POLICY

Anti-Corruption Policy

Anthrion's corporate policy against corruption: definitions, typical scenarios, and the conduct expected of everyone at Anthrion.

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The corporate policies are binding on all the companies controlled directly or indirectly by Anthrion GmbH with headquarters in Freising, Germany ("affiliated companies") and their employees (with the exception of listed stock corporations). Anthrion GmbH may release separate Corporate Guidelines applying to affiliated companies.

The governing bodies of the relevant companies are required to take the measures necessary to implement and enforce the corporate policies and to ensure due adherence to the guidelines by all employees. The guidelines set out in the corporate policies are minimum requirements which must be met. Naturally, each senior manager is at liberty to introduce stricter requirements above and beyond the corporate policies.

The masculine form is used in the corporate policies solely for the purpose of easy legibility. It always includes the feminine and divers form.

1. Subject

Integrity and sustainability are central values of our corporate culture at Anthrion. The success of Anthrion is based on the quality of our services and the efficiency of our employees in fair competition. Any and every form of corruption is irreconcilable herewith. No commercial success justifies the breach of criminal law. Allegations of corruption also have the potential to cause extreme damage to the credibility and standing of Anthrion.

Any member of staff who engages in corruption makes himself a target of criminal investigations, recklessly harming the reputation of Anthrion and jeopardizing our credentials as an independent enterprise and employer for many employees.

The Anthrion Executive Board has therefore adopted this anti-corruption policy in order to raise awareness of situations in which employees may be exposed to the risk of corruption and to ensure that employees do not engage in any form of corruption. Various other corporate policies, such as those on gifts, incentives, hospitality and signature directives, contain specific guidelines to follow with a view to avoiding corruption. Their validity shall remain unaffected by the introduction of this policy.

2. Definition of terms

- **Corruption**: is the term used to denote the abuse of a position of trust in office (e.g. in the private or public sector) in order to gain material or non-material benefit to which there is no entitlement on legal or factual grounds. The most prominent crimes of corruption are the taking and offering of bribes and the acceptance and granting of undue advantage (cf. sections 331 ff. of the German Criminal Code (Strafgesetzbuch, StGB)) as well as the criminal offences in connection with restrictive competition practices (cf. section 298 ff. StGB).

Every country has its own anti-corruption laws but there is general consensus that active and passive bribery and granting of undue advantage are criminal acts liable to prosecution. What is more, crimes of corruption which are committed in foreign countries generally also incur a penalty under German and/or European law. Moreover, there are some laws in force in foreign states (e.g. UK Bribery Act, US Foreign Corrupt Practices Act) which may also be of relevance for Anthrion companies in addition to the German Criminal Code (StGB) owing to their wide scope of application.

- **Advantage**: Crimes of corruption typically ensue from an advantage which is granted or held out in prospect. Not only cash payments but also other benefits of a tangible and intangible nature which enhance the situation of the recipient fall under the definition of "advantage". Advantages might come in various guises, such as the advancement of low-interest loans, invitations, the granting of extensions for the payment of debts, promotion, or the bestowal of honorary titles.

The punishment for crimes of corruption is particularly severe if a holder of office or a public servant is involved. The term "holder of office" can be interpreted very broadly. Not only does it cover German and European public officials but all those who conduct duties of public administration (e.g. notaries, experts and inspectors (if they conduct duties of public administration), employees in savings banks and chambers of trade governed by public law, and staff working in waste disposal and municipal utilities).

3. Typical scenarios

The following examples are intended to help staff to recognize situations in which there may be a risk of corruption-related infringements.

a. Bribery and granting of undue advantage to holders of office

Anyone who offers an advantage to a holder of office or to another public service employee in order to induce the holder of office to perform an official act shall be liable to prosecution for the granting of undue advantage (cf. section 333 of the German Criminal Code (StGB)), even if legally entitled to the performance of the official act.

Examples:

> A member of staff offers a customs employee a cash payment in order to accelerate the clearance of goods through customs.

> The employee of a public authority who is required to process an application subject to approval (e.g. application for planning permission for a building) is offered a free subscription to a magazine in order to fast-track the process.

Anyone who asks the holder of office to perform an official act in breach of an official duty shall be liable to prosecution for bribery (cf. section 334 of the German Criminal Code (StGB)). Punishment for bribery may be meted out not only to German and European holders of office but also to holders of office of other nations (e.g. Russia, Brazil, India).

Example:

> A member of staff offers a customs employee a cash payment in return for allowing contraband goods through customs. The employee of a public authority who makes decisions on the granting of subsidies is offered two tickets for a television show by a member of staff in return for approving the application for a subsidy without vetting any further documents.

b. Corruption in the private sector

Corruption incurs a penalty in the private sector if an advantage is granted with a view to gaining preferential treatment over a competitor in return (cf. paragraph (i.) below) or if the reward for an advantage entails the breach of a duty towards the company (cf. paragraph (ii.) below). In both cases the potential preferential treatment must relate to a business transaction for the purchase of goods or services.

(i.) Preferential treatment over competitors

The granting or acceptance of undue advantage with intent to gain preferential treatment over a competitor is a punishable offence in the private sector.

Example:

> A large German enterprise has called for tenders for a software contract. A member of staff would like to win the contract in order to meet the sales targets set by the company and used by the company to calculate bonus payments. The member of staff therefore offers the enterprise awarding the contract an advantage in return for the award of the relevant contract (offering of bribes). An enterprise is inviting bids for a consultancy project. One of the consultancy service providers who is bidding for the project offers the member of staff who will shortlist the bidders a private spa weekend if his business consultancy is selected for the project contract. The member of staff gratefully accepts this offer (taking of bribes).

(ii.) Disloyalty to the employer

The granting or acceptance of undue advantage entailing the breach of statutory or contractual duties towards the employer is also outlawed in the private sector.

Examples:

> A bank employee approves a loan for a client in return for an advantage although the client has not met the necessary conditions which the bank employee is required to check internally for the approval of loans. In so doing, the bank employee is acting in contempt of the employer's instructions (taking of bribes). Any risk of criminal liability shall cease to apply if the employer is complicit in the dereliction of duty.

c. Engagement of third parties

If an employee instructs an external consultant or other third parties (e.g. sales representatives or distribution partners), the respective employee must do what is necessary to ensure that the actions of the authorized representative in any given case do not amount to corruption offences. Otherwise, there is a risk that the employee in question will be rendered liable for indirect corruption.

The relevant employee may therefore have no reason whatsoever to doubt the legality of the business methods of the relevant third party. Verbal agreements should be documented in writing. Cash payments may not be made (reference should be made to the corporate policy on the due and proper management of petty cash funds). Particular caution should be exercised if the registered office or account of the relevant third party are not held in the country in which the service is to be provided. The payment which is agreed for the service of the third party may not be excessively high so as to enable parts thereof to be used to bribe the target person, i.e. performance and counter performance must be in due proportion to each other.

Examples:

> An employee wants to distribute a new company product through the retail trade and engages a consultant who evidently has excellent relations with the large food retail chains. The consultant is instructed to negotiate

> preferential terms with a large food retail chain and arrange for the new magazine to be placed in a specific and particularly favorable position on the product rack. The fee agreed with the consultant is unusually high and therefore leaves the consultant with sufficient margin for the payment of bribes. The employee supposes that the food retail chain will have to remove the product of a competitor from the rack in order to make space for the new product. The employee does not rule out the possibility that the consultant will pay bribes to the food retail chain.

Fees for consultancy services, especially payments to foreign recipients, are often scrutinized with particular rigor by the accountants in the audit of the annual accounts, in tax audits and internal audits. It is absolutely essential to keep careful documentation of any such agreements and payment flows. Contracts may therefore not be entered into with consultants in cases where the performance set out in the contract does not correspond to the actual performance.

d. Appropriations to third parties who are close to the target person

Crimes of corruption are also possible in constellations involving three people in that the recipient of the benefit and the target person, i.e. the person who conducts or omits the required action, need not be one and the same person. A crime of corruption can therefore also exist, for example, if an advantage is granted to a member of the family of a target person or to an organization in order to induce the target person to act in a certain way.

Examples:

> An employee would like to have a new trademark entered in the register by the German patent and trademark office. When the official in charge of the registration process (target person) explains that there are obstacles, the employee offers to arrange for his company to make a relatively large donation to the party (recipient of the benefit) in which the official is a member if the official registers the trademark.

It is also important to note that the granting of donations is subject to the prior consent of the CEO or the CFO of Anthrion.

4. Summary of essential points

- Always separate professional and private interests, i.e. do not accept private advantages for any action or omission in your position as an employee.
- Make sure that transactions are based on written agreements so that your actions are documented in an audit trail which can be followed by third parties if necessary.
- Do not grant or promise any advantages which extend beyond the customary small tokens given in the normal course of business and which could influence the choices and decisions of the recipient.
- Practice the two-pairs-of-eyes principle.
- Do not grant or accept gifts of money as a general rule (cf. corporate policy on gifts and incentives).
- Conduct yourself in business dealings at all times in such a way that you or Anthrion could also advocate or defend your decisions in public.
- Do not enter into business relations with third parties if you doubt their integrity and law-abiding character.
- Do not make cash payments (cf. corporate policy on the due and proper management of petty cash funds).
- In cases of doubt, consult the contact person named in section 7 before taking any action.

5. Summary of particularly vulnerable parties

- Members of staff who hold a position of trust within the company and/or make the decisions (managers, company officers with statutory authority (Prokuristen) and other authorized representatives).
- Members of staff who buy or sell goods and services for Anthrion (people who work in purchasing, sales and marketing, etc.).
- Members of staff who have contact with holders of office or with other public servants (data protection officers, event organizers, etc.).
- Members of staff who make decisions about editorial content and positive portrayals of third parties (e.g. copy editors, chief editors, etc.).

6. Summary of our expectations

- Members of staff in a purchasing role or with budget responsibility and employees in sales regularly attend anti-corruption training.
- Every member of staff abides by the relevant signature policy and the two-pairs-of-eyes principle.
- Every member of staff discharges the relevant duties with regard to documentation and preservation of business records or arranges for an organization to do the work required.
- The information security officers (ISO) work with the IT system managers to ensure that IT-systems (especially ERP systems) are subject to an authorization system with appropriate separation of functions which is regularly reviewed.
- The chief editors monitor compliance with this policy in their editorial offices.

7. Advice and queries

Please address any general questions on this policy and other anti-corruption measures at Anthrion as well as any doubts in a specific situation as to the lawful way to conduct yourself, to the following person with responsibility for legal and compliance:

GENERAL COUNSEL

Lars Boettcher
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