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## PURPOSE AND SCOPE

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At Matthews International Corporation (“**Matthews**” and/or the “**Company**”), our success is based on our merits. This means that we win business based on the superiority of our products and services, and never as a result of bribery or other corrupt practices.

Matthews’ directors, officers, employees, affiliates, vendors, distributors, sales representatives, brokers, and subcontractors, and others working on behalf of Matthews (“**Matthews Personnel**”), must always abide by all laws and regulations that forbid bribery, including the *United States Foreign Corrupt Practices Act* (the “FCPA”) and the *United Kingdom Bribery Act* (the “UK Bribery Act”). At the outset and at all times, it is important to recall that bribery is not legal anywhere in the world.

The Matthews International Anti-Corruption Policy (this “**Policy**”) provides guidance regarding these laws and other ethical considerations. According to this Policy and our Code of Business Conduct & Ethics (the “Code”), Matthews Personnel and parties working on behalf of the Company may never:

- Bribe or allow others to bribe government officials or commercial business partners;
- Participate in or tolerate other forms of corruption, such as kickbacks;
- Hire a third party without performing appropriate due diligence to ensure that they share our commitment to anti-corruption; and/or
- Accept any benefits from any third party, whether an individual, organization or business entity, where the benefit given or offered is intended to obtain or retain an improper business advantage.

While we are all responsible for understanding and following this Policy, Matthews’ managers have a special duty to not only understand and comply with this Policy, but to ensure their direct reports do as well.

While this Policy discusses common scenarios you may encounter when working on behalf of Matthews, it does not cover every issue that may arise. If you face a situation that you do not know how to address or if you are unsure whether this Policy applies to your situation, you should speak to any of the contact persons referenced in the [“Resources for Reporting a Concern or Asking a Question”](#) section at the end of this Policy. You will not face retaliation for making a good faith report of an issue regarding, relating to and/or arising from bribery concerns.

## POLICY

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### OVERVIEW OF ANTI-BRIBERY LAWS

Matthews has become an industry leader based on our commitment to safety, quality, value and delivery. This commitment has fueled the Company's growth, helping us develop a footprint in countries across the globe. The Company's expansion means that we are subject to a variety of laws and regulations that combat bribery. These laws include the FCPA and the UK Bribery Act. In general, anti-bribery laws prohibit any person or entity, **including entities or persons acting on our behalf**, to offer, promise to pay, pay or authorize paying a bribe to obtain or retain an improper business advantage.

For purposes of this Policy, a **bribe** is the offer of **anything of value** with the intent to obtain or retain an **improper business advantage** for Matthews or another organization. Bribes come in many forms and commonly include:

- Cash
- Gifts and entertainment
- Paid travel and related expenses
- Discounts and favors
- Services
- Job offers
- Political or charitable contributions
- Any other type of benefit or consideration, whether direct or indirect

An improper business advantage is any advantage we gain *not* on our merits. This can include, for example, efforts to:

- Influence the award of a contract
- Prevent an action, such as a penalty, tax or fine
- Obtain confidential information about business opportunities or our competitors' activities
- Influence tax rates on the Company's business
- Influence the customs we must pay on goods or equipment crossing borders
- Obtain relief or exemption from any controls, inspections or regulations
- Affect the nature of regulations or their application

The U.S. and UK have the most recognized anti-bribery laws, and their reach extends to all countries where Matthews and others subject to this Policy conduct business. Bribery is illegal everywhere Matthews does business, and we must ensure that we know and follow all anti-bribery laws that apply. In the event of conflict between laws, we should follow the most conservative standard or seek guidance from Matthews' Legal Department.

Violations of any anti-bribery law can be costly and could lead to reputational damage and criminal penalties for both Matthews and the individuals involved. Individuals found guilty of bribing or receiving bribes face imprisonment as well as fines. In addition, employees of the Company who violate this

Policy shall be subject to discipline by Matthews, including possible termination from employment with the Company.

## **INTERACTING WITH GOVERNMENT OFFICIALS AND COMMERCIAL BUSINESS PARTNERS**

No one subject to this policy may give, offer, promise or authorize giving anything of value to any other person in order to influence official action or obtain an improper business advantage. Likewise, we cannot request, accept or agree to accept anything of value from anyone if the item is intended to gain an improper business advantage—or even if it simply appears to be intended to do so.

Our relationships with government officials deserve special mention. While the same rules apply, interactions with government officials carry greater risk due to the public nature of their positions and their potential influence over official actions. Matthews requires you and others subject to this Policy to first obtain approval from Matthews' Legal Department before offering or providing any benefits to a government official, regardless of their position.

There are specific reporting and approval requirements that must be followed before giving anything of value to a government official. For this reason, it is important to identify whether you **or a third party acting on behalf of the Company**, are working with a government official, so you can determine whether these additional restrictions apply. A **government official** may include any of the following:

- A customs agent
- A government inspector
- An employee of a state owned company
- A tax official
- Someone who holds a legislative, administrative or judicial position at the national or local level
- An official of a political party
- A candidate for political office
- An official or agent of a quasi-governmental organization or an organization formed on behalf of multiple governments (such as the United Nations)
- An official or employee of a government-owned or -controlled entity (such as a state-owned healthcare company or exchange)
- An employee of a self-regulatory organization (such as the New York Stock Exchange)

The rules for providing business courtesies, such as gifts, meals and entertainment, to government officials are particularly strict, and severely limit or forbid what may be offered or provided to these individuals. In all cases when you or others subject to this policy have or expect to have any dealings with a government official, please immediately contact Matthews' Legal Department for guidance.

To be safe, avoid offering anything of value to a government official. If it seems appropriate to offer a business courtesy, such as a lunch or a token of esteem to such a person, complete and submit the Pre-Approval Request Form before doing so. Matthews' Legal Department will notify you if your request has been approved.

## **Facilitation Payments**

In some countries, it is common for government officials to request **facilitation payments** (sometimes called grease payments). These are usually small cash payments made to expedite a routine government action. A routine government action is a basic, low-level administrative task to which Matthews is entitled and which the government official must perform. For example, you may be asked to make a facilitation payment in order to:

- Obtain a permit, license or other document to qualify us to do business
- Process a visa, work order or similar government paper
- Provide mail pick-up, police protection or trash removal
- Schedule a required inspection

Laws regarding facilitation payments vary greatly from one country to the next. For example, under the UK Bribery Act facilitation payments are illegal. However, under the FCPA such payments are permissible in certain circumstances. Because it can be extremely difficult to distinguish between a legitimate facilitation payment and a bribe, Matthews does not allow facilitation payments. This is true even if you are working in a location where they may be legal or commonly accepted. If you are asked to make a facilitation payment, contact Matthews' Legal Department immediately before taking any action.

## **GIFTS, MEALS AND ENTERTAINMENT**

Exchanging gifts, meals and entertainment is a great way to build strong relationships with our customers, suppliers and other third party business partners. However, we must make certain that these business courtesies are appropriate and modest.

In general, we may offer or accept a gift so long as it is:

- Nominal
- Not cash or a cash equivalent
- Permitted under local law
- Permitted by the recipient employer's policy
- Provided as a token of courtesy or in return for hospitality, and not as a means of exerting undue influence or improperly influencing another's actions

Modest gifts bearing the Matthews logo such as shirts or other similar items can be appropriate when dealing with current or prospective clients. Extravagant gifts are never appropriate.

As part of legitimate business dealings, we may also offer or accept reasonable meals and entertainment, so long as they are within the boundaries of ordinary and usual business. Before offering or accepting a meal or entertainment, there must be a clear business purpose for the occasion—the meal or entertainment must not be seen as an attempt to improperly influence an action or gain an improper business advantage. In addition, at least one employee of Matthews must attend any event that is being held; otherwise, it is considered a gift. In all circumstances, the meal or entertainment must be reasonable, and it should comply with the above guidelines for gifts.

Please contact the Matthews Legal Department for guidance regarding what constitutes appropriate gifts, meals or entertainment.

As mentioned above, even where local law allows us to offer a business courtesy to a government official, we must always exercise caution before doing so. We must first submit a Pre-Approval Request Form and receive written approval from Matthews' Legal Department. If you receive or want to give a gift that does not align with the parameters listed above, also seek guidance from our Legal Department about how to proceed.

It is important to understand the difference between attempting to improperly influence another's actions and offering a simple business courtesy. Improperly influencing an action means using unethical or illegal means to induce a third party, such as a government official or customer, to act or not act in a certain way. It is not the same as winning influence during a modest business lunch or other standard business practice.

### **TRAVEL, LODGING AND RELATED EXPENSES**

At times, we may be asked to pay travel, lodging and related expenses for a third-party business partner, potential third party business partner or customer. This is permissible in certain limited circumstances. We may pay for travel, lodging and related expenses only if:

- They are for legitimate business purposes, such as promoting, demonstrating or explaining our products or services or executing or performing a contract
- They are allowed under all applicable local laws
- The cost is reasonable
- None of the individual's friends or family members are travelling at the Company's expense

### **POLITICAL CONTRIBUTIONS**

Political contributions, whether cash or in-kind, raise special concerns and are subject to prior written approval requirements from Matthews' senior management. The laws governing these contributions vary among the countries in which Matthews does business. Nonetheless, no matter where we are located, Matthews Personnel may never contribute Company funds, time or assets to a politician, candidate for political office, political party or political action committee.

### **CHARITABLE DONATIONS AND SOCIAL CONTRIBUTIONS**

Our Policy makes it clear that we may never give or promise anything of value to another party if the item is intended to influence an official action or to obtain an improper business advantage. This includes donations to charities controlled by government officials or requests from government officials for social contributions, as both of these can provide a conduit for corrupt payments. If a government official asks you to support a particular cause, event or organization, you must obtain prior written authorization from two members of the Company's Anti-Corruption Committee (as listed under the heading of this Policy "*Resources for Reporting a Concern or Asking a Question*") before making any contribution. In all situations, the donation or contribution must:

- Benefit an entity
- Be made in good faith and not for the purpose of obtaining or maintaining business
- Be justified in writing by completing Matthews' Pre-Approval Request Form

## **AGENTS, CONSULTANTS AND OTHER THIRD PARTIES**

Agents, consultants and all other third-party business partners working on the Company's behalf are subject to Matthews anti-corruption and bribery policies.

The FCPA and the UK Bribery Act require that Matthews perform thorough due diligence prior to engaging third parties that act on behalf of Matthews. Due diligence is one way to ensure we are retaining third party business partners that support our commitment to anti-corruption. It also significantly reduces the likelihood that Company funds will be improperly passed on to another party.

**Due diligence** may consist of, but is not limited to:

- Determining whether the third party is suitable and qualified for the role it will be assuming
- Assuring that any payments made to the third party are made to the country where the third party is operating or located unless expressly approved by Matthews' Finance Department or Matthews' Legal Department
- Assuring that the amounts and terms of payments made to a third party are commensurate with market conditions
- Receiving responses from the third party to written questions about its structure, history, connections to government officials and references
- Checking the third party business references to determine, for example, whether it has experience providing the relevant services and is knowledgeable about the market
- Using third party business partners that are legal entities and registered to do business in the country where they are operating.
- Obtaining and reviewing publicly available data for information about the third-party business partner, such as business directories, online information services or the Internet
- Asking reliable government sources for information about the third-party business partner
- Identifying and resolving any red flags associated with the third-party business partner (see [Addendum A](#) for examples of red flags)

Prior to engaging a third-party business partner, speak to your manager or the Matthews Legal Department about the due diligence which may need to be performed. Once the third-party business partner has been retained, it is your responsibility to continue to monitor ongoing activities for any red flags or concerns during the course of your dealings with that third-party business partner.

All agreements with third party business partners must be documented in written contracts. All contracts must be reviewed and approved by Matthews' Legal Department.

Payments to third parties must be recorded. We may not pay third party business partners in cash or untraceable funds.

In no event shall Matthews and those third parties subject to this policy make payments to the third party's bank account in countries other than where the services are performed or where their offices

are located, **unless such payments are formally authorized by Matthews' personnel**. Payments to other locations must be approved in advance by the Company's global director of finance for the operating segment, who will work with the Legal Department to address any red flags or other concerns. Of course, payments may be made only for the actual services rendered or products purchased. Supporting documentation must be provided upon request.

## **BOOKS AND RECORDS**

It is critically important that the Company's books, records and accounts are kept in reasonable detail, and that they accurately reflect all transactions and dispositions of assets. Be sure to carefully follow all internal controls, practices, approvals and procedures. We must also adhere to applicable standards and practices for accounting and financial reporting.

We may never maintain—or participate in maintaining—undisclosed, improperly identified or “off the books” accounts. The same is true of any false or artificial entries made for any reason, including efforts to conceal the true purpose or nature of payments. Artificial entries could include mischaracterizing an improper payment as a commission, customer development charge, processing fee, rebate or other seemingly legitimate payment.

In addition, these complete, accurate and retrievable records must be retained for at least the time period required by law, as set forth in the Company's **Records Retention Policy**. Records related to current investigations or to activities that have been disclosed to the authorities should always be retained until the authorities notify us that they may be destroyed.

## **CONSEQUENCES OF VIOLATING ANTI-BRIBERY LAWS**

The consequences for violating anti-bribery laws are severe. Matthews may be liable for acts committed anywhere in the world by any Matthews Personnel or third-party business partners acting on our behalf. Both Matthews and the individuals involved can be prosecuted for violations of anti-bribery legislation. Penalties can range from civil fines for our Company and the people involved, to criminal penalties and prison terms for individuals. In addition, Matthews Personnel who violate this Policy may be subject to discipline, potentially including termination of employment, whereas violations by third party business partners may result in termination of an existing contract.

## **CERTIFICATION OF COMPLIANCE**

On a periodic basis, certain Matthews Personnel must complete and sign the Company's *Anti-Bribery Certification*. Submitting a false or incomplete certification may lead to disciplinary action by the Company, including termination of employment. Managers have a duty to ensure that their direct reports execute Certifications as required.

## **RESOURCES FOR REPORTING A CONCERN OR ASKING A QUESTION**

If you are ever in doubt about how to proceed in a particular situation or whether a payment would violate this Policy or the law, seek advice from our Legal Department before acting.

If you become aware of a potential violation of this Policy, report it. Your action allows our Company to look into the matter immediately and appropriately address any issues that may arise. Contact any of the following resources to obtain guidance or report concerns about an actual or suspected violation:

- Your manager
- A regional Human Resources representative
- The Company's Legal Department
- An Anti-Corruption Committeemember:
  - Marcy Campbell, *Sr. Vice President, Corporate Human Resources* at 1.412.442.8249 or [mcampbell@matthewsintl.com](mailto:mcampbell@matthewsintl.com)
  - Brian D. Walters, *Sr. Vice President and General Counsel* at 1.412.442. 8217 or [bwalters@matthewsintl.com](mailto:bwalters@matthewsintl.com)
- The Matthews International Reporting System: [www.matw-ethics.com](http://www.matw-ethics.com)

Remember, Matthews Personnel will never be the victim of retaliation for a report made in good faith addressing bribery or any other concerns related to the Company, its personnel and its businesses.

## ADDENDUM A

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### “RED FLAG” INDICATORS OF POTENTIAL BRIBERY AND CORRUPTION CONCERNS

- Agents or other third party business partners are located in countries where **corruption is deemed by Transparency International to be significant** (score of lower than 3.0 on Corruption Perception Index, [http://www.transparency.org/policy\\_research](http://www.transparency.org/policy_research)).
- A government official requests or suggests that the Company make a **charitable donation** to a particular charity.
- A third party business partner or government official has a **history of legal/disciplinary proceedings** or instances of improper business practices.
- Matthews Personnel or a third party business partner has a **relationship** that looks like it could significantly influence the decision-making process (e.g., an apparent affiliation or close relationship with a government official).
- Matthews Personnel or a third party business partner hires or arranges for the **employment of a child or other family member** of a government official or other person of influence in the location.
- Matthews Personnel or a third party business partner suggests that “**special arrangements**” have been made—or can be made—regarding the decision-making process.
- Matthews Personnel or a third party business partner seeks an **unusually large payment or commission**, or seeks a payment or commission before the decision is announced.
- Matthews Personnel or a third party business partner suggests that bids, applications or other requests be **made through a specific individual, firm or other entity**.
- Matthews Personnel or a third party business partner requests that a commission or other payment be made **in a third country or to another name, in cash or in any concealed fashion**.
- Matthews Personnel or a third party business partner requests that payment be made to a bank in a “**tax haven**” jurisdiction (e.g., the Cayman Islands), or in a country identified by the *Financial Action Task Force on Money Laundering* (the “FATF”) as a “*Non-Cooperative Country or Territory*.”
- An **intermediary (regardless of the title, i.e. broker, agent, etc.)** that is involved in a transaction for no apparent reason.