



Code of Conduct for Employees  
of **Evonik Group**

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## 1. Scope and objectives

"Compliance" means the observance of all measures designed to ensure that the business activities of the company, its organizational units, and its employees are conducted in a manner that complies with the appropriate legislation. Furthermore, compliance ensures that all business transactions are conducted in accordance with social rules and values that are morally and ethically acceptable.

The compliance system of Evonik Group (hereinafter called "Evonik") serves to prevent or limit damage, to discover and correct violations in a timely manner, and to meet statutory organizational obligations.

This Code of Conduct summarizes the most important principles and standards of Evonik. All employees must be familiar with these. It also outlines the fundamental ethical and legal duties of Evonik employees and provides a secure basis for their correct professional conduct.

Beyond the observance of statutory requirements and other regulations and standards, ethical actions are of high value in Evonik. This is based on the corporate values of Evonik, the *Guiding Principles*, and the style of personnel management, which determine our conduct, both in our internal business relations and in the external contact with business partners and public institutions.

Every employee is responsible for compliance, with the support of the management and the role model function of all executives. Additionally, compliance is a trust-building measure to protect the global reputation of our Group and its employees. It fosters a culture of mutual trust, accountability and integrity.

The scope of this Code of Conduct includes all organizational units at Evonik as well as subsidiaries and associated companies in which Evonik has a direct or indirect stake of more than 50 % or another dominant influence. Evonik will make every feasible effort to ensure compliance with requirements that are comparable to this Code of Conduct in all other associated companies.

The Code of Conduct may be further explained in corporate policies that are published throughout the Group. Furthermore units are entitled to issue specific rules and

regulations. Supervisors are responsible for ensuring that their employees are continuously informed of the corporate policies and department-specific rules that are relevant for their personal actions.

## 2. Business conduct

### 2.1 Managing business transactions

#### Observance of all laws and regulations

Since it operates internationally, Evonik is required to comply with numerous national and supranational laws and regulations. All business activities and processes of Evonik must therefore be conducted in accordance with all applicable laws, voluntary obligations, and binding regulations relating to Evonik activities. We apply higher standards in all cases where such regulations are not sufficiently detailed.

Employees are not permitted to issue instructions that depart from these principles and result in a violation of the stated corporate policy on the conduct of business activities.

#### Preventative legal counsel

In order to avoid risks that could lead to violation of applicable laws and guidelines, it is necessary that a person first seeks internal legal counsel before taking any action.

#### Bribery

Evonik prohibits any form of bribery or attempted bribery, be it as an offer or acceptance of money or valuables.

#### Gifts, offers of entertainment, and other privileges

Gifts, favors, hospitality, and other privileges may be offered or accepted within the limits of statutory or labor law limits only if they do not exceed the bounds of typical business practice in the relevant region, are not of an inappropriately high value, and are not considered a bribe.

In cases of doubt, employees must obtain the approval of their supervisor or compliance officer.

#### Use of company property and resources

Using company resources for personal interests is prohibited. In individual cases, resources may be used with the prior approval of the supervisor or as stipulated by works agreements or collective bargaining agreements.

#### Integrity in reporting

All expense receipts, accounting documents, financial, research and sales reports, environmental and safety reports, and other corporate documents must provide a clear, timely, and accurate reflection of the relevant facts and/or the nature of the transaction.

It is the responsibility of all relevant employees, with the involvement of departments responsible for financial statements and auditing, to cooperate fully with Evonik's auditors and not to withhold any necessary information from them.

#### External communication

Official statements in Evonik, especially statements to the media, may be made only by persons expressly authorized to give such statements.

## **2.2 Business relations**

#### Equal treatment and fair practice

We treat all business partners in a fair and equitable manner.

A process based on objective and comprehensible criteria must be used to select suppliers and service providers. Wherever possible, several offers must be obtained before awarding contracts. This must take account of the fact that our suppliers are expected to comply with the principles contained in this Code of Conduct.

### Business incentives

Typical business incentives include commission payments, rebates, discounts, free shipment of goods, and similar incentives. Such incentives should be used with great care to ensure compliance with relevant statutory regulations. Full and accurate records must be kept of the use of business incentives.

### Payments

Payment for received goods and services must be made immediately to the contractual partner. Payment is usually made in the country where the contractual partner's business is headquartered. Complete or partial payment in cash is prohibited, except where the sums involved are negligible. The appropriate in-house legal counsel must be consulted before making divergent payment arrangements.

## 2.3 Conflicts of interest

### Secondary employment

Evonik welcomes the social commitment of its employees in youth organizations, adult education, sports, charities, religious and cultural organizations, including in cases where employees receive appropriate compensation/remuneration for this activity.

However, secondary work activities of any kind may not interfere with the obligation of employees to dedicate their full efforts and diligence to Evonik. It is requested that in cases of secondary employment, except where the work involved is negligible maybe subject to prior approval and therefore has to be reported to the HR department together with the direct supervisor.

### Substantial financial interest in competitors, customers, and suppliers

An employee shall not carry out business which affects essential core elements of the Evonik business on behalf of himself or herself or third parties, including close relatives, in competition with or against the interests of the company. In cases of doubt the Compliance Officer should be consulted.

Substantial financial interests, including those held by close relatives, in a Evonik affiliate, competitor, customer, or supplier must be reported to the management of the relevant business unit and to the compliance officer. Close family members are significant others and minors. A substantial financial interest is defined as a shareholding of 5 percent or more.

#### Contracts/business transactions with relatives

Business transactions may not normally be undertaken with close relatives of Evonik's employees. Certain transactions may, however, be permitted by the employee's supervisor or the Group company's supervisory committee. In such cases, it must be ensured that the employee in question is not involved in the decision. Close relatives include children, parents, siblings, and partners who live in the same household as the Evonik employee.

## **2.4 Insider trading**

Some national laws forbid the use of information that is not meant for the public and/or information that has not yet been made public in connection with the purchase or sale of securities (e.g., stocks, bonds) and the unauthorized disclosure of such information. This Code of Conduct also forbids the use of insider information about Evonik or other companies gained as a result of employment, both for the employee's own benefit or the benefit of a third party as well as the unauthorized disclosure of such information.

## **2.5 Maintaining the confidentiality of internal information**

All operational and business information is confidential and may not be disclosed to an unauthorized third parties - either during the employee's term of employment or thereafter.

The direct or indirect use of confidential business information during the term of employment or thereafter for personal gain or the benefit of an unauthorized third party or to the disadvantage of Evonik is prohibited.

In compliance with the existing guidelines, Evonik's employees are required to do everything within their means to prevent confidential data from falling into the hands of unauthorized third parties.

## **2.6 Political involvement and contributions**

The political and civic involvement of companies and their employees is indispensable for the well-being of the economy and society. Evonik welcomes and encourages this involvement on the part of its employees.

Evonik also respects the freedom of its employees to make their own political decisions. In particular, employees may not be solicited, either directly or indirectly, to provide money for party contributions or to support a political party or a person running for a political office.

Evonik's employees should report any political office they hold to the compliance officer.

## **2.7 Donations**

Donations are monetary or material contributions to promote cultural, social, religious, scientific, political or community causes. Depending on their amount, donations made in the name of Evonik require the approval of the supervisory committee.

## 2.8 Equal treatment and fair practice

The employees of Evonik are expected to treat one another fairly and with respect. In all business activities, employees must respect the rights and the national and cultural differences of all individuals with whom they come into contact. It is the stated policy of Evonik not to discriminate against any employee, prospective employee, or business partner on the basis of race, ethnic origin, sex, religion or philosophy, disability, age, or sexual orientation. Any form of harassment of employees or employees of business partners is prohibited.

## 3. Technical issues

### 3.1 Competition and antitrust law

It is a fundamental principle of Evonik's corporate policy that all Evonik's personnel conduct business in accordance with the relevant applicable antitrust law.

In general, the applicable antitrust laws in countries prohibit agreements and activities that can hinder trade or competition. Violation of these laws includes, for instance, entering into agreements with competitors in order to fix or control prices, to boycott particular suppliers or customers, to divide up customers or markets, or to limit the production or sale of products.

### 3.2 Foreign trade and export control

Evonik fully supports all efforts by the international community to prevent the manufacture and proliferation of chemical, biological, and nuclear weapons, including the corresponding launch systems. Evonik therefore observes all applicable foreign trade and customs regulations.

### 3.3 Tax law

As an international corporation, Evonik observes all applicable tax laws and regulations.

Transfer prices are set on the basis of recognized OECD principles, in other words, on the same terms as dealings at arm's length.

Employees working on international assignments must pledge that they will observe the relevant personal tax obligations in line with the Group-wide transfer guidelines.

Employees may not support requests from business partners for action that reduces their individual tax liability.

### 3.4 Environmental protection, safety, and occupational health

The protection of human safety and health and the responsible use of the environment and of natural resources are essential principles of Evonik's responsible business practices. Based on the compliance with the law and voluntary obligations, Evonik is committed to continuously improve its performance and management systems in this regard.

### 3.5 Data protection

The conscientious handling of personal data has always been considered a key value out of the respect for the privacy of fellow human beings. The right of employees and business partners to determine what personal information they make available must always be protected. Unauthorized collection, processing, use, and distribution of personal data on employees and business partners is forbidden.

### 3.6 IT security

IT systems support a multitude of business processes in Evonik. Additionally, large amounts of information are processed digitally and transmitted through networks. Extensive use of IT systems means that Evonik's business activities are dependent to a large extent on the availability and functioning of such systems and the integrity of the processed data. The resulting risks are further increased by the risk of loss, theft, and unnoticed alteration of information. Consequently, the employees of Evonik must handle IT systems and the data they contain with the appropriate care.

## 4. Practical implementation of compliance rules

### Responsibilities

The Corporate Compliance Officer is responsible for ensuring Group-wide implementation of compliance rules. This includes ensuring independent and objective treatment of all issues drawn to the attention of the compliance officer. The Corporate Compliance Officer reports directly to the Chairman of the Executive Board but is not subject to technical directions.

To ensure the global implementation of this Code of Conduct, the regional presidents and regional heads or the persons appointed by the business units act as compliance officers for their respective regions or business units. In this function they report to the head of the business unit or service unit and to the Corporate Compliance Officer.

The compliance officer is a direct contact for all employees requiring information or advice on compliance rules. He or she takes note of all information submitted and looks into it with due attention. All information is treated with strict confidentiality, as far as permissible by law.

If the compliance officer decides that there is enough initial evidence to suspect violation of the principles contained in the compliance rules, he or she may consult other corporate departments, e.g., Corporate Audit or Legal, to clarify the matter, without, however, jeopardizing the confidentiality of the information received.

Staff working for the compliance officer are required to keep all information absolutely confidential.

Contacting the compliance officer will not have any negative implications for employees, unless they have violated the law or the Code of Conduct.

#### Responsibility of supervisors for information and control

All supervisors must make sure that their employees are reminded of the contents of this Code of Conduct. Supervisors must set an example by observing and implementing these standards. Furthermore, as part of their responsibilities, they must make sure that their employees observe these guidelines.

#### Responsibility of employees to report failure to observe these guidelines

All employees are required to inform the compliance officer if they become aware of any violations of this Code of Conduct. In cases of reasonable suspicion the supervisor has to be informed.

#### Sanctions and consequences

Violating this Code of Conduct can lead to disciplinary action and is punishable in accordance with the applicable national laws and local labor laws and accordance with company regulations.

#### Commitment of all employees

A copy of this Code of Conduct must be given to every employee. As far as possible and appropriate, employees shall be bound to compliance by collective agreements. Otherwise, employees must sign a declaration to confirm the receipt of the Code of Conduct and their compliance to respect the rules and standards described therein. In this case, the declaration must be kept in their personnel file.

#### Training

Employees throughout the Group will receive regular information on current compliance issues.

Special training will be provided for relevant target groups on issues such as export and terrorism control, antitrust law, environmental protection, safety and occupational health. Attendance may be mandatory. Records will be kept of attendance at such training sessions.

Compliance at Evonik Industries Group companies

The management of each Group company of Evonik is required to include compliance, the related training measures and any compliance failures in the agenda for a meeting of the company's executive management and/or supervisory board at least once a year.