

# ANTI-CORRUPTION COMPLIANCE POLICY

## Background and application

---

At Ergon, Inc. and its subsidiaries (collectively, “Ergon”), we are committed to doing business ethically. The U.S. Foreign Corrupt Practices Act (“FCPA”) prohibits the bribery of Foreign Officials for the purpose of obtaining or retaining business or securing an improper business advantage. The UK Bribery Act extends the FCPA’s prohibition against bribery of Foreign Officials to commercial bribery involving private parties. U.S. law also prohibits commercial bribery between two commercial parties. This Anti-Corruption Compliance Policy (“Policy”) prohibits bribery and corruption in any form whether in the private or public sector.

**Application.** This Policy applies to all Ergon employees, including directors, officers, and contractors, as well as any Third Parties acting on our behalf. It does not cover every situation. If you have a question, ask your supervisor or the Vice President of Internal Audit for help.

## Policy statements

---

### Key provisions of anti-corruption laws

We may not receive, offer, promise to pay, pay, or authorize the payment of anything of value to any individual, including Foreign Officials (as defined below) and commercial parties, with the intent to obtain or retain business, secure an improper advantage, or influence Foreign Official actions or decisions (except as otherwise allowed by this Policy). We cannot request, accept, or agree to accept anything of value if the item is intended or appears to be intended to gain an improper business advantage.

### Third Party Intermediaries (“TPIs”)

U.S. law, the UK Bribery Act, and relevant multilateral measures, such as the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the UN Convention Against Corruption prohibit direct and indirect improper payments. Ergon could face liability based upon improper payments made by its Third Parties, and Ergon prohibits Third Parties from making or accepting improper payments on the company’s behalf, regardless of whether Ergon resources are used to make the payment.

Ergon carefully selects the Third Parties with whom we do business and conducts risk-based, reasonable, and adequate due diligence before engaging TPIs. Please see Ergon’s Anti-Corruption Compliance Procedures for more information regarding Ergon’s due diligence process.

## **Facilitation payments**

Ergon strictly prohibits facilitation payments. Facilitation or “grease” payments are payments made to Foreign Officials to expedite performance of routine, non-discretionary government actions to which Ergon is legally entitled. Employees who receive a request from a Foreign Official for a facilitation payment must contact the applicable company president and the Vice President of Internal Audit.

The safety of Ergon’s employees is our number one priority. We may make payments where we reasonably believe our immediate personal safety or health is in danger if we do not make the payment. A payment made to prevent personal harm is not a facilitation payment—it is an extortion payment. Employees should report all details of any extortion payment, including a description of why it was required, to the applicable company president and the Vice President of Internal Audit within forty-eight hours.

## **Gifts and Entertainment**

At Ergon, we use reasonable Gifts and Entertainment to help promote our business. Forging positive relationships moves our goals forward, but we must never offer or receive Gifts or Entertainment in exchange for an improper benefit.

In general, we may give or receive unsolicited, reasonable Gifts or Entertainment without prior written approval if it: (i) is consistent with customary business practices; (ii) is not cash or a cash equivalent (e.g., a gift card); (iii) would not create or appear to create a conflict of interest; (iv) does not violate the giver or recipient’s policies or applicable law; (v) would not embarrass the giver or recipient or their respective companies if publicly disclosed; and (vi) complies with Ergon’s country-specific limits described in Appendix D of the Anti-Corruption Compliance Procedures.

You must notify the applicable company president and the Vice President of Internal Audit if you receive a Gift or form of Entertainment that is unreasonable or could potentially reflect poorly on Ergon.

**Exceptions.** The Chief Financial Officer, Chief Executive Officer, or the Vice President of Internal Audit must provide written pre-approval (through email) for any exceptions to this Gift and Entertainment policy, including any Gifts or Entertainment that exceed the country-specific limits described in Appendix D of the Anti-Corruption Compliance Procedures. Individual managers may establish more restrictive Gift and Entertainment thresholds based on their professional judgment and knowledge of their business units.

## **Foreign Official travel and Entertainment**

Ergon may receive requests to host Foreign Officials for demonstrations of Ergon’s capabilities or for other valid business purposes. Ergon should not select the Foreign Official who will travel. The applicable company president and the Vice President of Internal Audit must pre-approve, in writing, travel for

Foreign Officials. Ergon will not pay for the travel expenses of a Foreign Official's family member or side trips unrelated to Ergon's business.

Ergon will only approve travel for Foreign Officials if: (i) there is a legitimate business purpose for the travel; (ii) it is consistent with market practices; (iii) an Ergon representative participates in the meetings or other activities; (iv) travel is not lavish and does not involve significant Entertainment or non-business-related expenses; and (v) it could not be perceived as an attempt to secure a favorable decision on a particular issue or business matter.

Legitimate business purposes for such travel include the: (i) promotion, demonstration, or presentation of Ergon's technical capabilities or services; (ii) performance of a contract involving Ergon and the employer of non-Ergon personnel; or (iii) training or education of non-Ergon personnel.

### **Donations and Sponsorships**

Charitable Donations or Sponsorships may present a corruption risk, particularly in situations where a Donation is requested by a Foreign Official or would benefit a Foreign Official, either directly or indirectly. Ergon prohibits the use of charitable Donations and Sponsorships to obtain or retain business or to secure any other improper advantage.

The applicable company president and the Vice President of Internal Audit must pre-approve, in writing, all Donations and Sponsorships made outside the U.S. or Canada.

### **Political Contributions**

Political Contributions may pose corruption risk and invite the perception that Ergon is attempting to improperly influence Foreign Officials or domestic government officials. For this reason, only company-designated employees may contribute Ergon funds, time, or assets (including use of Ergon premises or equipment) to political parties or candidates for political office. Employees may make Political Contributions using their own resources, but such contributions must not be linked to Ergon's business or potential business or be made with a view to secure any influence for Ergon's benefit.

### **Company records**

Employees must properly document and report all business and financial transactions honestly, completely, accurately, and timely. Under no circumstances should you create false or misleading records or documents.

### **Inquiry**

---

Where required by this Policy and in all situations where there is a question, ambiguity, or uncertainty, employees should consult the Vice President of Internal Audit prior to taking any action.

## Exceptions

---

Employees must address exception requests to the Vice President of Internal Audit. The request must state the specific requirement for the exception as well as the reason for the request.

## Raising concerns

---

Ergon charges all employees with the responsibility to promote high ethical standards. If any of us observe, in good faith, any violation or potential violation of this Policy, report the issue to: (i) your supervisor; (ii) Vice President of Internal Audit; or (iii) through the Ergon Ethics Hotline, via telephone (U.S. 1-844-537-0746 | Mexico 1-800-681-1539), [online](#), or email ([ethics@ergon.com](mailto:ethics@ergon.com)). Reporting in “good faith” means providing all the information you know and believe to be true.

Ergon handles all reports of misconduct confidentially to the extent practically and legally permissible and thoroughly reviews each report of misconduct. Ergon does not tolerate retaliation against anyone who, in good faith, reports an actual or suspected violation of law or this Policy. Employees who do retaliate will be subject to disciplinary action, including the possibility of termination of employment.

## Definitions

---

If an applicable local law imposes more stringent requirements than the definitions provided in this Policy, the local law prevails for employees and Third Parties working in that country.

<b>Term</b>	<b>Meaning</b>
Bribe	The offer or receipt of anything of value with the intent to obtain or retain an improper business advantage or favorable treatment for Ergon.
Donation	The giving or providing of anything of value (such as goods, funds, space, or services) at no charge to a civic or charitable entity to support a charitable cause, benefit a social cause, serve the public interest, directly benefit a group or community, or otherwise generate goodwill on Ergon’s behalf.
Gift or Entertainment	Any item, event, or benefit for which the recipient does not pay fair market value. This may include tangible goods, services, recreation, courtesies, entertainment, hospitality, travel, reward points, gift cards, passes, discounts, investment opportunities, loans, and favors.

<b>Term</b>	<b>Meaning</b>
Political Contribution	Any financial contribution or the provision of goods, commodities, or services to a politician, political campaign, political party, or political cause.
Foreign Official	Means: <ul style="list-style-type: none"><li>- Any director, officer, or employee of any government, or any department, agency, or entity controlled by a government (including a state-owned utility or state-controlled company).</li><li>- Any person acting in an official capacity for or on behalf of any such government, department, agency, or entity.</li><li>- Any officer or employee of any political party or faction, including any candidate for political office.</li><li>- Any director, officer, or employee of any public international organization.</li><li>- Immediate family members of any of the above persons.</li></ul>
Sponsorship	A monetary or in-kind contribution or the provision of goods, commodities, or services to a corporation, group, or individual in staging a sporting, artistic, or social event, in return for advertisement of our brand, typically accompanied by the public display of the Ergon brand or logo (e.g., mentioning Ergon’s support during the opening or closing of a conference by the recipient). Payments to for-profit entities for advertising purposes are considered Sponsorships under this Procedure.
Third Party	Any entity or individual with which Ergon conducts business that is not classified as an employee, including, but not limited to, suppliers, vendors, distributors, product representatives, contractors, agents, consultants, lessors or lessees, and others supporting Ergon’s business and operations.
Third Party Intermediary (“TPI”)	Any Third Party engaged or retained to assist Ergon in any function or business that requires or involves interaction with any foreign government entity or Foreign Officials, directly or indirectly, on behalf of any Ergon entity.