

Anti-Corruption Corporate Policy

CCO-003

Version 1.0

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1. Version

This is the first version of this Corporate Policy.

2. Scope

This Corporate Policy applies to ALTANA AG and any company affiliated with ALTANA AG within the meaning of section 15 of the German Stock Corporation Act (hereinafter also "**Group Companies**"), i. e. in particular ALTANA AG's direct and indirect subsidiaries globally.

This Corporate Policy also establishes ALTANA's expectations with regard to the conduct of individuals not employed by, and entities not owned by, ALTANA whilst they are providing services to, or acting on behalf of, a Group Company ("**Third Parties**") including, in particular, commercial agents, distributors and advisors.

3. Purpose

The aim of this Corporate Policy is to help prevent bribery and corruption by any Group Company and any director, officer, manager or employee of a Group Company or any other person associated with, or acting on behalf of, a Group Company ("**Personnel**").

This Corporate Policy is guided by the following principles which are translated into specific code of behaviour in section 5:

Ethical and lawful business conduct: All business connected to, or undertaken by or on behalf of, a Group Company must be conducted in an honest and ethical manner and in compliance with the UK's Bribery Act 2010 and the US's Foreign Corrupt Practices Act 1977 and all applicable laws in all applicable jurisdictions.

Zero tolerance to bribery and corruption: ALTANA does not tolerate bribery or corruption in any form. It is wholly unacceptable to engage in any behaviour that is corrupt, criminal, or which may give rise to the impression of dishonesty.

Robust procedures: Group Companies will implement and maintain robust and proportionate policies and procedures to address bribery and corruption-related risks that it faces. ALTANA will monitor and periodically evaluate its own policies and procedures.

Transparency: Group Companies will maintain an open and honest working environment for all Personnel and Third Parties that will encourage the reporting of known or suspected violations of law.

High-level commitment: The Board and senior management of each Group Company are committed to ensuring that ALTANA's business is conducted in a manner that discourages the possibility of acts of bribery or corruption arising, and

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will take a proactive lead in fostering an organisation in which a culture where bribery or corruption is never acceptable.

4. Responsibilities

This section 4 summarises the various responsibilities provided for in detail in sections 5 to 12:

This Corporate Policy is addressed to all staff of ALTANA, and each employee, manager, officer or director of a Group Company is responsible for complying with the various requirements of this Corporate Policy.

The Anti-Corruption Compliance Officer is responsible for maintaining Business Partner Screening (section 5.3.1), for anti-Corruption due diligence in mergers and acquisitions (section 5.3.3), approval of cash gifts (section 5.4.1), of gifts or hospitality to Public Officials (section 5.4.2) or of political donations (section 5.6) as well as for providing guidance to staff on the various occasions addressed in this Corporate Policy including on contractual protection (section 5.3.2), charitable donations (section 5.6) and lobbying (section 5.7).

The compliance officer to whom the Chief Compliance Officer has delegated anti-corruption compliance ("**Anti-Corruption Compliance Officer**"¹) is also responsible for the communication of this Corporate Policy (section 6), training (section 6) and for receiving non-compliance reports regarding Corruption (section 8).

The managing directors of each Group Company are responsible for the local implementation of this Corporate Policy including in the internal control system (section 7).

Internal Audit is responsible for the internal audit of the appropriateness and effectiveness of this Corporate Policy (section 12).

¹ As of the date of the release of version 1 of this Corporate Policy, the position of the Anti Corruption Compliance Officer is yet to be filled, and until further notice the Chief Compliance Officer remains directly responsible for anti-corruption compliance. Once the Anti Corruption Compliance Officer has been appointed, this will be communicated via Intranet.

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5. Process description

5.1 Prohibition of acts of actual or potential bribery and corruption

Personnel and Third Parties are prohibited from directly or indirectly (e.g., by making any authorisation)

- making, promising, or offering; or
- requesting, receiving or agreeing to receive,

any payment, gift or any other advantage to or from any person (including, for the avoidance of doubt, organisations) for any improper purpose or otherwise contrary to (i) applicable anti-corruption and anti-bribery laws, (ii) the UK's Bribery Act 2010, and (iii) the US's Foreign Corrupt Practices Act 1977 ("**Corruption**"). This includes any offer, payment, gift or advantage designed to:

- induce or reward any person to perform a duty or a role improperly, including any business partner, vendor or customer; and/or
- influence Public Officials in their capacity as Public Officials, intending to obtain or retain business or obtain a business advantage.

See also section 5.4 on acceptable hospitality and gifts.

A "**Public Official**" includes any (i) officer or employee of a nation, state or local government, a government-owned or government-controlled entity or a political party; (ii) person who has been appointed to a legislative, administrative or judicial position; and (iii) any employee of a public international organisation, such as the United Nations or World Bank.

All Personnel and Third Parties must have, and be seen to have, the highest standards of personal and professional integrity. As a minimum, this requires Personnel and Third Parties to act in accordance with all laws and company policies that are applicable to them (including this Corporate Policy) and to encourage those around them to do the same. Where applicable in relation to their duties, Personnel and Third Parties must ensure that ALTANA's resources and interests are safeguarded at all times. In particular, Personnel and Third Parties must take responsibility for:

- acting with propriety in the use of ALTANA's resources and the handling and use of its funds (including, in particular, when dealing with cash or payment systems, receipts or engaging with suppliers); and
- being vigilant to the possibility that unusual events or transactions could be indicators of corruption, and alerting the Anti-Corruption Compliance Officer where they believe bribery or corruption may have occurred or be attempted.

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No Group Company shall penalise Personnel or Third Parties for opting not to pay a bribe or engage in a corrupt activity (even if a Group Company loses business as a result).

For the avoidance of doubt, the UK's Bribery Act 2010 and the US's Foreign Corrupt Practices Act 1977 shall be relevant for what this Corporate Policy defines as Corruption worldwide and irrespective of whether these laws are legally applicable in any given situation.

5.2 Prohibition on facilitation payments

It is ALTANA's policy not to make or permit facilitation payments of any kind, directly or indirectly. A facilitation or 'grease' payment is a payment or a gift, usually of small value, typically (but not always) made to a Public Official to speed up, or secure the performance of, a routine action which a person is already obliged to perform, such as:

- providing certain permits, licences or other official documents to enable a person or entity to do business;
- facilitating or expediting governmental processes, such as processes to obtain visas and work orders, processes to obtain payment from government customers, or any government-led investigation, audit or appeals process;
- providing police protection, mail delivery, or scheduling inspections associated with contract performance or the shipment of goods or loading and unloading cargo; or
- providing phone, power or water services.

Personnel and Third Parties are prohibited from making these types of payments, no matter how large or small, as they can constitute bribes under the laws of many countries – even where such payments appear harmless or are perceived to be part of local practice or custom.

5.3 Third Parties

A Group Company may engage a range of external Third Parties to provide services to it, for example commercial agents, distributors, advisors and brokers. It is important to ensure that these Third Parties are carefully selected, taking into account any Corruption risks that they represent. The Group Company could be held liable for the actions of its Third Parties if the Third Parties commit bribery offences whilst acting on behalf of the Group Company, even if no one at ALTANA was aware that such offences were being committed. As such, when dealing with a Third Party, Personnel shall understand and assess the Corruption risk involved and take proportionate measures to mitigate that risk.

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In particular:

5.3.1. Business Partner Screening

Certain types of Third Parties typically involving an increased Corruption risk shall be screened, assessed and approved, and continuously monitored, and Personnel shall not substantively deal with such a Third Party before receiving approval (hereinafter also "**Business Partner Screening**"). The level of screening conducted should be reasonable and proportionate to the perceived Corruption risks including the likelihood that the Third Party will be in a position to be involved in any corrupt practices, for instance, if there is any requirement for them to interact with a Public Official.

It is not enough to make sure that there are no red flags identified with a Third Party at the start of a relationship. Both circumstances and people change. Personnel are therefore encouraged to remain vigilant regarding the Corruption-related risks posed by any Third Party for whom they carry responsibility. This should, where appropriate, include the undertaking of periodic checks where necessary to ensure that such risks have not increased. Personnel should use their reasonable discretion when determining the frequency and nature of such checks, taking into account the general level of risk posed by the relationship with the Third Party in question.

The Anti-Corruption Compliance Officer shall define the process of the Business Partner Screening including which types of Third Parties are subject to the Business Partner Screening and the obligations and responsibilities under the Business Partner Screening process.

When evaluating the screening information for a proposed Third Party, Personnel should take into account the below listed Corruption risk factors or "red flags." Where any red flags are identified or you are unsure whether the facts present a red flag, the matter should be referred to the line manager for review. Any potential red flag should be viewed in light of the totality of the circumstances, including whether the Third Party will interact with Public Officials on behalf of the Group Company and whether the jurisdiction in which the Third Party will operate on behalf of the Group Company is perceived as a jurisdiction with a high risk of corruption as per Transparency International's Corruption Perception Index.

Whilst not intended to be exhaustive, common red flags include:

- (a) there is a lack of visibility as to the actual services offered by the Third Party or a lack of clarity as to why the services could not be performed internally;
- (b) the Third Party requests unusually high or non-market standard commissions or compensation structures, such as advance payment, payment in cash or payment in a country where the services will not be performed;

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- (c) there is adverse press coverage from news reports or otherwise in the public media (or you have otherwise become aware of adverse information) with regard to the Third Party;
- (d) there is an apparent lack of qualifications, experience or resources on the part of the proposed Third Party to perform the services offered;
- (e) the Third Party operates in an environment where Corruption is recognised as being common, or there are rumours that the Third Party is corrupt;
- (f) the Third Party claims that they can help because they "know all of the right people";
- (g) the Third Party is an unknown company or recently established with no track record of doing business or providing the types of goods or services proposed;
- (h) the Third Party appears to have no office, workplace or online presence;
- (i) the Third Party makes demands for payments of commission to be made to other third parties or work will primarily be performed by other third parties / sub-contractors;
- (j) the Third Party makes demands for payments to be made in cash (or some other form of untraceable funds);
- (k) the Third Party tries to make late changes to fee / commission arrangements; or
- (l) the Third Party is unwilling to provide screening information that is reasonably requested.

5.3.2. Contractual Protection

Personnel may seek to insert appropriate terms and conditions relating to Corruption-related issues into relevant contracts that are entered into by Group Companies (including, in particular, contracts that govern our relationships with key Third Parties who provide us with material services), for example a commitment to this Corporate Policy by a Third Party. This should be considered on a case-by-case basis, taking into account the anticipated Corruption risks involved with the relevant relationship. The Anti-Corruption Compliance Officer or the inhouse legal counsel responsible for your division will be happy to provide you with guidance on this (compare section 10).

5.3.3. Mergers & acquisitions

When companies, businesses or other assets are to be acquired by a Group Company, due consideration should be given to the need to conduct prior anti-Corruption due diligence (taking a risk-based approach and recognising the constraints of any given transaction). Such due diligence could extend to an evaluation of the Corruption history and the Corruption risk of the target company or business. Responsibility for such due diligence shall lie with the Anti-Corruption Compliance Officer.

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5.4 Hospitality and gifts

Personnel and Third Parties may wish to offer, or be offered, gifts and hospitality in connection with their work for a Group Company. This may include business meals, tokens of appreciation and gratitude, or invitations to events, functions or other social gatherings.

Personnel and Third Parties should only give or accept gifts or hospitality where it is reasonable, proportionate and appropriate to do so in the circumstances, and never in order to secure any improper advantage or to influence or reward a business decision. The frequency of gifts or hospitality to a single recipient should be considered in assessing reasonableness and proportionality. The Corporate Guideline on Business Expenses² and corresponding local guidelines on business expenses as well as local policies, guidelines, employee handbooks etc. provide guidance on what is reasonable, proportionate and appropriate both in terms of extending and accepting hospitality and gifts.

It is not possible for this Corporate Policy to set out every circumstance in which gifts and hospitality are acceptable. This has to be considered on a case-by-case basis. Accordingly, this Corporate Policy requires Personnel and Third Parties to use their judgement to assess what is acceptable. ALTANA appreciates that this will not always be an easy task. The practice of giving business gifts varies between cultures and countries, and what may be both legal and acceptable to one person in one part of the world may be considered illegal and corrupt to another person elsewhere. In order to avoid even the semblance of corruption, inappropriate hospitality or gifts, including in particular high-value hospitality or gifts, must neither be offered nor accepted. If you are in doubt, you should contact your immediate line manager, the inhouse legal counsel responsible for your division or the Anti-Corruption Compliance Officer for further guidance prior to offering or accepting any gift or hospitality.

That said, Personnel and Third Parties should bear the following rules in mind throughout.

5.4.1. Cash gifts

The giving or receiving of cash gifts (or cash equivalent gifts, such as vouchers or gift cards) is never acceptable.

5.4.2. Gifts or hospitality to Public Officials

Many countries have established strict rules relating to bribery and corruption in relation to dealings involving the public sector. Accordingly, this Corporate Policy

² https://www.altana.intranet/fileadmin/bereiche/competence_centers/corporate_guidelines/2023/co-005_v.1.0_corporate_guideline_on_business_expenses.pdf

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requires all Personnel and Third Parties to take particular care when undertaking any dealings concerning Public Officials. Further, should you want to offer or receive gifts or hospitality to / from any Public Official, and in addition to the general requirements described above, you must obtain advance approval from the Anti-Corruption Compliance Officer. All gifts and hospitality provided to Public Officials shall be provided in accordance with any applicable laws.

5.4.3. Keeping a gift and hospitality record

In order to avoid even the semblance of corruption, inappropriate hospitality or gifts including in particular high-value hospitality or gifts must not be accepted, or must be returned if this is possible without offending the donor.

All Personnel and Third Parties who give or receive gifts or hospitality in connection with ALTANA must keep a record of the same and ensure it is open to review by their line manager amongst others. The register should list the date, estimated amount, recipient(s), purpose, and record of approval, if required.

Directors, officers and managers of a Group Company are encouraged to use gifts received by Personnel for the benefit of the Group Company, for example by using it in the Group Company, by re-using received gifts when making gifts or by allowing a wider group of Staff to benefit from the gift (for example by a lucky draw among staff).

5.5 Commissions

The paying of commissions to third parties as a reward for bringing in new business is widespread in commercial transactions, and is usually legitimate when undertaken transparently. However, commissions are sometimes be used as bribes or to otherwise facilitate the payment of bribes. ALTANA has zero tolerance towards such corrupt behaviour. Personnel should be mindful of this when responding to any Third Party, or potential Third Party, who requests to be paid a commission, particularly if that Third Party is engaging with Public Officials on behalf of a Group Company, is operating in a high-risk jurisdiction for corruption or where the commission appears to be overly large or outside of the boundaries of what we would ordinarily expect to see in day-to-day operations.

5.6 Political and charitable contributions

As a general principle, ALTANA does not directly make political contributions. Personnel and Third Parties must not, therefore, make any contributions to any political party or candidate for public office on behalf of a Group Company, either directly or indirectly, unless the prior approval of the Anti-Corruption Compliance Officer has been obtained. No Group Company will reimburse any employee for making a personal political contribution, including through a compensation increase. Employees may not use any Group Company resources to make or solicit any political contributions. This includes the use of office space, letterhead,

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email, contact lists (such as lists of customers or vendors) or the name or logo of ALTANA or any of its divisions when engaging in personal political activity.

ALTANA believes strongly that it should make a positive contribution to the world and within the communities in which it operates, and that one of the best ways of doing this can be through the making of charitable donations and sponsorships. Bona fide charitable donations or sponsorships of charities are not bribes if they are made for purely charitable purposes. However, Personnel must act carefully to ensure that none of the charitable donations made by it (or on its behalf) are construed as an attempt to buy influence for itself or otherwise deemed improper. Consequently, the Anti-Corruption Compliance Officer should be notified prior to the making of any charitable donations on behalf of a Group Company.

Note that the Corporate Guideline on Business Expenses also regulates donations including political and charitable donations, and local guidelines or policies may apply, too. The rules of this Corporate Policy apply in addition to those regulations.

Corruption within the meaning of this Corporate Policy includes political and charitable contributions in breach of this Corporate Policy.

5.7 Lobbying

Lobbying can play an important role in informing government policy and making sure that legitimate points of view, including those of ALTANA, are included in a public debate or in the decision-making process. Personnel and Third Parties should consult with the Anti-Corruption Compliance Officer prior to commencing any lobbying-related activities on behalf of a Group Company.

In the United States, lobbying may be defined broadly to include communications to influence legislation or regulation, seeking a license or permit, pursuing a government contract, or any other action on a government decision or policy. Lobbying laws may apply to communications with federal, state, city or county officials. Lobbying laws may apply to employees or third parties engaging with Public Officials on behalf of a Group Company. Contracts with third party lobbyists should clearly state the scope of the engagement and payment terms, contain anti-Corruption clauses, and restrict the use of sub-contractors.

Corruption within the meaning of this Corporate Policy includes lobbying in breach of this Corporate Policy.

5.8 Conflicts of interest

It is possible that, whilst undertaking activities for a Group Company, Personnel or Third Parties experience a conflict of interest (for example, where it is impossible for them to remain impartial because of a clash between their obligations to the Group Company and their duties to a third party or their personal interests). Examples of potential conflicts include an employee or their spouse having a

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financial interest in a vendor or an employee taking a role at a competitor or public entity as a board member or other advisor. All Personnel and Third Parties must avoid or manage any potential, real or perceived conflict of interest. If they believe that they are, or may become, subject to a conflict of interest, they should immediately report this to their line manager, who will evaluate whether the potential conflict can be appropriately mitigated. They should at all times try to ensure that potential problems are identified before commitments are made or questionable actions taken.

Corruption within the meaning of this Corporate Policy includes conflicts of interest in breach of this Corporate Policy.

6. Communication, training

The Anti-Corruption Compliance Officer shall ensure that this Corporate Policy is appropriately communicated to its addressees, including but not limited to all Personnel. It will at least be available in Chinese (Mandarin), German and English.

Appropriate communication of this Corporate Policy shall include guidance as to (i) what constitutes Corruption, (ii) enhancing awareness of Corruption risks including typical carriers of corruption, (iii) proportionality and (iv) Dos and Don'ts in connection with Corruption, conflict of interest, political and charitable contributions and lobbying for Personnel and Third Parties.

Relevant Personnel shall receive at least basic anti-corruption training within 60 days after having joined a Group Company and subsequently at least once every two years. Staff in roles typically exposed to higher Corruption risks shall receive role-specific training. Training is the responsibility of the Anti-Corruption Compliance Officer.

7. Proportionate procedures in internal control system

Each Group Company shall effectively implement and enforce policies and / or procedures as part of its internal control system to prevent Corruption by its Personnel including Third Parties that are proportionate to the Corruption risks it faces and to the nature, scale and complexity of its activities within six months after the effective date of this Corporate Policy. The management and supervisory bodies of each Group Company shall actively oversee such implementation and enforcement and foster a culture in which Corruption is unacceptable.

8. Reporting of breaches

Personnel shall promptly report any breach, or suspected breach, of a Corruption law or this Corporate Policy by any Personnel or Third Party to the Anti-Corruption Compliance Officer. It is not acceptable for Personnel or Third Parties to "look the other way" and disregard improper activities or the appearance of improper activity.

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Alternatively, a report can be made confidentially and semi-anonymously or fully anonymously via the ALTANA Whistleblowing System. ALTANA shall ensure anonymity and non-retaliation as per the Whistleblowing Corporate Policy.

9. Disciplinary action

Corruption is a crime. ALTANA has zero tolerance for Corruption, even where it might not qualify as a crime locally. Corrupt behaviour will result in appropriate investigations and proportionate disciplinary action taken against all relevant Personnel. Disciplinary action may include various measures, including termination of employment (consistent with applicable employment laws).

Action may also be taken against Third Parties including the termination of their contract.

Where permissible by law, a Group Company may elect to exercise a right to claw back or retain compensation / remuneration owed if Personnel or a Third Party has violated this Corporate Policy.

10. Guidance

Any questions about Corruption (including how to avoid it, dos and don'ts, adequacy of hospitality offered or accepted, proportionality, who qualifies as a Third Party and extortion, contractual protection), should be directed to the Anti-Corruption Compliance Officer or the inhouse legal counsel responsible for your division, and they will be happy to provide guidance.

11. Documentation, bookkeeping

Policies, procedures, decisions and measures with respect to anti-Corruption shall be properly documented, and such documentation shall be retained for the appropriate time.

Personnel must ensure that they document fully, fairly and accurately, all expenditures of Group Companies and that books and records are transparent, so it is clear what was paid, to whom, the reason why it was paid, where it was paid (for example, from or to which accounts) and when. Attempts to create false or misleading records are prohibited. Under no circumstances should Personnel make any payments, directly or indirectly, to undisclosed or unknown recipients. Undisclosed or unrecorded funds of ALTANA, such as "off the books" accounts, are also strictly prohibited.

12. Internal Audit

Internal Audit will audit at appropriate intervals whether ALTANA's anti-Corruption compliance scheme, of which this Corporate Policy is part of, is appropriate and

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effective. Internal audits of Group Companies shall at appropriate intervals focus on anti-Corruption policies and / or procedures implemented locally.

Edited:	Jan Bir, Chief Compliance Officer, 5 March 2024
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