


2023 Issue 2023 Global Anti-Corruption Policy



Code: GPL.100.23	Issue: 01 (10.23) - BoD approval 03 October 2023
Purpose	Promoting a “zero tolerance” anti-corruption culture within the Group and setting up the relevant rules
What I have to do	Read the Policy and fully comply with it
Sponsor	Chief Legal Officer
Key Content Owner	DN Compliance Manager
Other impacted functions	All functions
References	<ul style="list-style-type: none"> ▪ <i>Code of Ethics</i> ▪ <i>Global Whistleblowing Policy GPL.93.22</i> ▪ <i>International conventions: “OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions” (1997) Council of Europe “Criminal Law Convention on Corruption”, “Civil Law Convention on Corruption” (1999), “UN Global Compact” (2000) “UN Convention Against Corruption” (UNCAC) (2003) Organisation for Economic Cooperation and Development “OECD Guidelines for Multinational Enterprises” (2011), as they might be amended from time to time</i> ▪ <i>Laws in force in the countries in which DN operates, as they might be amended from time to time (Annex 2 GPL.100.23 A2).</i>
Superseded Docs	None
Applicability	<ul style="list-style-type: none"> ▪ All De Nora Legal Entities and Personnel ▪ Third Parties associated to/or acting on DN’s behalf or to further its business interests
Distribution	All Personnel and Third Parties
Approver	<i>Signature on behalf of the Industrie De Nora’s Board of Directors</i> Paolo Dellachà <i>Chief Executive Officer</i> 

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Distribution: All DN Personnel and Third Parties

Acronyms and definitions

All the followings identified terms will be used in the text of the policy and annexes starting with a capital letter.

- **AFC** = Administration Finance and Control.
- **Anti-corruption Compliance Program** = a system of rules, including the Anti-Corruption policy, and controls which as a whole serve as a guideline for the employees.
- **Bribe** = money and/or any other item/benefits/value (financial or non-financial) offered to an individual to influence their judgement or conduct.
- **Bribery** = offering, promising, giving, accepting or soliciting of an undue advantage of any Bribe, directly or indirectly, and irrespective of location(s), in violation of applicable law(s), as an inducement or reward for a person acting or refraining from acting in relation to the performance of that person's duties. Different types of Bribery:
 - ✓ ACTIVE, i.e. the offer, promise or giving of a Bribe;
 - ✓ PASSIVE, i.e. the acceptance or solicitation of a Bribe;
 - ✓ DIRECT or INDIRECT (i.e. any Bribe offered or accepted through or by a Third Party);
 - ✓ PUBLIC or PRIVATE (i.e. Bribery can occur within the public, private and/or not-for-profit sectors).
- **Business Associate** = public or private external party with whom DN Group has, or plans to establish, a business relationship (e.g. customers, joint venture partners, consultants, contractors, sub-contractors, suppliers, vendors, advisors, target companies in case of M&A transactions, brokers, agents, distributors, representatives, intermediaries, investors, certifying bodies, insurance companies, other party in the context of intellectual property right, etc.).
- **CEO** = Chief Executive Officer
- **CHRO** = Chief Human Resources Officer
- **CLO** = Chief Legal Officer
- **Conflict Of Interest** = any situation where business, financial, family, political or personal interests could interfere with the judgment of persons in carrying out their duties for the organization.
- **Contribution To Political Party** = providing cash, venues, equipment or other benefits to a political party or to an individual or organization connected with a member of a political party.
- **Corruption** = any form of abuse of entrusted power for private gain. It may include, but is not limited to, Bribery.
- **DN** = Industrie De Nora S.p.A.
- **Donations** = providing cash, venues, equipment, personnel time or other benefits to support the beneficiary, not performed to secure a financial return (though the beneficiary can publicly thank the donor also by using the donor's images).
- **Due Diligence** = a targeted and analytical process to collect, review and verify legal risks (i.e. possible involvement in fraud, corruption or sanctions) and reputational information with reference to specific transactions, projects, activities, Business Associates and Personnel.
- **Entertainment expenses** = the provision of any hospitality e.g meals, transports and expenses ancillary to business activities (e.g., transport, accommodation, etc.)
- **ESG** = Environment, Social, Governance
- **Facilitation Payment** = small Bribe, also called 'facilitating', 'speed' or 'grease' payment to public officials, made to secure or expedite the performance of an action to which the enterprise (i.e. the payer) has legal or other entitlement. Although Facilitation Payments are often regarded as different in nature, they are illegal in most locations and are treated as Bribes for the purpose of this document.
- **Governing Body** = corporate body that has the ultimate responsibility and authority for an organization's activities and governance and to which top management reports and by which top management is held accountable.
- **Gift** = anything of value given to / received from a Third Party.
- **Group or DN Group** = DN and all its Subsidiaries.
- **HR** = Human Resources
- **ISO 37001** = Anti-bribery management system - Requirements, management system standard published by International Organization for Standardization (ISO) in 2016.
- **M&B** = Marketing and Business Development
- **Personnel** = all individuals worldwide working on behalf of DN Group at all levels including chief officers, directors, executives, managers, employees, and industrial technicians (whether permanent or temporary) trainees and interns.
- **Public Official** = person holding a legislative, administrative or judicial office, whether by appointment, election or succession, or any person exercising a public function, including for a public agency or public enterprise, or any official (including quasi-civil servant) or agent of a public domestic or international organization, or any candidate for public office.
- **Solicitation** = asking, ordering or enticing someone to commit Corruption or any other crime.
- **Sponsorship** = support an event, initiative or organization in return for consideration (in cash, goods or services), to publicize the sponsor's image, trademarks or logos and/or to promote its products or services, with the aim to enhance brand awareness and company reputation.
- **Subsidiaries** = any entity directly or indirectly controlled by Industrie De Nora S.p.A.

- **Third Party** = public or private person or body that is independent from the DN Group, including without limitation Business Associates.
- **UN Global Compact** = non-binding United Nations pact encouraging firms worldwide to adopt sustainable and socially responsible policies and to report on their implementation. It is a principle-based framework for businesses, stating ten principles for human rights, labor, environment, anti-corruption.

1. Introduction and purpose

DN Group conducts its business with integrity, transparency, fairness and honesty and in compliance with all applicable laws, regulations, international standards and guidelines.

The constant commitment of DN Group to ensure an ethical conduct has been demonstrated, among many other things, by the adoption of the Code of Ethics and the Supplier Code of Ethics.

This Global Anti-Corruption Policy has the objective of:

- promoting a culture of “zero tolerance” of Corruption within the Group;
- explaining the key principles defined as reference framework for setting, reviewing and achieving its objectives for the prevention of Corruption and Bribery and defining the relevant rules of conduct; defining an anti-Corruption governance to facilitate DN to abide by Anti-Corruption laws and regulations and effectively implement this Policy.

Furthermore, DN conducts business operations in different countries and jurisdictions; therefore, it is potentially subject to comply with various local laws prohibiting and sanctioning Corruption (including Bribery).

In case of violation of anti-Corruption laws (see *Annex 2 GPL.100.23 A2*), significant criminal and administrative sanctions may be applied to individuals (fines and/or imprisonment) and legal entities (pecuniary and disqualification sanctions). Violation of anti-Corruption laws might also significantly affect and damage a company's reputation.

Where local laws or regulations set stricter rules than those in this Policy, local rules always prevail.

This Policy is inspired by the requirements described in ISO 37001, as well as principle 10 (“*Businesses should work against corruption in all its forms, including extortion and bribery*”) of the UN Global Compact of which DN became a member in 2022, and establishes a single standard that everyone dealing with DN Group must adhere to.

2. Key Principles

According to the “zero tolerance” principle, DN prohibits all forms of Corruption (Active, Passive, Direct and/or Indirect) in favor of and by anyone, in favor of the Group or to the detriment of the same.

It is forbidden for DN Group’s Personnel, Third Parties and anyone acting in DN Group’s name or interest, to:

- offer, promise, give or pay (or authorize someone to give or pay) directly or indirectly, money or other benefits (financial or otherwise) to Public Officials or private persons (**active Corruption**); or
- accept or authorize someone to accept, directly or indirectly, money/other benefits/requests/solicitations by a Public Official or private person (**passive Corruption**)

when the intention is to:

- induce a Public Official or private person to perform improperly any function of a public nature or any activity connected with business or reward them for such improper performance;
- influence any official act (or omission) by a Public Official or any decision in violation of official duty;
- obtain or secure an improper advantage in the conduct of business;
- violate applicable laws.

The following practices **are moreover forbidden**:

- provide any **Contributions to Political Parties** or to any other entity, organization or individual for political purposes. DN will refrain from any pressure that might result from political parties or their representatives. Political Contributions may constitute a Bribery as they could be used to maintaining or obtaining a business advantage such as winning a contract, obtaining a permit or license.
- execute any **Facilitation Payments**, which are expressly prohibited even when such payments are permitted or tolerated under local laws and jurisdiction. In general, it is not permitted to accept, offer or promise financial advantages or other benefits to expedite, favor or facilitate the performance of an activity.

3. Sensitive areas and key control mechanisms

According to a risk-based approach, DN Group has identified specific sensitive areas within its business processes through which potential Corruption acts could be carried out:

- Interactions with Public Officials;
- Relations with Business Associates;
- Relations with media and analysts;
- Human resources management;
- Gifts and Entertainment expenses - offered and received;
- Charitable Donations and Sponsorships;
- Books and Records keeping;
- Financial transactions.

The standard rules of conduct and the control principles that must be applied for each sensitive area are described in the *Annex 1 GPL.100.23 A1*.

In general, the following key control mechanisms must be applied:

- **SEGREGATION OF DUTIES** through a distribution of responsibilities and the provision of adequate levels of authorization, to avoid functional overlaps or allocations that concentrate critical activities on a single person;
- clear and formalized assignment of **POWERS AND RESPONSIBILITIES** consistent with the position and tasks assigned within the organization, with a clear indication of the relevant limits;
- **ADOPTION** and periodic update of **INTERNAL RULES** by creating policies and manuals, aimed at regulating the main phases of the processes and related responsibilities;
- **DUE DILIGENCE** activities on Business Associates and relevant transactions according to a risk-based approach. It allows the verification of the ethical and reputational backgrounds and the existence of possible indicators of corruption (i.e. “red flags”);
- **TRACEABILITY** of the activities carried out to allow their review in terms of fairness, consistency, responsibility and compliance with the established rules;
- existence of **SECURITY MEASURES** capable of providing adequate protection / access to data and corporate assets. In particular, access to data must be allowed to personnel with appropriate powers and profiles and only for the necessary performance of the tasks assigned;
- **CONTINUOUS MONITORING** of the internal control system in place, to assess its effectiveness, efficiency and propose any necessary improvement.

In addition, any situation that may constitute a **Conflict of Interest** must be avoided. Personnel shall:

- act with integrity and exercise sound judgement;
- avoid situations potentially giving rise to Conflicts of Interest due to:
 - personal financial interest;

- financial interest of family members or close personal relationships; or
- previous, current or potential future involvement in an activity or endeavor.

Situations that may constitute a Conflict of Interest must be reported in writing to the Line Manager, to the Local HR and Local Legal (or to CLO / DN Compliance Manager when a Local Legal is missing). According to the severity of the conflict, HR and Legal may involve the Managing Director, the Hub General Manager, the Regional Chief officer and/or the Group CEO.

4. Implementation

4.1. Responsibilities

Industrie De Nora S.p.A. appointed within the Legal Department a Compliance Manager with adequate status and monitoring authority as second line of defense.

DN Compliance Manager is responsible for:

- supervising the implementation of an Anti-Corruption Compliance Program, designed to prevent and detect acts of bribery and corruption, including the effective update and develop of the Global Anti-Corruption Policy;
- providing Anti-Corruption advice and guidance to DN's Personnel;
- reporting, on a regular basis, on the relevant activities within the scope of the Anti-Corruption Compliance Program as indicated in the following par. 4.7.

To carry out the assigned activities, DN Compliance Manager can rely on the full support and cooperation of all applicable corporate and local functions.

4.2. Monitoring and Improvements

- **Anticorruption management system and Policy Improvements**

DN implements compliance monitoring activities aimed at periodically detecting and analyzing the trend of Anti-Corruption compliance risks by performing specific checks and analyzing risk indicators aimed at ensuring adherence to regulatory requirements and the effectiveness of the models used.

Such monitoring activities in the areas of Anti-Corruption are planned and carried out according to a risk-based approach.

This Policy shall be periodically reviewed to ensure the highest degree of effectiveness, as well as that it reflects the latest legislative changes and any feedback raised by the internal and external stakeholders.

- **Regulatory and Compliance Requirements**

DN Compliance Manager, supported by corporate and local functions, monitors the applicable Anti-Corruption requirements to ensure continuous improvement of the Policy and its compliance with:

- applicable local laws, rules and regulations, and
- internal policies.

Any legislative or market/industry changes relevant to this Anti-Corruption Policy must be communicated by local functions to the DN Compliance Manager, who verifies the compliance and effectiveness of the Anti-Corruption Compliance Program, including this Policy.

In case of misalignments resulting from periodical gap analyses, corrective actions shall be adopted and the relevant gaps shall be communicated to DN Internal Audit.

4.3. Risk Assessment

DN shall undertake regular Anti-Corruption Risk Assessment(s), which shall:

- identify the Corruption risks DN Group might reasonably anticipate¹;
- analyze, assess and prioritize the identified Corruption risks; and
- evaluate the suitability and effectiveness of the DN Group's existing controls to mitigate the assessed Corruption risks.

The Anti-Corruption Risk Assessment shall be reviewed:

- on a regular basis (at least every three years) so that changes and new information can be assessed;
- in the event of significant changes in the structure or activities of the organization.

Risk Assessment activities must be coordinated by DN Compliance Manager in coordination with DN Internal Audit, who shall liaise with appropriate local functions and make use of external specialist consultants, where necessary or appropriate.

4.4. Reporting violations

Actual or suspected breaches of the Policy or any other related misconduct must be promptly reported throughout channels made available by the *GPL.93.22 Global Whistleblowing Policy*. DN encourages and enables all Personnel and Third Parties to report attempted, suspected and actual violations, ensuring that who reported the violation shall not be threatened, harassed, discriminated, dismissed, demoted, suspended in any way, for the fact that they have made a report in good faith.

4.5. Sanctions

DN's Personnel and Third Parties are required to comply with the provisions contained in Anti-Corruption laws and this Policy. If the infringement is committed by:

- DN's Personnel: Corporate and Local HR, supported by Corporate and Local Legal, will take prompt measures to mitigate the violation(s) and to sanction the misconduct(s), consistent with local labor laws and Global/ Local policies.
- Third Parties: DN will apply all remedies available under contract or at law, including but not limited to contract termination and claim for damages.

In addition, any person who has infringed the anti-Corruption laws and/or this Policy may be held liable for compensation claims and/or can be sued before the competent authorities, including the criminal courts.

4.6. Audit activities

DN Internal Audit verifies and monitors compliance with the rules of conduct and the control principles established by the Policy during the audits regularly conducted within the Group. DN Internal Audit shall inform DN Compliance Manager on the results of the internal compliance audits and the status of the action plans on compliance issues.

4.7. Governing body and top management reporting

DN Compliance Manager shall report at least on annual basis to the Risk, Control and ESG Committee, the Governing Body and the CEO of Industrie De Nora S.p.A the overall results of the relevant activities within the scope of the Anti-Corruption Compliance Program, including the proposed action plans.

¹ The Corruption risks must be identified given the following factors:

- its size, structure and delegated decision-making authority;
- the locations and sectors in which it operates or anticipates operating;
- the nature, scale and complexity of its activities and operations;
- its business model;
- the entities over which it has control and entities which exercise control over it;
- its Business Associates;
- the nature and extent of interactions with Public Officials; and
- applicable statutory, regulatory, contractual and professional obligations and duties.

4.8. Training and awareness

DN Group encourages Personnel to be informed about the applicable Anti-Corruption laws and the importance of compliance with such laws and this Policy.

Accordingly, DN Compliance Manager and Corporate HR, in coordination with Local HR and Local Legal, provide dedicated and mandatory training and periodic updates on Anti-Corruption topics to all Personnel. Training sessions might also be provided to Third Parties.

Critical areas of risk exposure might need a specific focus: in such cases ad hoc material shall be developed. In addition, diffusion of Anti-Corruption materials for raising awareness shall also be provided.

5. Annexes

Document Code	Title	Distribution
GPL.100.23 A1	Rules of Conduct and Control Principles	All Personnel
GPL.100.23 A2	Anticorruption laws	All Personnel
GPL.100.23 A3	Gift - local values	All Personnel
GPL.100.23 A4	Gifts Register Form	All Personnel
GPL.100.23 A5	Gift RACI and Flow chart	All Personnel

6. Change log

Issue	Change description / Reason for Change	Interested Chapters
1 (100.2023)	First issue	