

ANTI-BRIBERY & ANTI-CORRUPTION POLICY HOLLAND COLOURS N.V.

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Effective date: April 1, 2022

1. INTRODUCTION

Most countries have anti-bribery and anti-corruption laws or rules that govern corrupt payments, gifts, and other things of value. Violations of these or other applicable anti-bribery and anti-corruption legislation can result in serious penalties.

Holland Colours N.V. including its subsidiaries (**Holland Colours**) has a zero tolerance approach towards corruption and bribery, regardless of the identity or position of the originator or recipient of the bribe. To uphold this zero tolerance approach, Holland Colours established this policy to prevent bribery and corruption from occurring.

2. SCOPE

This policy applies with immediate effect to all employees, Board of Management (BoM) and sales agents of Holland Colours (together: **Holland Colours Representatives**).

The rules in this policy serve as minimum standards. If local applicable laws pose stricter rules than this policy, the stricter rules prevail.

In the event of any perceived conflict between this policy and any law, the involved Holland Colours Representative is required to report this to the local management immediately, the Head of Legal Affairs and the BoM will be notified consequently.

3. DEFINITIONS

“**Anything of Value**” includes gifts, meals, travel, lodging, tickets to plays, sporting events or other entertainment, charitable contributions (even to a legitimate charity) or an offer of employment or other favour, benefit or business opportunity for a person or the person’s family member.

“**Indirectly**” means through another party, closely related individual, affiliate company, joint venture partner or other intermediary.

“**State-owned enterprise**” means any organ or instrumentality of the government, including companies over which the government exercises substantial control, even if the company’s shares are owned in part by other entities or are publicly owned.

“**Third party**” means any individual or organisation you come into contact with during the course of your work for Holland Colours, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers and government and public bodies, including their advisors, arbitrators, representatives and officials, politicians and political parties.

4. RULES

4.1 What are bribery and corruption?

There is no unambiguous definition of bribery. **Bribery** includes but is not limited to directly or indirectly, offering, promising, giving, paying, soliciting, requesting, agreeing to receive or accepting a gift, promise, entertainment, service, or anything of value,

- (a) retain business or an advantage in business;
- (b) to or from a public official to obtain or retain business, or an advantage in business, or to induce any other act or omission from such public official, regardless of the question whether or not the official acted in violation of his duty; and/or
- (c) to induce a third party to act or refrain from acting, in breach of that person's duties to his employer or principal.

For an act to qualify as a bribe, it is not necessary that the person will act in violation of his duty.

Corruption is the abuse of entrusted power for private gain. This includes, among others, bribery, extortion and improper influencing, as well as laundering the proceeds of these acts. It does not matter if this involves a public official, political figure or a private citizen.

It is strictly forbidden for Holland Colours Representatives to offer or accept (or engage in any activity that gives the appearance of offering or accepting) a bribe. By lack of an unambiguous definition of bribery, this policy includes specific rules on the most significant bribery risks, being gifts and hospitality (§ 4.2), facilitation payments (§ 4.3), political donations (§ 4.4), charitable contributions (§ 4.5), lobbying (§ 4.6) and the use of agents and intermediaries (§ 4.7). Where these rules refer to **public officials**, this includes *inter alia*:

- (a) any person who is appointed by the public authorities to perform a function that has a public character to carry out some of the powers of the state or its official agencies;
- (b) any individual that holds a legislative, administrative or judicial position of a foreign, national, local or municipal government, whether elected or appointed;
- (c) government officials, employees of a government or employees of a government owned entity;
- (d) political parties, candidates for public office or a political party, officers or employees of a political party;
- (e) any person acting in an official capacity or exercising a public function for or on behalf of any government or its instrumentality;
- (f) any officer or employee of a public international organisation;
- (g) (disciplinary) judges, judges of national and international courts, arbiters and mediators;
- (h) any person that is part of the armed forces of any government or state; and
- (i) employees of state-owned enterprises or state controlled commercial enterprises.

4.2 Gifts and hospitality

Gifts means any payment, gratuity, gratification, present or advantage pecuniary or not, offered, promised, given or received without any direct or indirect material or immaterial compensation. The promise of a gift also qualifies as a gift.

Hospitality means all forms of social amenity (such as lunches and dinners), entertainment, travel or lodging, including an invitation to an event such as a sporting, cultural or business event. The promise of hospitality also qualifies as hospitality.

It is prohibited to offer gifts and hospitality to or accept gifts and hospitality from public officials.

Gifts and hospitality offered to or accepted from non-public officials must not exceed the maximum of 50 EUR (or a local currency equivalent) per occasion and must not exceed a cumulative value of 100 EUR (or a local currency equivalent) per year and are prohibited unless the BoM or the local Managing Director has granted prior written approval.

4.3 Facilitation payments

Facilitation payments are unofficial payments made (or other advantages given) to public officials in order to secure or expedite the performance of a routine or necessary action, e.g. to speed up the issuance of licenses or permits.

Although in many countries the payment of facilitation payments is common and often expected, it is strictly prohibited for Holland Colours Representatives to make, initiate, accept or receive any facilitation payment.

Legitimate fees available to everybody to expedite a service – such as an official fast track for getting a visa – are not considered facilitation payments. If it is unclear whether a payment that is requested is a legitimate fee or facilitation payment, the involved Holland Colours Representative must raise questions to the public official requesting the payment.

If a facilitation payment is requested, the following reactive actions must be taken to avoid the payment from actually happening:

- request the reason for the facilitation payment request;
- explain Holland Colours' policy: paying facilitation payments is strictly prohibited;
- if payment is still requested, ask for the public official's manager; and
- if the request remains, escalate to the BoM or the local Managing Director.

In exceptional situations, not paying a facilitation payment could put the health or safety of a Holland Colours Representative at risk.

In that exceptional case:

- proper action must be taken to inform the appropriate authorities in the country concerned that such payments were being demanded;
- it must be documented that the Holland Colours Representative was taking what practical steps it could to curtail the making of the facilitation payment (such as the aforementioned reactive actions); and
- the payment must be recorded transparently in the books and records of Holland Colours.

4.4 Political donations

A **political donation** is a contribution of anything of value to support a political goal. Examples include local, regional or national political fund-raising events, providing goods or services, paying employees during working hours to work at a political function, or paying for campaign expenses.

Holland Colours Representatives must not contribute to any candidates for public or private office, political party or public international organization or other political interests on behalf of Holland Colours, either directly or indirectly.

4.5 Charitable contributions

A **charitable contribution** is a payment made without demand or expectation of business return, to a registered charitable organisation, solely for the benefit of society, for charitable, education, social welfare and similar causes.

Holland Colours' local Management Team can make any social e contribution on behalf of Holland Colours, in the context of its sustainability objectives. The BoM encourages small contributions, but prior written approval is required.

4.6 Lobbying

Lobbying is any direct or indirect communication with public officials, political decision-makers or representatives made, managed or directed for the purposes of influencing public decision-making.

Lobbying is prohibited for Holland Colours Representatives, unless the BoM has granted prior written approval.

4.7 The use of agents and intermediaries

The use of agents and intermediaries to get into business with clients is an area that is at particularly high risk of involving bribes. It is therefore prohibited for Holland Colours Representatives to appoint agents and intermediaries or change their commission without the prior written approval of the BoM.

5. REPORTING VIOLATIONS

If a Holland Colours Representative becomes aware of any violation or potential violation of this policy, he or she must immediately file a report to the BoM and the Head of Legal Affairs

6. CONSEQUENCES OF NON-COMPLIANCE

Non-compliance with this policy is taken seriously. Any Holland Colours Representative involved with non-compliance may face disciplinary actions, including dismissal and criminal prosecution. Such disciplinary actions can be taken at all levels of the organization.

7. (LEGAL) ADVICE

Should you have any questions concerning this policy, please contact the CEO or the Legal Department.