



ANTI-CORRUPTION POLICY



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1. PRESENTATION OF GAM ANTI-CORRUPTION POLICY

Approval of the GAM Anti-Corruption Policy (hereinafter, the “Policy”) is a further link in the chain of our organisation’s firm and unwavering commitment to the legality, ethics and professionalism which underpin our business practices and corporate culture.

By means of this Policy, GAM actively undertakes to:

- a) Comply with and fully abide by all in-force legislation (both national and in the countries where we do business) intended to combat corruption in whatsoever form: bribery, unlawful payments, giving handouts or gifts, favourable treatment, extortion and, in general, any other activity intended to obtain favourable treatment, whether from public authorities or civil servants or from individuals.
- b) Fulfil the principles of its Code of Conduct, which forms the basis of the Anti-Corruption Policy set out herein.
- c) Train and raise awareness among legally bound parties (in the sense defined below) and relevant groups of the importance of complying with this Policy.
- d) Making available the means necessary for legally bound parties to report any possible violation of this Policy in confidence.
- e) Sanction any violation of the provisions herein in accordance with the Disciplinary System.

The GAM Anti-Corruption Policy was approved by the Board of Directors of GENERAL ALQUILER DE MAQUINARIA S.A. (as parent company of GAM) on 23 June 2016.

Prior proposals for updates to the Anti-Corruption Policy by the Compliance Officer (either directly, or through the Audit and Control Committee) shall be approved by Board of Directors of *GENERAL ALQUILER DE MAQUINARIA S.A.* and are applicable across GAM as a whole.



2. SCOPE OF THE POLICY

The Anti-Corruption Policy applies to all individuals working in GAM, regardless of their position or duties (hereinafter, the “legally bound parties”), and specifically to:

- a) Any individual authorised to represent any of the companies forming part of GAM;
- b) Any individual with de facto or formal powers of administration for any of the companies forming part of GAM; and
- c) All employees of GAM.

GAM shall encourage the main groups with whom its companies have some form of relationship (clients, suppliers, self-employed workers, freelance workers, third parties having an analogous contractual relationship as the preceding two categories with GAM, external colleagues, etc.) to conduct themselves as set out in this Policy.

The Anti-Corruption Policy is valid both in Spain and abroad, always taking into account the cultural, language, social and economic differences of the countries where GAM does business.

For this purpose of this Policy, GAM shall be understood as all the companies over which *GENERAL DE ALQUILER DE MAQUINARIA, S.A.* directly or indirectly has or may have control, control being understood as:

- a) Holding the majority of voting rights;
- b) The authority to appoint or dismiss the majority of members of the governing body; or
- c) The authority to hold, by virtue of agreements with third parties, the majority of voting rights.

GAM undertakes to manage, implement and keep this Anti-Corruption Policy updated through the Compliance Officer, who shall be entrusted with:



- a) Checking that the Anti-Corruption Policy is applied through specific activities, by assessing the control processes for risk behaviour;
- b) Promoting the circulation, knowledge, understanding and compliance of the Anti-Corruption Policy;
- c) The ultimate and binding interpretation of the Anti-Corruption Policy;
- d) Providing advice to clarify any doubts which may arise in the application of the Anti-Corruption Policy;
- e) Receiving and analysing notifications of infringement of the Anti-Corruption Policy;
- f) Heading investigations into possible acts of non-compliance, being entitled to request assistance from any area or department in GAM and proposing sanctions where applicable;
- g) Giving impetus to whatsoever norms are necessary to develop the Anti-Corruption Policy and prevent violations;
- h) Suggesting to the Board of Directors of GENERAL DE ALQUILER DE MAQUINARIA, S.A. (directly or through the Audit and Control Committee) whatever amendments to or inclusions in the Anti-Corruption Policy are deemed appropriate;
- i) Promoting the preparation and implementation of suitable training programmes, classroom and/or online, or by any other appropriate means, for instructing legally bound parties in the duties imposed by the Anti-Corruption Policy.
- j) On an annual basis, evaluating the changes which it would be wise to include in the Anti-Corruption Policy and proposing these changes.



3. AIM OF THE POLICY

GAM's aim with this Policy is to develop guidelines for behaviour to combat corruption, setting out an internal prevention framework which eliminates or at least reduces the risk of corruption in the workplace and serves as guide and model for the fight against corruption.

In order to ensure that the Anti-Corruption Policy is effectively complied with, GAM undertakes that:

- a) Any new partner of GAM, or third party related to GAM by means of a fusion, take-over or acquisition, shall also abide by and supervise compliance of this Policy and all laws relating to corruption, bribery and extortion. This undertaking by counterparts must be expressly recorded in the agreements/arrangements/contracts entered into (they shall be given a copy of this Policy).

GAM reserves the right to obtain the appropriate protection (including unilateral termination of contract) in the event that the counterparty in question violates the legislation in force against corruption or the GAM Policy itself.

- b) Express clauses on anti-corruption and acceptance of the GAM Code of Conduct shall be included in all major contracts (in the sense defined in this Policy) with clients, suppliers and other business partners (distributors, agents, external professionals or similar).

GAM reserves the right to obtain the appropriate protection (including unilateral termination of contract) in the event that the counterparty in question violates the legislation in force against corruption or the GAM Policy itself.

- c) All legally bound parties shall be informed of the content and obligatory nature of compliance with this Policy:

- By giving them a copy of same at the beginning of their relationship with GAM, along with the other documentation which makes up the "Welcome Manual"; and



- By means of the “Talent Portal” or any other system which the company has set up for this purpose.

The legally bound parties shall, on an annual basis, confirm that they have read and understood this Policy by means of electronic confirmation on the “Talent Portal” or any other system which the company has set up for this purpose.

In order to ensure that the Policy is properly understood at all levels, an annual training plan shall be drawn up and implemented.

d) The confidentiality of their personal data shall be guaranteed to legally bound parties who report possible corruption through the GAM Reporting Channel (the specific regulation of which is described in section 8.2 of the Crime Prevention Model and section 6 of the Code of Conduct).

e) The Compliance Officer is responsible for reviewing, assessing, auditing and updating the Policy.

GAM’s Anti-Corruption Policy is a cornerstone of our ethics and corporate governance.



4. PROHIBITED AND UNACCEPTABLE BEHAVIOUR IN GAM

No financial transactions, contracts, arrangements or agreements shall be made when there are sufficient grounds for believing that the counterparties involved may in some way be involved in improper or corrupt activities.

Not only shall legally bound parties not execute any such transactions, contracts, arrangements or agreements due to their questionable legality, but also due to the negative implications they may have for GAM and our reputation and corporate image.

For this purpose, the types of behaviour listed below in the performance of any tasks or duties for GAM are understood as prohibited and are subject to sanction:

- Offering, promising, delivering or authorising, directly or indirectly, handouts, disproportionate benefits, gifts, advantages, money, anything of value or remuneration of any type to a public authority or civil servant or person in public office with the aim of:
 - i. Influencing actions or decisions by civil servants or public authorities in the execution of their official duties;
 - ii. Influencing the civil servant to perform or fail to perform actions which fall within the remit of their duties and legal obligations;
 - iii. Obtaining financial advantage;
 - iv. Influencing public authority actions or decisions in order to obtain or keep business or to obtain any other undue advantage regarding licences, permits, authorisations, etc.
- Any conduct for the purpose of extortion, fraud or bribery.
- Putting personal interests before collective interests.
- Directly or indirectly exerting influence on a civil servant or public authority by making use of any aspect of the personal relationship with the latter or with other civil servants or public authorities in order to obtain a decision which may directly or indirectly be of financial benefit.



- Requesting any gift or hospitality from partners, business counterparts, civil servants and public authorities or persons holding political office.
- Publicly supporting any political party, regardless of its ideology.

Nevertheless, although gifts or complimentary items to civil servants, public authorities or public bodies are in general completely prohibited, in certain countries where the culture and environment mean that it is considered an act of hospitality and generosity and is therefore important for the relationship in question, gifts of a strictly reasonable nature may be offered if duly authorised by the Compliance Officer, who shall validate the suitability and fittingness of the gift according to the GAM Anti-Corruption Policy.

As regards gifts to/from clients, suppliers and business partners, legally bound parties shall neither offer nor accept any type of gift or complimentary item which may be considered to go beyond usual business practices or courtesy.

In particular, any kind of gifts, complimentary items or favourable treatment offered to/accepted from clients, suppliers or business partners are prohibited if they may have an effect on the neutrality of decision-making by the aforementioned, or if they are intended to encourage any type of guaranteed favourable treatment for GAM companies, its employees or directors.

Any complimentary item offered by GAM shall be characterised by its value being merely symbolic and by being solely intended to promote GAM brand image.

With a view to exhaustiveness, the following shall be prohibited:

- a) Gifts in the form of money or equivalent or, for physical items, which represent an outlay for GAM of more than 500 Euros.
- b) Gifts or hospitality for spouses or family members of the counterparty.
- c) Gifts not in line with the guiding values and principles of GAM corporate culture and set out in our Code of Conduct.



Likewise, as part of its active commitment to social responsibility, GAM may exceptionally reserve the right to approve donations, grants, sponsorships, work with charity organisations and other similar contributions. These contributions shall be duly approved by the Compliance Officer with due regard for applicable laws and this Policy, it being reliably validated that under no circumstances are such contributions used as the vehicle for concealing unlawful payments. The protocol for these situations is described in [APPENDIX A](#).



5. MERGERS, ACQUISITIONS, TAKE-OVERS AND THIRD PARTY CONTRACTING

In the performance of its business and daily activity, GAM needs to enter relationships with third parties (whether individuals or corporate bodies) through a variety of classes of contracts and agreements, such as: service supply contracts, merger, acquisition or take-over agreements, cooperation agreements, etc.

All operations in which any GAM company is involved shall be carried out exercising the highest due diligence and assessing all the legal implications and risks.

For this purpose:

- (i) GAM shall include a section on corruption both in information request lists and reports prepared for checking and due diligence procedures carried out prior to any merger, take-over, acquisition, company restructuring or association with third parties by whatever legal means.

Exceptionally, this prior checking stage shall not be required when the third party in question has an Anti-Corruption policy published on its website or in any other visible means.

- (ii) Before executing any major contract (as defined in this Policy) with suppliers and other business partners (distributors, agents, external professionals or similar), the aforementioned shall be approved by GAM.

Approval shall take into account the following criteria, amongst others:

- a) Regulations in the country where the supplier has its registered company address or effective headquarters, the socio-political situation and level of corruption existing in the aforementioned country.
- b) The origin of the products supplied.



c) The legal and business history of the supplier, its officers and directors, and its reputation.

d) Its having the sufficient material and human resources to perform the contracted activity desired.

All of these investigations shall be carried out in due compliance with the personal data protection legislation in force (the Data Protection Act).

Once all the aforementioned controls have been performed on the counterparty with satisfactory outcomes, GAM shall proceed with the merger, acquisition, take-over or contracting in question.

GAM reserves the right to obtain the appropriate protection (including unilateral termination of contract) in the event that the counterparty in question violates the legislation in force against corruption or the GAM Policy itself.

In the event that during the execution of the agreement or contract any significant and unforeseen risk should arise, this shall immediately be made known to the Compliance Officer.

The standard *INTEGRITY AND REPUTATION TEST* is attached to this document (see APPENDIX B).



6. GAM INTERNAL CONTROLS FOR COMBATTING CORRUPTION

In addition to approving this Policy and strictly complying with in-force legislation on bribery, corruption and extortion, GAM undertakes to implement internal controls as tools for preventing possibly corrupt conduct by staff:

- a) The Compliance Officer shall ensure that all legally bound parties know, understand, apply and circulate this Policy;
- b) At regular intervals, the Compliance Officer shall check that this Policy is effective and being complied with, and update it if necessary;
- c) In each GAM department the possible criminal risks shall be identified and reviewed and the measures necessary for reducing them taken, thus complying with the Crime Prevention Model;
- d) Full compliance with internal regulations on means and terms of payment;
- e) Internal and external audits of the economic and financial department;
- f) Each financial transaction shall be justified by the appropriate supporting documentation;
- g) Any false annotation, entry or record in accounting ledgers is strictly prohibited;
- h) Issuing cashier's cheques or blank cheques is strictly prohibited;
- i) Under no circumstances shall GAM companies have current accounts in their name which have not been registered with accounting;
- j) Payments in cash shall not be approved, except for small and necessary amounts for the proper operation of GAM activity and always complying with internal regulations on means and terms of payment;
- k) Invoices shall not be paid without first validating that they are for duly authorised and executed service supply or delivery of goods, and that the amounts payable match what is set out in the contract. In the absence of a contract document, market prices shall always prevail;



l) Before a payment is approved, it shall be confirmed that the recipient is the same body which issued the invoice;

m) Accounting ledgers shall be kept with due diligence and in strict compliance with the General Accounting Plan and other economic and financial regulations.

The list above illustrates some of the many vigilance and control measures implemented by GAM to eliminate, or at least reduce, the risk of corrupt conduct within our organisation.



7. CONSEQUENCES OF VIOLATING THIS POLICY AND IN-FORCE LEGISLATION IN THE AREA

Violating the provisions set out herein, or any other national and international anti-corruption legislation, will result in the following consequences:

- a) Negative impact on GAM's reputation, corporate image, publicity and proper working practices. Such negative impacts could likewise result in financial losses for GAM.
- b) Legal liability in court proceedings against the corporate body or individual who has committed the irregularity, and the sanctions which may arise from civil proceedings.
- c) For violations committed by legally bound parties, the imposition of sanctions as described in the GAM Disciplinary System in section 8.3 of the Crime Prevention Model.
- d) For violations committed by third parties associated with GAM, the termination of their contract with GAM without leading to any liability for the latter.

Through the Compliance Officer, GAM undertakes stringently to apply the sanctions described in the event of non-compliance or violation of the Policy and in-force legislation intended for combatting corruption.



8. REPORTING IRREGULAR CONDUCT

Legally bound parties who become aware of any irregular conduct which could be considered to violate this Policy shall report it to the Compliance Officer using the Reporting Channel described in section 8.2 of the Crime Prevention Model. The information they provide shall be kept strictly confidential, and at no time shall legally bound parties suffer any kind of reprisals for submitting such information.

The Reporting Channel is, moreover, the communication system through which legally bound parties and relevant groups may ask questions and make suggestions about the application and content of this Policy.

9. DEFINITIONS

With a view to making the GAM Anti-Corruption Policy easier to understand, we offer the following definitions:

• Major Contacts

- a) All contracts with product suppliers which individually (in a single transaction) are for an amount higher than 1,000,000 Euros.
- b) All contracts with service suppliers which individually (in a single transaction) are for an amount higher than 500,000 Euros.
- c) All contracts with clients which individually (in a single transaction) are for an amount higher than 250,000 Euros.
- d) All contracts with suppliers or clients who, during the immediately preceding year, have contracted goods and/or services with GAM which, together, exceed the threshold described in points a), b) and/or c) above (as applicable), even if these contracts (taken individually) do not fulfil the conditions laid down for being considered major contracts.



For the purposes above, the term “contract with suppliers” shall be understood to include any agreement, contract or arrangement with suppliers and other business partners (distributors, agents, external professionals or similar).

- Compliance Officer: the advisory and management figure for all questions relating to the Crime Prevention Model, which includes this Anti-Corruption Policy and which is fully described in section 7 of the Crime Prevention Model.
- Civil servant or public authority: any employee working in the public sector and forming part of the Civil Service.
- Due Diligence: the audit procedure used to obtain information about a company in the context of a merger, take-over, acquisition, company restructuring or association with third parties by whatever legal means.
- Anything of value: this is a wide-ranging concept which includes, but is not limited to, the following considerations:
 - Cash, gifts or personal favours
 - Entertainment and meals, alcoholic and soft drinks
 - Payment or reimbursement of the cost of trips or holidays
 - Offer of employment for recipient or family member
 - Discounts on products or services which members of the general public would have difficulty in obtaining
 - Writing off of debt
 - Contributions to political parties
- Corporate body: any type of public or private organisation which enjoys rights and obligations and is able to operate under law.



APPENDIX A: PROTOCOL FOR FUNDING SOCIAL COMMITMENT PROJECTS

GAM may participate in community-based projects with a cultural, social, environmental, sports or educational remit.

GAM shall set out in detail the processes and criteria which must be fulfilled by any application for funding commitment and cooperation projects, and likewise the control and supervision measures for same.

For this reason, before financing or donating to any project, it shall be approved by the Compliance Officer.

Approval shall take into consideration the areas below, in addition to other parameters:

- a) Regulations in the country where the beneficiary has its registered company address or effective headquarters, the socio-political situation and level of corruption existing in the aforementioned country;
- b) The aim of the project for which funding is requested;
- c) The legal and business history of the beneficiary, its officers and directors, and its reputation.

Donations to political parties and associated organisations, associations or foundations are prohibited.

GAM may not purchase products or services the profits of which are intended directly or indirectly to go to political parties.



APPENDIX B: INTEGRITY AND REPUTATION TEST

Possible risk	Assessment	Coment
Has it effectively implemented a Code of Ethics and an Anti-Corruption Policy?		
Does it train its employees in these areas?		
Does it have an Ethics Channel/Reporting Channel which permit corruption to be reported confidentially?		
Does it have internal regulations for the prevention of money laundering?		
Does it have internal procedures and bodies which permit possible violations of or inefficiency in its Anti-Corruption Policy to be detected?		
Does the company have personal relationships, directly or indirectly (through its main shareholders or senior management) with civil servants or politicians?		
Does the company have evidence that any of its senior management staff or employees have been accused or convicted of corruption or any other offense?		



The form above is merely an example or standard model. It does not cover every single possible risk which may be analysed, but rather only the essential and basic risks, so the test must be adapted to each specific case.

Grading shall be on a scale of 1 to 5 (from lowest to highest risk), equating to:

- 1-2: Low or low-to-medium risk: in the contract/agreement/arrangement signed, the third party shall expressly accept compliance with the GAM Anti-Corruption Policy and all legislation in force for combatting corruption.
- 2-3: Medium risk: in the contract/agreement/arrangement signed, the third party shall expressly accept compliance with the GAM Anti-Corruption Policy and all legislation in force for combatting corruption.
- 3-5: Medium-to-high/high risk: in this case, no association, contract, arrangement or agreement with the third party shall be contemplated.

