

Comet Anti-Bribery & Corruption Policy

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Led by experience. Driven by curiosity.

What we care about.



Customer Orientation

We achieve customer loyalty by fully understanding and meeting their needs.

We...

- ... ask what problem really needs to be solved and why
- ... inspire through our expertise
- ... provide or co-create solutions with a clear benefit and deliver what we promise
- ... say early on when we cannot meet needs and present our solution



Challenge and Empower

We build, develop and enable everybody to make decisions and drive success.

We...

- ... empower individuals and teams to make decisions according to their expertise
- ... develop people and recognize success
- ... encourage diverse views
- ... challenge each other with candor and kindness to leave our comfort zones
- ... value team success based on shared goals



Trustful Collaboration

We act as one team to realize our full potential and be better together.

We...

- ... meet each other with a positive attitude, striving for win-win solutions
- ... support each other
- ... engage in honest and open dialogue, giving constructive feedback
- ... see mistakes as an opportunity to learn

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1 Introduction

It is Comet's clear rule of business that our employees do not succumb to any sort of bribery or corruption.

2 Purpose of this Policy

With this Anti-Bribery & Corruption policy (ABC) we set forth our standards and guidelines regarding ethical behavior – especially when interacting with external counterparties. It addresses various ways on how bribery and corruption can occur and how Comet employees are expected to handle such instances.

3 Applicability and Scope

Rule: *Comet's ABC-policy is applicable for all divisions and entities which are legally part of the Comet Group. It outlines the minimum requirements that need to be followed.*

Comet entities have the option to adapt to a stricter interpretation of the ABC-policy (e.g. adjusting to local regulations, setting lower thresholds), provided that it is in line with the limitations specified in this document.

4 Definition of Terms used by this Policy

- **Valuable Benefit:** Visible advantage, monetary perk, or privilege as part of a business transaction; e.g. gifts or incentives, access to events or special services, discounted rates or preferential terms, employment opportunities, donations to preferred charities.
- **Bribery:** A valuable benefit to influence a dishonest or illegal behavior; e.g. offering cash, providing expensive gifts or lavish entertainment in exchange for favorable treatments.
- **Corruption:** Abuse of power for personal gains; e.g. offering bribes, conducting fraud, falsifying financial records, imposing nepotism, or dishonest conduct to achieve unfair personal advantages or undermine the integrity of the company.
- **Counterparty:** Individuals, Institutions and Organizations, or Companies with whom Comet engages in direct or indirect business relations; e.g. clients, suppliers, agents or distributors, consultants etc..
- **Facilitation payments:** Monetary and/or other types of benefits used to expedite services that we are entitled to; e.g. obtaining permits, licenses, or processing paperwork.
- **Gifts:** Items, favors, or services given or received; e.g. appreciations (merchandise), modest corporate presents (gift baskets), complimentary tickets to events (sport, culture).
- **Kickbacks:** Unlawful benefits in exchange for favorable treatment; e.g. payments for awarding contracts or preferential treatment, employment opportunities to relatives or friends, counterparties offering discounted prices on personal purchases.
- **Public Official:** Any person in a governmental position or exercising public authority; e.g. elected officials, government employees, law enforcement officers, judges, and regulatory agency personnel.
- **Entertainment / hospitality:** Activities arranged to cultivate relationships with a counterparty; e.g. Invitations beyond the scope of a typical business lunch, events (sport, culture, exhibitions), hosting corporate hospitality events etc.

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5 Permissible and Prohibited Conduct

5.1 Comet's Zero Tolerance Principle

Rule: *Regardless of the recipient's status (e.g., new client, renowned business partner, acquainted supplier etc.) or what the situation might suggest (e.g., contract signing, tender deadline) Comet has a zero tolerance towards bribery and corruption.*

It disregards our ethical standards set forth in our Code of Conduct and policies and violates defined laws and regulations.

Any violation will be investigated and may result in reprimand, termination of employment and/or prosecution.

5.2 Permissible Conduct

Rule: *As a standard practice, invitations (e.g. restaurant visit) that fall under the category of a typical business meal are permitted.*

Similarly, small gifts or tokens of appreciation are acceptable if they follow common local business practices. Examples may include Comet giveaways, Year-end gift bags etc. They should however NOT create an anticipation of a reciprocal favor (quid pro quo).

5.3 Non-permissible and Unacceptable Conduct

The following list outlines **prohibited** conduct:

- ✘ **Bribing:** Accepting, offering or soliciting personal bribes, kickbacks, or any other form of corrupt payments, which might purposely or inadvertently lead to the anticipation of a reciprocal favor.
- ✘ **Conduct Fraud:** Fraudulent activities, like falsifying or misrepresenting financial records, misusing company resources for personal gains, submitting erroneous, inaccurate, or falsified expenses.
- ✘ **Inadequate Gifts or Favors:** Accepting or offering gifts or favors that may influence business decisions, appear inappropriate (e.g. personal or extravagant), or violate the thresholds in chapter 0, examples include:
 - Cash or cash equivalent (e.g., gift certificates, vouchers etc.) - regardless of value.
 - Any form of personal reimbursements (kickbacks) or in-transparent, inappropriate or illegal gift.
 - Any gift if the counterparty is subject to current evaluation or tender process.
 - Offering employment for counterparties or their family members.
- ✘ **Inappropriate events:** Participating or organizing activities that contradict Comet's ethical standards, and do not adhere the principles set forth in chapter 5.2. Examples include:
 - Hospitality or events of excessive value (e.g., luxury restaurant or venues, sport world-finales),
 - Hospitality or events with any element of inappropriate entertainment (e.g., adult entertainment, any sexual or discriminatory connotations).
 - Hospitality at a time when the counterparty is subject to an evaluation or tender process.

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- ✘ **Misconduct:** Failing to disclose potential conflicts of interest or unethical behavior including engaging into nepotism (i.e. offering or providing employment to close family members), that may compromise Comet’s independent and objective decision-making processes.
- ✘ **Improper interactions with Public Officials:** Accepting or providing valuable benefits to a Public Official or engaging in facilitation payments, for example to expedite actions or services; holding an informal dialogue with Public Officials with the goal to circumvent official procedures.
- ✘ **Benefits during Tender process:** Participating or receiving gifts from potential partners or vendors during the tender process or accepting benefits that have led or will lead to the anticipation of a reciprocal favor.

6 Assessing Criticality of a beneficial Situation

Rule: *If in doubt, always examine or consult before you act. Use the following questions as guidance when assessing a particular situation.*

If you answer any of these questions with “YES” reexamine the nature of the situation. Most like it is inappropriate to receive or give the benefits in question.

- **Legitimacy:** *Is the benefit or conduct DEVIANT to this policy or violating local laws?*
- **Approval:** *Was the particular benefit or conduct UNAUTHORIZED according to this policy?*
- **Decision making:** *Are there PENDING decisions where the benefit or conduct might affect the outcome?*
- **Transparency:** *Would you prefer to REFRAIN from fully documenting or disclosing the benefit or conduct to relevant parties, e.g. supervisor, law enforcement, broader public?*
- **Perception:** *Would an outside person consider the benefit or conduct ILLEGITIMATE or DISCREPANT with local business conduct?*
- **Proportionality:** *Is the value of the benefit UNREASONABLE to the nature of the business relationship or EXCEEDING the thresholds defined in this policy?*
- **Appropriateness:** *Is the context, frequency and time of the benefit INAPPROPRIATE in the context of the circumstances or for the occasion?*

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7 Thresholds, Limitations and Approval Process

In general, any valuable benefit must be reasonable and proportionate to the relationship between Comet and the counterparty and in compliance with this policy as well as local laws and regulations.

This means it is acceptable to give or receive gifts as long as it's permissible by local law, given or received as a way of saying thank you or showing respect, done openly and honestly, and happening infrequently.

The restrictions set in chapter 5 must be followed without any exceptions. Received or presented benefits should not appear in any way as a form of returned service or trade-off (anticipation of a reciprocal favor) or create a potential conflict of interest.

The following thresholds regarding approval apply (local values are at the end of the paragraph).

Rule: *The limits refer to benefits received by or given to an individual, using Switzerland as an example.*

- Value below CHF 100 per individual: no approval or notification required.
- Value exceeds CHF 100 per individual: documented approval by the superior.
- Value exceeds CHF 250 per individual: documented approval by Divisional or Functional Head, notification of Group Head Audit, Risk and Compliance.
- Value exceeds CHF 500 per individual: documented approval by Divisional or Functional Head and Group Head Audit, Risk and Compliance.

Rule: *For all countries where Comet is active the following equivalents should be applied (Amounts are calculated using average FX rates and the purchasing power parity in reference to the Swiss currency - CHF):*

Country	Currency	Thresholds		
		* >100	** >250	*** >500
Switzerland	CHF	> 100	> 250	> 500
China	CNY	> 500	> 1150	> 2300
Denmark	DKK	> 600	> 1500	> 3100
Germany	EUR	> 100	> 200	> 400
Japan	YEN	> 7000	> 19000	> 37000
Korea	KRW	> 91000	> 227000	> 455000
Malaysia	MYR	> 200	> 600	> 1200
USA	USD	> 100	> 200	> 400

* = approval by Superior

** = approval by Division / Function Head; Notification of Group Head Audit, Risk, Compliance

*** = approval by Division / Functional Head and Group Head Audit, Risk, Compliance

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8 Documentation and Tracking of exchanged Benefits

You are free to track the valuable benefits (i.e. gifts, invitations, lunches etc.) extended to or received from counterparties according to your preference (i.e. excel).

However, it is essential to have a proper record-keeping in place that evidences the level of valuable benefit exchange with the counterparty.

This way you ensure the adherence to the defined limits according to section 7.

9 Non-observance

In instances where an employee of Comet does not adhere to the standards outlined in this ABC policy, disciplinary measures may be taken, including issuing a reprimand, termination of employment, press criminal charges - in accordance with the relevant labor laws of the country in question.

Business partners of Comet who are involved in a case that violates the provisions of this ABC-policy will be excluded from further business activities with Comet and may be subject to criminal charges depending on the severity of the case.

10 Monitoring Compliance and continuous Improvement

To ensure long-term effectiveness with the Comet ABC-policy and to continuously improve the policy the Group Head Audit, Risk and Compliance will perform selective reviews to assess the level of compliance at the local level.

The selection of the sites to be audited, the audit cycle and the scope of the reviews will be risk-based using external and internal data.

11 References to Key Policies, Contacts, and Integrity line

You can find all policies that guide our actions and decisions at the below link on the Comet access portal. These policies apply to all employees across all sites of Comet, ensuring we always align our conduct with the values and ethical standards of Comet.

Comet Policies & Guidelines: <https://confluence.comet-group.com/display/CMS/Policies>

If you have concerns, inquiries, or want to report suspected misconduct, you can use following channels:

- Your Line Manager
- Your HR Manager
- Global Head Audit, Risk and Compliance

Additionally, Comet's Integrity Line offers a confidential and anonymous option for reporting.

Integrity Line: <https://cometgroup.integrityline.com/>

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12 Selected Examples on how to comply with the ABC-Policy

Q1: How shall I apply the thresholds defined in chapter 7?

A: Examples using the thresholds for Switzerland:

Example	Required approval level
<ul style="list-style-type: none"> Chocolate gift sent to CEO of XYZ with a value of CHF50. 	No actions required.
<ul style="list-style-type: none"> Business lunch attended by 2 Comet and 2 employees from XYZ with a total value of CHF360 (average value per person: CHF90). 	No actions required.
<ul style="list-style-type: none"> Business dinner in total value of CHF360 and after dinner drinks in total value of CHF140 attended by 2 Comet and 2 XYZ employees (cumulated average value per person attending the evening: CHF125). 	Approval from superior required.
<ul style="list-style-type: none"> Marketing campaign for an upcoming public holiday. Gift bags – each with a value of CHF75 – are sent to 200 counterparties. 	No approval according to ABC-policy required. However, authorization of campaign may be subject to the local thresholds of the Comet authorization matrix.
<ul style="list-style-type: none"> Event offered to CEO of XYZ with a value of CHF600. 	Approval by Division President and Group Head Audit, Risk and Compliance required.

Q2: Can I invite a client to a lunch to discuss a potential business opportunity?

A: Yes, inviting clients to a business lunch is permitted. But it is important to ensure that such invitations remain within the scope of a typical professional luncheon and do not extend to lavish or excessively extravagant venues. They should be accurately documented, including personal and company name of attendees, date of the event, and purpose of the invitation. Use the thresholds set in Chapter 7 as a guideline.

Q3: Can I invite a business partner to an event and pay for his travel expenses?

A: Yes, invitations, including attendance at events, are generally allowed. However, it is important to ensure that the purpose of the event aligns with the rules regarding conduct outlined in Chapter 7 and is approved according to the thresholds set in Chapter 7. Invitations extended to counterparties should be documented, including personal and company name of attendees, date of the event, and the purpose.

Q4: How do I log / keep track of the benefits I provide to a specific client?

A: You are free to track the invitations extended to or received from counterparties in any way you like. But it's important to write down the name of each person and their company who attended, the date of the event, how much it cost, and why you invited them. This will help you keep good records.

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Q5: The supplier ZXY invited me to lunch to discuss the upcoming request-for-proposal. Can I accept?

A: NO. As we expect an upcoming offer where ZXY might be participating the ABC-policy forbids contacts that include a social component.

Q6: A very good client sent me a pen with a value of CHF250. Can I accept such a gift?

A: In most cases, you may accept such a gift on behalf of Comet. However, it is essential to notify your supervisor and the Group Head of Audit, Risk, and Compliance about the gift and confirm that it was not offered in connection with any business-related decisions or that it created an anticipation of a reciprocal favor.

Q7: May I arrange a dinner for my team during a trade fair and invite some valued clients to join us?

A: Yes, inviting clients is permitted. But it is important to ensure that such invitations remain within the scope of a typical professional occasion and do not extend to lavish or excessively extravagant venues. They should be accurately documented, including personal and company name of attendees, date of the event, and purpose of the invitation. Use the thresholds set in Chapter 7 as a guideline. Furthermore consider the guidelines in Comet's Global Travel Policy.

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13 Frequently Asked Questions (FAQ)

Q1: What is the purpose of the Anti-Bribery and Corruption Policy (ABC-policy)?

A: To set rules for all Comet employees to prevent, detect, and address bribery and corruption and how to act when a potential situation occurs that deems to be non-compliant with this policy.

Q2: Is the ABC-policy mandatory for all employees?

A: Yes, the standards and guidelines set forth in this ABC-policy are mandatory for all employees, regardless of role or position. They reflect our collective commitment to ethical business conduct.

Q3: How can I access Comet's ABC-policy and other relevant policies?

A: The latest versions of all key policies can be accessed through Comet's global policies section: [\[https://confluence.comet-group.com/display/CMS/Policies\]](https://confluence.comet-group.com/display/CMS/Policies).

Q4: What should I do if I suspect misconduct or a violation of the ABC-policy?

A: Report it in subsequent order to your supervisor and/or your local HR contact. If you believe the information to be too sensitive contact the Global Head Audit, Risk and Compliance or utilize Comet's Integrity Line.

Q5: Can I seek guidance if I'm unsure about a situation that might involve a violation of the ABC-policy?

A: Yes. If you have questions or require guidance, contact the Global Head Audit, Risk and Compliance.

Q6: How to handle a situation that violates ABC-policy standards, e.g., gift exceeds defined limits?

A: Kindly clarify that the benefit or gift in question does not adhere to Comet's ABC policy. Assert that you cannot give or accept such a token of gratitude and notify your Line Manager. In situations involving hospitality or entertainment (e.g., restaurant), insist on paying for your own meal or request the bill to be split evenly.

14 Revision history

Rev No	Date	Details	Prepared by
01	01. Mar 2024	Complete revision of content	Global Head Audit, Risk and Compliance