

**General Procedure**

**Nordzucker Group**

**Compliance Anti-Corruption  
NZ 1.3.13-G**

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## **Disclaimer**

Insofar as we use only the masculine form in this document to refer to persons for reasons of better readability, this is to be understood as gender-neutral.

## 1 Purpose and area of application

### 1.1 Purpose

**Corruption is prohibited – worldwide as active and passive corruption.** Not only by national and international laws, but also by regulations of the Nordzucker Group. Accepting or granting advantages of any kind, which are intended to influence a process of decision making in an inadmissible way are strictly prohibited. This does not only apply with regard to business partners, but also in respect to public officials and holders of a political office.

The Nordzucker Group's Code of Conduct was developed based on the Nordzucker Group's values. These values are the foundation of every single action of the Nordzucker Group and its employees, as well as the company's culture. In addition to the Code of Conduct, which includes basic regulations on corruption, this General Procedure Compliance Anti-Corruption (hereafter referred to as "General Procedure") aims to raise the awareness about corruption. In this respect, **this General Procedure informs about the essentials of corruption and the right way of dealing with corruption issues.** This General Procedure also underscores our commitment to the UN Global Compact as well as the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct and their principles on anti-corruption.

Nordzucker's management does not tolerate corruption. Business has to be always practiced in a fair and honest way. Doing no business is better than doing business that involves corruption.

### 1.2 Area of application

This General Procedure applies to all companies of Nordzucker Group (hereafter referred to as "Nordzucker"):

☒ Nordzucker Group Europe

☒ Mackay Sugar Limited

Every single employee of Nordzucker has to ensure, within its area of responsibility, the compliance with applicable national and international law as well as the rules set in this General Procedure.

The Top Management is responsible for the implementation of this General Procedure and has to ensure within their area of responsibility that they themselves and their employees comply with applicable national and international law, as well as with the rules set in this General Procedure (organisational and supervisory duty of managers).

In every country Nordzucker is doing business or operates, laws and regulations are in effect to fight corruption.

Should national or local law and regulations be stricter than the requirements in this General Procedure, then local law and regulations prevail.

### 1.3 Validity Date and regular review

**The Validity Date of this General Procedure is 31.05.2025.**

This General Procedure replaces the previous version as well as the Guideline Compliance: Gifts and Hospitality (NZ-1.3.10-G).

General Procedures must be periodically reviewed as minimum every 3 years or in the event of major changes such as reorganizations. This periodic review must be documented.

Annex 1 will be regularly updated once there are changes in the content.

### 1.4 Roles and Responsibilities

The following shows the different responsibilities each role has according to this general procedure.

Role title / Name	Responsibilities
All employees	<ul style="list-style-type: none"><li>• Comply with the rules set forth in this document.</li></ul>
Top Management	<ul style="list-style-type: none"><li>• Implementation of this Procedure</li></ul>
Respective function / responsible local management	<ul style="list-style-type: none"><li>• Decision and assessment whether the sponsorship should be approved or rejected (chapter 3.3.3)</li></ul>

## 2 Basics of corruption

Corruption does not only harm societies. It also harms Nordzucker and has serious effects for every single employee.

Corruption has the power to distort competition in markets, increases the cost of doing business and harms stakeholder trust. Consequently, it destroys Nordzucker's reputation and can lead to massive financial damages. In all countries in which Nordzucker operates, corruption is illegal and punishable by serious fines and imprisonment.

That is why Nordzucker has a zero-tolerance approach when it comes to corruption, without regard to rank and position of the persons concerned.

Our compliance risk assessment procedures for corruption enable us to identify, evaluate, and monitor compliance risks continuously and to take appropriate measures with the aim to avoid non-compliance.

### What is Corruption?

The term corruption does not have a legally binding definition. In general, corruption is the abuse of entrusted power or position in a professional environment for personal gains or advantages. It also includes grants for a third party, e.g. an employer, family members or other related persons.

Corruption can occur not only in dealings with business partners, but also with public officials or holders of political offices.

The most common form of corruption is bribery. Bribery is defined as accepting or offering of any undue monetary advantages (e.g. money, gifts, hospitality) with the intention to influence:

- the decision of public officials or holders of a political office or their relatives (see also chapter 3.2),
- the behaviour of a business partner or their relatives, or
- one's own behaviour.

### 3 What are typical situations in which corruption may occur?

#### 3.1 Gifts and Hospitality from or to business partners

Gifts and hospitality (together "Benefits") are customary and legitimate means of building and fostering business relationships and strengthening business partners' loyalty, as long as they have a clear business reference, are kept to a reasonable extent and are not inadmissible for other reasons.

However, accepting or granting Benefits can sometimes lead to conflicts of interest and must then be avoided. **Benefits that may be perceived as extravagant or applying inappropriate influence must be avoided in any case. Furthermore, cash and comparable gifts (e.g. bank transfers, gift vouchers) must not be accepted or given.**

The Benefit may only be given to or accepted from a business partner, if the following requirements are met:

<b>Timing</b>	Benefits must <b>not</b> be granted or accepted <b>during ongoing tenders and ongoing contract negotiations.</b>
<b>Frequency</b>	Benefits from or to <b>the same business partner</b> may <b>only</b> be accepted or given <b>twice per business year.</b>
<b>Business relationship</b>	Benefits may only be granted to or accepted from those that <b>Nordzucker has a business relationship with.</b>
<b>No influence of a business decision</b>	Benefits – also by using third parties (e.g. contractors, consultants) – must not be used to influence a business decision and must not create such impression.

<p><b>Appropriateness</b></p>	<p><b>1. Is the Benefit in line with the thresholds in Annex 1?</b></p> <p>Appropriateness of the Benefit is assumed, if the Benefit complies with the respective threshold in Annex 1 (no. 2 below is then obsolete).</p> <hr/> <p><b>2. Is the Benefit appropriate according to general criteria?</b></p> <p>If the Benefit exceeds the respective threshold and should still be given or accepted, your superior must check – in addition to the compliance with the further requirements in this table – the general appropriateness of the Benefit with regards to:</p> <ul style="list-style-type: none"> <li>• <b>Value of the Benefit</b> (incl. the total amount of Benefits given to the same recipient per business year) <b>Note:</b> Benefits of a low value are more appropriate than Benefits of a high value.</li> <li>• <b>Job position / hierarchy level</b> of giver and recipient <b>Note:</b> The Benefit must reflect the job position / hierarchy level of recipient and giver. The higher the job position / hierarchy level, the more appropriate a higher value of the Benefit is.</li> <li>• <b>Local business practices</b> <b>Note:</b> The appropriateness of a Benefit also depends on the local business practices. In some countries it might be a common practice to welcome a guest with a box of chocolates of a high value.</li> </ul> <p>If your superior confirms the appropriateness and compliance of the Benefit with the further requirements in this table and therefore approves it, this must be documented (see chapter 3.1.1).</p>
<p><b>Other</b></p>	<ul style="list-style-type: none"> <li>• Benefits must <b>not</b> be <b>actively requested</b>.</li> <li>• Benefits must be <b>sent to the business address</b>.</li> <li>• <b>Local legal regulations</b>, particularly regarding wage and income tax, <b>must be complied with</b>.</li> <li>• <b>Stricter company rules of the business partner must be respected</b>.</li> </ul>

<b>Additional principles in case of hospitality</b>	<ul style="list-style-type: none"><li>• Hospitalities must have a <b>predominant business connection</b> (e.g. expert meetings such as lectures, trade fairs, plant visits).</li><li>• The <b>entertainment character</b> of the event <b>must not overweigh</b> (e.g. sport or cultural events).</li><li>• The <b>inviting person must attend</b> the event.</li><li>• <b>Travel and hotel costs must not be paid by the inviting party.</b></li></ul>
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**For a quick guide to help you decide whether you may accept or grant the Benefit, please see the leaflet “How do we deal with gifts & hospitality?”.**

Benefits that have been accepted or granted from or to business partners must be documented and the superior must be informed (e.g. via email). This does not apply to promotional gifts (e.g. pens, cup).

### 3.2 **Gifts and Hospitality to and from public officials and holders of political offices**

Compared with business partners, the regulations regarding public officials and holders of political offices are much stricter.

The acceptance or granting of Benefits to or from public officials and holders of political offices (including the offering, promising, giving, receiving and soliciting) is **prohibited**.

#### **Who is a public official or holder of a political office?**

- ✓ **Public officials** are people holding a position in public service. Included are civil servants, public prosecutors, judges and all other people in a public-legal office, people who carry out public administration duties on behalf of an authority. Also defined as public officials are employees of (partly) state-owned companies, international organisations or institutions (e.g. at the European Union).  
**Please notice:** People working for public radio or TV stations, some banks, health insurance companies, and comparable institutions and companies can be public officials.
- ✓ **Holders of a political office** are members of international, national, local, and regional parliaments, e.g. the European Parliament, as well as local councillors and representatives of municipal associations.

### 3.3 Donations and Sponsorship

Donations and Sponsorship are an integral part of Nordzucker's corporate culture and an expression of our social commitment. They enable us to make a positive contribution to society. Through targeted donations, Nordzucker supports charitable organisations and projects that are committed to important social, cultural and sustainable topics. Sponsorship activities offer Nordzucker the opportunity to enter into partnerships with various organisations in order to pursue common goals and at the same time strengthen our brand awareness. When making donations and sponsorship, Nordzucker adheres to transparency as well as a socially customary and appropriate framework in order to avoid even the appearance of corrupt behaviour.

#### What are Donations and Sponsorship?

**Donations** are voluntary contributions in the form of money or goods that are made to an organisation or institution without any consideration.

**Sponsorship** is a marketing instrument that uses contractually agreed support of organisations or events through money, goods or services in exchange for specific consideration such as brand promotion, sponsor visibility or other commercial benefits. The objective of sponsorship is to achieve a positive impact in terms of reputation and public perception.

#### 3.3.1 General principles for donations and sponsorships

In order to strengthen Nordzucker's image as a responsible company, a reliable partner and attractive employer, the selection of donations and sponsorships must be clear and comprehensible.

**The following applies to donations as well as sponsorship:**

- Must be compliant with applicable laws and in accordance with this General Procedure;
- Must not be offered or granted to obtain any unfair advantage for Nordzucker or serve any unfair purpose;
- Must not be used to obtain services provided by a public official or a holder of a political office;
- Must always take place in a transparent manner (documentation must include the recipient's identity, purpose, reasons for donation / sponsorship);
- Must not damage Nordzucker's image and must not lead into a conflict of interest (see also chapter 3.4);
- Payments made into private bank accounts and offshore bank accounts are not permitted;
- Nordzucker does not donate or sponsor to individuals;



- Nordzucker does not sponsor or make donations to events which are not located in Nordzucker's geographical area or which are not related to Nordzucker's business;
- Nordzucker does not sponsor or make donations to events where Nordzucker might not be clearly perceived by the public as a sponsor or donor because numerous other companies or organisation are sponsoring the same event or making donations to the same event.

#### **Donations and sponsorships for the public administration**

Donations and sponsorships to political parties, political officials and holders of a political office or candidates for such positions, the economic council or comparable organisations of a party or events of the public administration (e.g. summer festivals)

- ✓ Must not create the appearance that Nordzucker (potentially) influences the performance of actions of the public administration and
- ✓ Require the **prior approval of the local management.**

#### **3.3.2 Additional principles for sponsorships**

Sponsorships must focus on one of the following topics:

- Social and humanitarian
- Education and Science
- Nutrition and healthy lifestyle.

When selecting potential sponsorship partners, they must meet three of the following criteria – except for business or industrial associations and organisations in the sugar industry (e.g. ISO or BDSi):

- The sponsorship partner must be located in Nordzucker's geographical area
- The sponsorship partner contributes to the society
- The sponsorship partner supports an active lifestyle or a healthy nutrition
- The sponsorship partner is a partner for agriculture
- The sponsorship partner complies with Nordzucker's values.

It must be ensured that Nordzucker's logo in accordance with Nordzucker's Corporate Design and in alignment with the function Communication is clearly visible at the sponsored event.

Further, Nordzucker must be presented at the sponsored event to the public as (at least three of the following criteria must be met) – except for business or industrial associations and organisations in the sugar industry (e.g. ISO or BDSi):

- An attractive place to work
- An important partner in the local environment of Nordzucker's sites

- A responsible partner in society
- A supporting partner for an active and healthy lifestyle
- A reliable partner for Nordzucker's growers
- A supplier of high-quality food and animal feed products, fertilizers, raw materials, energy.

Sponsorship must be made on the basis of a written agreement and in return for an appropriate consideration.

### 3.3.3 Process and reporting

When a sponsorship request is received, it is the responsibility of the respective function / the responsible local management to decide and assess based on the defined criteria in this chapter 3.3, taking into account the costs and benefits for Nordzucker, if the sponsorship should be approved or rejected. If the request is approved, a sponsorship contract is drawn up (if required with the involvement of the function Legal & Governance).

To ensure tax deductability as a donation or sponsorship, the applicable tax laws must be complied with. In case of any questions in this regard, the function Tax must be involved. All donation and sponsorship activities of the Nordzucker Group must be reported annually to the function Public Affairs.

## 3.4 Conflict of interest

Conflicts of interest are often linked to corruption. Where sensibly possible, avoid situations in which

- there is,
- there may objectively seem to be, or
- there could likely result a conflict between your personal interests and the interests of Nordzucker.

### What is a conflict of interest?

A **conflict of interest** is any circumstance that could raise doubts upon an employee's ability to act, judge or decide with total objectivity regarding Nordzucker's interests. This includes in particular the following situations:

- Secondary employment with a Nordzucker business partner (customer, supplier) or competitor of Nordzucker or self-employment in Nordzucker's business segment or a job as a consultant for a Nordzucker business partner (should generally be avoided).
- Private investments, e.g. with a shareholding of more than 5% or another significant financial interest in a business partner of Nordzucker.

- Close personal relationships (such as a spouse, sibling, parents, life partner (“close relative”)) with other Nordzucker employees or with business partners of Nordzucker.
- Close personal relationships with auditors who are responsible for our certifications.

**Please notice:** Make conflicts of interest transparent. Business is dynamic and circumstances may change. Please report conflicts of interest that arise during your employment.

**Examples:**

*You are an employee of Nordzucker and you are also a shareholder of the X-GmbH, with whom a contract for the provision of services is to be concluded. Your supervisor asks you to conduct the contract negotiations with the X-GmbH.*

*You are an employee of Nordzucker and you are negotiating a contract for Nordzucker with your spouse who is responsible for awarding contracts at X-GmbH.*

**How should I act in case of a (potential) conflict of interest?**

- ✓ Withdraw from the decision-making process to avoid the appearance of any conflict of interest.
- ✓ Immediately inform your superior and the function Compliance Coordination (compliance@nordzucker.com).
- ✓ Make a note of the situation.

### 3.5 Nepotism

Nepotism is often linked to corruption. This involves a person using a position of power to obtain an advantage for a family member or friend. Nepotism is **prohibited**.

**Example:**

*You are in contact with a business partner regarding a possible business deal. While talking about the details, the employee of the business partner asks you to arrange a traineeship or a student job for his son (or another related person), bypassing the regular process. In return, the business deal with Nordzucker would be agreed.*

#### How should I act in case of nepotism?

- ✓ Refuse the request.
- ✓ Immediately inform your superior and the function Compliance Coordination (compliance@nordzucker.com).
- ✓ Make a note of the situation.

### 3.6 Facilitation Payments

A facilitation payment is a small bribe known as a “grease payment” or a “speed payment” paid to a public official or holder of a political office to facilitate or expedite the performance of a routine transaction or service which the person or company making the payment is legally entitled to receive. Thus, facilitation payments affect only the timing, not the legal entitlement of the actions.

As facilitation payments are bribes, they are generally not accepted in Nordzucker. A facilitation payment is a criminal offense in almost all countries and may result in prosecution.

#### Example:

*A logistics provider, who is doing the transport and customs declarations of goods for Nordzucker, tells you that the delivery process will be quicker, if he pays a small extra fee of 500 Euros in cash to the competent customs officer. According to the logistics provider, this would save transportation costs of 5.000 Euros, because the goods would not be stopped overnight for inspection.*

#### How should I act, if someone asks me for a facilitation payment?

- ✓ Refuse the request and any other comparable suggestion.
- ✓ Tell the asking person that Nordzucker only makes payments directly to the authorities / service provider based on an official receipt or invoice.
- ✓ Ask for the name of the person, who has asked for the facilitation payment.
- ✓ Immediately inform your superior and the function Compliance Coordination (compliance@nordzucker.com).
- ✓ Make a note of the situation.
- ✓ Continue the contact with a different official or employee of the service provider / if possible or end all business relations with this service provider.

**Permitted facilitation payments:**

- Facilitation payments by Nordzucker might be permitted to avert a threat to your health or life, or the health or life of a third party. If such a threat situation occurs, contact the Head of Risk Management and Crises Management, the function Compliance Coordination and / or your superior as soon as possible. Make a comprehensive record note of the situation.
- Additional administrative fees for fast-track services regulated in an official fee catalogue are not regarded as facilitation payment. In these cases, the fee must be paid directly to the authority based on an official receipt or invoice.

**3.7 Due Diligence of Business Partners**

Nordzucker uses third parties (business partners), e.g. external advisors, agents, subcontractors and suppliers, to perform work or provide services for Nordzucker or on behalf of Nordzucker.

**Examples:**

*Nordzucker wants to develop new business in a foreign country. Because the sales department has no experience in doing business in the target country, an external advisor is assigned to develop customer contacts.*

*An intermediate trader is buying products from Nordzucker after he acquired an order from a customer. Nordzucker is paid by the intermediate trader but delivers directly to his customer.*

Nordzucker may be liable for corruption committed by such business partners. Possible corruption risks could be:

- A business partner could claim bribes.
- External advisors, agents, subcontractors, suppliers, and intermediate traders could use a portion of their compensation to make a bribe on behalf of Nordzucker – even without informing us.
- A business partner may employ or associated with a person, who could be possibly influenced by Nordzucker, resulting in a conflict of interest that must be identified and managed.

The before mentioned business partners must not perform any actions or encourage any actions which are prohibited for employees of Nordzucker. That is why a due diligence of new, as well as existing business partners, is essential. Nordzucker employees, which are responsible for contracting with a business partner, must perform a business partner due diligence. You must make sure you know exactly who your business partner is before you enter into a contract with him.

### What is important when contracting with a third party?

- ✓ Cash transactions are only permitted in accordance with chapter 2 of the General Procedure Prevention of Money Laundering and Terrorist Financing (NZ-3.12.3-G).
- ✓ Contracts with third parties must be concluded in writing.
- ✓ The purpose of the business relationship with third parties must be legitimate.
- ✓ The agreed remuneration must be appropriate.
- ✓ Refrain from doing business with third parties who might exert improper influence when dealing with public officials or holders of a political office.
- ✓ If you have doubts about the integrity of the third party, refrain from doing business with them.

### 3.8 Hidden commissions or kickback payments

Hidden commission charges can facilitate bribery and they are absolutely **forbidden**. A synonym for such payment arrangements are so-called “kickbacks”. A kickback payment involves two parties, which agree that a portion of sales, profits, bonus or provisions will be improperly given, rebated or otherwise returned to one of the parties (or someone else designated by that party) in exchange for the agreement.

#### **Example:**

*A previously contracted agent pays a part of his excessive service fee back to the employee's or company's account. Usually, these repayments are kept secret.*

### How should I act, if someone offers me a kickback payment?

- ✓ Decline the offer.
- ✓ Ask for the name of the person, who has offered the kickback payment.
- ✓ Immediately inform your superior and the function Compliance Coordination (compliance@nordzucker.com).
- ✓ Make a note of the situation.
- ✓ Continue the contact with a different employee of the business partner if possible or end all business relations with this business partner.

## 4 Violation of this General Procedure

All employees are obliged to comply with this General Procedure and should report any violations or hints immediately to the respective superior and the function Compliance Coordination (compliance@nordzucker.com).

Violations of this General Procedure can also be reported – also anonymously – via Nordzucker's whistleblower system SpeakUp.

Any reported violations of this General Procedure will be investigated and, if required, measures to prevent such violations in future will be taken.

## 5 Contact Partner

Please contact Nordzucker's function Compliance Coordination (compliance@nordzucker.com) in case of questions regarding the this General Procedure or in all cases of doubt regarding corruption relevant matters.

In case of questions regarding donations and sponsorship, please contact the function Public Affairs.

## 6 Training obligations

To ensure that all employees within Nordzucker are aware of corruption risks while doing their business, all employees receive a training on anti-corruption as part of the Code of Conduct training on a regular basis.

If required, specific and recurring anti-corruption awareness measures (e.g. training, information event) will be offered for higher risk functions.

## 7 Definitions and control of documents

### 7.1 Definitions and terms used

***Document:***

Policies, strategies, general procedures, operational procedures, Nordzucker Inhouse Standards, manuals and technical information are all summarized under the generic term "document". Other examples of documents are templates, checklists, reports, minutes etc.

***Gift:***

Valuable item given to or by employees without any compensation (e.g. a bottle of wine or a box of chocolates).

***Hospitality:***

Request or offer that a particular person or group of people can participate in an event (e. g. meal, football match, cultural events, plant visits), meeting or celebration. This particular person or group of people can be third parties (external persons e. g. business partner) as well as employees belonging to the Nordzucker Group.

**7.2 Other applicable internal rules and regulations**

The following internal rules and regulations (policies, strategies, general procedures, operational procedures, Nordzucker Inhouse Standards, manuals, templates, technical information, workers council agreements or others) are to be considered:

- NZ-1.2-P.08 Code of Conduct
- NZ-3.4-G Guideline Crisis Management
- NZ-1.3.12-G Guideline Whistleblower System
- NZ-3.12.3-G Prevention of Money Laundering and Terrorist Financing
- NZ-3.12.3-WI Work Instruction Compliance Risk Analysis
- Leaflet "How do I avoid corruption?"
- Leaflet "How do we deal with gifts & hospitality?"

**8 Attachments**

**8.1 Annex 1: Thresholds for Benefits**



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## Annex 1 – Thresholds for Benefits

<b>Country</b>	<b>Gift</b> (including tax)	<b>Hospitality</b> (including tax)
Australia	40 €	80 €
Denmark	40 €	80 €
Finland	40 €	80 €
Germany	30 €	60 €
Ireland	40 €	80 €
Latvia	22 €	45 €
Lithuania	22 €	45 €
Poland	22 €	45 €
Slovakia	22 €	45 €
Sweden	30 €	60 €