our agents, suppliers and other contractors receive an appropriate remuneration for the work and services provided. We do not pay monetary bribes destined for third parties. This also applies to both direct and indirect bribes for "fast-tracking business".

11. Acceptance of gifts, gratuities and other advantages

It is not permitted to accept gifts, gratuities or other personal advantages from business partners, project partners or target groups of SOFTPRO unless the gifts involve low-value tokens or kindnesses or unless the written consent of the superior or Compliance Manager has been issued.

The superior or Compliance Manager may issue consent to accept gifts, gratuities and other advantages if accepting such gifts, gratuities and advantages is a matter of politeness, in exceptional cases. In such cases, the gift must be used for business or humanitarian purposes or – in particular in the case of consumer goods – also for staff jointly (e.g. for a staff party or tombola etc.). Private use may be approved only in exceptional cases. The case must be documented.

Business trips to contractors or companies with whom SOFTPRO has business relationships are paid for by SOFTPRO. Assumption of travel expenses by the specified contractors is not permitted unless otherwise contractually agreed with the contractor.

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12. Bestowing gifts, gratuities and other advantages

Gifts are made and personal advantages are granted by SOFTPRO, within the framework of the required level of politeness, only inasmuch as this would not result in the impression of dishonesty, impropriety or an obligating dependence.

13. Handling conflicts of interest

General:

During the course of our work, conflicts may occur between our personal interests and the corporate interests of SOFTPRO or those of our customers, suppliers and partners. We immediately disclose these conflicts of interest to the superior or Compliance Manager and we solve these conflicts of interest in a manner that can be re-examined and that is understandable for all those involved.

We take the required care to separate the business sphere from the private sphere.

Sideline jobs as a conflict of interest

Sideline jobs require the prior consent of SOFTPRO. Such a sideline job that is paid (either in money or in the form of tangible assets) for contractors or organisations with which SOFTPRO has business relationships may be approved only if there appears to be no negative impact on the interests of SOFTPRO.

Serving on civic or charitable boards and committees, as long as such activities do not interfere with the performance related to the job at SOFTPRO, does not require the approval of SOFTPRO.

Personal or financial obligations as conflicts of interest

If a member of staff has obligations of a personal, financial or other nature to SOFTPRO business partners, competitors or their employees that could impair objectivity of the decision-making process or behaviour within the framework of work for SOFTPRO, the superior and the Compliance Manager must be informed of this so that they are able to decide on how to proceed.

If the matter involved relates to a contract-awarding procedure, the member of staff must be excluded from participation in the decision-making process on contract awarding, unless this would not involve a conflict of interests for the persons or unless the activities do not impact on decisions taken in the contract-awarding process.

Employment of persons close to an employee

If a member of staff intends to conclude a contract with their partner, spouse or other member of staff close to them (employment contract or consultancy activity etc.), he or she must disclose this to the superior and the Compliance Manager for a decision to be taken.



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The member of staff should not, himself or herself, take the decision on the terms of employment or changes thereto.

Separation of the business sphere and private sphere

Private business relationships with contractors of SOFTPRO are not permitted to members of staff whose work deals with the contract-awarding process. Services of contractors may, by way of exception, be used privately if these services are available to the entire workforce subject to stipulated conditions. Work Instructions of the Departments affected, by agreement with the Compliance Manager, may stipulate other exceptions and details.

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Explanatory information (aids) further to the rules and regulations:

a. Prevention of money laundering:

Please follow all applicable legislation and regulations on prevention of money laundering and on prevention of support and financing of terrorist activities. Such legislation and regulations require notification of cash transactions or other suspicious transactions. Please familiarise yourself precisely with application of such legislation to your business activities. Follow your "Know Your Customer" Guidelines. Gather and review information and documents on potential customers, representatives and business partners in order to ensure that they are responsible and that their resources also originate from legal and responsible sources. Follow your Business Directives dealing with proper handling of payment transactions. Familiarise yourself with the forms of payment associated with money laundering (e.g. multiple money transfers, travellers cheques or cheques on behalf of a customer from an unknown third party).

b. Data privacy protection:

If you receive this information in a country in which data privacy protection legislation applies – for instance in most European countries – it is possible that the law may forbid you from using this data or disclosing this data to others unless the person affected has granted his or her express permission. If you are unsure, please contact the Data Protection Officer in your company.

c. Competition and antitrust laws:

Do not propose agreements to a competitor that could impair the competitive situation and do not conclude any arrangements that would constitute a restraint of competition with competitors – either expressly or implicitly, either formally or informally, either in writing or orally. Never discuss the following subjects with a competitor or his or her representatives:

- Prices
- Offers and quotations
- Contractual territories, assignment of customers and product lines
- Terms of sale
- Production, sales capacities and sales volumes
- Costs, profits and profit margins
- Market shares
- Product and service offerings
- Customer and supplier classification
- Sales methods

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Never propose arrangements and never conclude agreements with competitors, representatives, intermediaries or customers etc. in respect of the question as to whether a quotation should be submitted or in respect of the terms of quotation if it can be seen that the quotation will be made for reasons that are not aimed at receiving the sales order. Avoid contacts with competitors that could give the impression of being unfair competition or unfair agreements.

d. Bribery and acceptance of bribes

Acceptance and granting of gifts, gratuities and other advantages constitutes, in many cases, criminal acceptance of bribes or bribery. At all events, the recipient should not gain the impression of an impermissible obligation either, over and above aspects relating to criminal law.

The rules governing acceptance and granting of gifts, gratuities and other personal advantages provide information on the demarcation between what is allowed and what is not allowed or what is a criminal offence.

e. Bribes intended to fast-track business

Direct or indirect payment of bribes intended to "fast-track business" is rejected by us. SOFTPRO will, under no circumstances, pay money to "fast-track business", even small amounts of money to ensure that legal claims are settled. SOFTPRO expects the same of all its agents and other business partners.

f. Gifts, gratuities and other advantages

Advantages are not only gifts and gratuities but also all work and services to which staff have no claim and which better them economically, legally or personally. This includes, for instance, free or cheap travel, allowing the use of passenger cars, entrance tickets and other discounts unless they are expressly granted to the entire workforce on the basis of contracts.

Granting advantages to a "third party" (spouses or children etc.) may also be interpreted as acceptance of bribes.

g. Tokens of low value

Tokens of low value are occasional gifts and other advantages, the value of which per donor, calendar year and member of staff does not exceed 40 euros.

Invitations from business partners to attend meals are considered as tokens of low value, even if the 40-euro limit is exceeded, if such invitations remain within the conventional and appropriate framework in business circumstances. For reasons of transparency, a member of staff should inform superior(s) and the Compliance Manager if he or she is frequently invited to attend meals by a business partner or if SOFTPRO frequently assumes the costs of business meals.

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h. Personal or financial commitments

Objectivity within the framework of the work of a member of staff is generally impaired if he or she submits SOFTPRO work orders to relatives, next of kin or companies in which the member of staff or persons close to him or her have a participating interest. The following persons are considered to be "close": fiancé(e)s, spouses, partners, relatives and in-laws related directly by marriage, brothers, sisters, nephews, nieces, spouses and partners of brothers and sisters, brothers and sisters of spouses and partners, brothers and sisters of parents and foster parents, besides foster children.

Cases of doubt

In cases of doubt, members of staff must consult superior(s) or the Compliance Manager who then takes a decision.

Advice on integrity

SOFTPRO staff should initially consult superior(s) or Compliance Manager.

All information is thoroughly checked by SOFTPRO and handled confidentially if requested.

At all events, the principle that any accusations must be logical and verifiable applies, for protecting staff.

No member of SOFTPRO staff may suffer disadvantages in complying with the provisions of this Directive or reporting possible violations or conflicts to the Compliance Manager.

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