

# **Corporate Governance Policies**

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## A message from our CEO



As the CEO, it's my responsibility to ensure that our company operates with the highest standards of integrity, transparency, and accountability.

Corporate governance encompasses the processes, practices, and structures by which our company is directed and controlled. It involves setting clear objectives, implementing effective oversight mechanisms, and fostering a culture of ethical behavior at all levels of the organization.

As members of this company, each of us plays a vital role in upholding and promoting good corporate governance practices. Therefore, I urge you to familiarize yourselves with our corporate governance policies and procedures, which are designed to guide our actions and decisions in alignment with our core values and objectives.

**Key components of our corporate governance framework include:**

- **Ethical Conduct:** We are committed to conducting our business with honesty, integrity, and fairness. This means adhering to legal and regulatory requirements, avoiding conflicts of interest, and treating all stakeholders with respect and dignity.

- **Transparency:** We believe in open and transparent communication both internally and externally. We strive to provide timely and accurate information to our shareholders, employees, customers, and other stakeholders, ensuring they have the information they need to make informed decisions.
- **Accountability:** Accountability is central to our corporate governance philosophy. We hold ourselves accountable for our actions and decisions, taking responsibility for our performance and outcomes. This includes holding our leaders and managers accountable for their stewardship of company resources and their adherence to company policies.
- **Board Oversight:** Our Board of Directors plays a crucial role in overseeing the company's operations and ensuring that management acts in the best interests of shareholders. The Board is comprised of experienced professionals who provide strategic guidance and independent oversight.
- **Risk Management:** Identifying, assessing, and managing risks is integral to effective corporate governance. We have robust risk management processes in place to identify potential risks, mitigate their impact, and seize opportunities for growth and innovation.

As we continue to grow and evolve as a company, it's essential that we remain committed to maintaining the highest standards of corporate governance. By doing so, we not only protect the interests of our shareholders but also build trust and confidence among our employees, customers, and the wider community.

I encourage each of you to uphold these principles in your daily work and to raise any concerns or suggestions you may have regarding corporate governance practices. Your input is invaluable as we strive to create a culture of excellence and accountability throughout the organization.

Thank you for your dedication to our company's success and for your commitment to upholding the principles of good corporate governance.

Best regards,



Todd Nelmark

## **Introduction**

### **Who manages Verdant's risk?**

Each and every one of us do. Verdant's business risk is managed by every colleague in their daily work. All functions including Engineering, Operations, Quality, Human Resources, Finance, and Legal provide independent checks and controls.

Internal and external auditors provide a third layer of protection by performing periodic risk reviews. Accountability for ethical behavior and compliance rests with all of us.

### **Colleagues' responsibilities**

All employees of Verdant and third-party contractors are required to comply with the standards covered under this set of Governance Policies and applicable laws, maintain the highest ethical and professional standards, and act with social and environmental responsibility. All colleagues must know and understand the Corporate Governance Policies, our global policies and procedures, as well as relevant laws. Consult your manager, your Human Resources department or an Officer of the Company if you are unclear about which laws and regulations apply to your activities or if you require further support and assistance. If you see non-conforming behavior, or even think you see non-conforming behavior, it is your responsibility to speak up.

### **Managers' responsibilities**

Verdant's leadership team is responsible for setting an example for encouraging an environment of open and honest communication without fear of retaliation and taking prompt action when ethical or compliance issues are brought to their attention. Verdant's leadership must never direct colleagues to act in a manner that violates Verdant policies, these Corporate Governance Policies, or the law.

### **How to speak up**

The purpose of these policies is to reinforce and reaffirm Verdant's commitment to an open dialogue in which employees are encouraged to raise any concerns of wrongdoing they may have. Employees remain Verdant's first and best line of defense against wrongdoing. When employees detect and report wrongdoing, Verdant will investigate and, when needed, take quick corrective action. Early detection and reporting of wrongdoing depends on maintaining a culture of trust and

integrity in which all employees: (a) are encouraged to report potential wrongdoing as soon as possible, knowing that their concerns will be taken seriously and that appropriate action will be taken; (b) know and use the channels available to them to report concerns of wrongdoing; and (c) trust that speaking up is confidential and that the company has zero tolerance for, retaliation, retribution or detrimental treatment of any kind.

### **Reporting concerns via email**

Employees can report concerns to their direct managers. They may also contact the Human Resources Department or an Officer of the company. There are also Ethics Hotlines (see below).

### **Ethics communications resources and hotlines**

An Ethics and Compliance web portal and free telephone lines are available so employees can report concerns about potential breaches of our Corporate Governance Policies.

Web portal: *Under development. Completion date to be announced in the coming weeks.*

Telephone:

- United States: 1-833-411-1184
- United Kingdom: 0800-949-6380
- Germany: 0800-181-9399
- France: 0-800-990124

Where permitted by law, there is an option to remain anonymous when using the Ethics and Compliance reporting tools. Anyone that, in good faith, raises a concern about a possible ethics or compliance breach will be supported by Verdant's management and will not be subject to any retaliation.

### **Our Commitment**

Verdant Specialty Solutions is an organization with strong values of responsibility and integrity. Our [Code of Conduct](#) contains general guidelines for conducting business with the highest standards of ethics.

Verdant Specialty Solutions is committed to an environment where open, honest communications are the expectation, not the exception. We want you to feel comfortable in approaching your supervisor or management in instances where you believe violations of policies or standards have occurred.

In situations where you prefer to place an anonymous report in confidence, you are encouraged to use this hotline, hosted by a third-party hotline provider, EthicsPoint. You are encouraged to submit reports relating to violations stated in our [Code of Conduct](#), as well as asking for guidance related to policies and procedures and providing positive suggestions and stories.

The information you provide will be sent to us by EthicsPoint on a totally confidential and anonymous basis if you choose. You have our guarantee that your comments will be heard.

See the [EthicsPoint FAQs](#) for more information.

**EthicsPoint is NOT a 911 or Emergency Service:**

Do not use this site to report events presenting an immediate threat to life or property. Reports submitted through this service may not receive an immediate response. If you require emergency assistance, please contact your local authorities.

**Open door and non-retaliation**

Foundational to our commitment to integrity is open and transparent communication. We have an open-door policy that encourages employees to speak up when there are questions or concerns about any subject. While employees are encouraged to surface and seek to resolve issues locally with managers, it is understood that certain concerns or questions may be shared more appropriately through other channels which may include the Ethics Hotline. In all cases, the company adheres to a strict non-retaliation policy. Any act or threat (implied or otherwise) of retaliation will be considered a violation of our Corporate Governance Policies.

## **Ethics and integrity in the workplace**

### **Environmental health and safety practices**

We have no higher priority than maintaining safe, compliant operations. Verdant is committed to operations and practices that prevent harm or damage to people, the environment, or property. Each and every one of our employees and business partners maintain personal responsibility and accountability for a workplace free of injury and environmental incidents. This includes work on-site and off-site in offices, research centers, manufacturing facilities and during business travel.

### **Inclusion, diversity and non-discrimination**

Verdant embraces diversity and does not tolerate harassment, bullying or discrimination in any form before and during the employment relationship. Additionally, Verdant complies with wage and hours laws in all jurisdictions in which the company operates.

### **Conflicts of interest**

Our standard is to avoid conflicts of interest and even the appearance of impropriety. We endeavor to be actively alert to potential influences and situations that could impact the company, and we avoid circumstances where personal interests conflict, or appear to conflict, with those of the business. Moreover, significant personal investments in or working in any capacity with customers, competitors or suppliers is considered a conflict of interest. Furthermore, Verdant seeks to avoid nepotism; we do not allow direct supervision of family members nor influence over their performance evaluation, compensation or benefits.

### **Authorized use of IT Systems**

Verdant protects its computers, devices and all information systems from attacks through the application of privacy and security policies and tools. Any issues with actual or perceived access or misuse of the company's computing devices and / or network must be immediately reported to the Information Technology Department. We prohibit personal use of company IT tools, networks and systems. Please note that all data processed through the company's IT systems is the property of the company.

### **Company property**

Physical property, financial property as well as confidential and proprietary information must be protected from theft, loss, misuse and waste. This includes, but is not limited to office equipment, facilities and funds, and proprietary information and data. Employees must not disclose confidential or sensitive information other than for legitimate business purposes and with the appropriate controls in place.

### **Data privacy**

Verdant is fully committed to respecting and protecting the confidentiality and privacy of employees, customers, and business partners. A fundamental aspect of this is understanding applicable rules and standards regarding the collection, use and maintenance of personal data. The company will take necessary steps to protect personal data by having an appropriate set of systems and safeguards in place to ensure that data is secure for business use only and is compliant with applicable country-specific laws and regulations.

### **Communication with the public, press and social media**

Only authorized persons may speak on behalf of Verdant. When external parties solicit information about the business, they must be directed to an authorized person or if appropriate, an officer of the company.

Importantly, social media can be a valuable tool when used properly. Without question, it is expected that all employees adhere to the same standards of professional conduct online as they would in the workplace. Employees must not disclose confidential or proprietary information through social media.

## **Ethics and integrity in the business**

### **Business honesty and integrity**

We are committed to ethical and transparent interactions with all internal and external people. All our relationships require that we are aware of and comply with all applicable laws and regulations that govern such interactions in the countries in which we do business. We do not enter into business arrangements, offer or provide any improper inducement to incentivize or reward the recommendation or use of our products.

### **Anti-bribery and anti-corruption**

Verdant is committed to complete compliance with all anti-bribery and anti-corruption laws everywhere we operate. This includes, but is not limited to, the prohibition of giving, offering, soliciting or receiving any payments, services, entertainment or favors to obtain an improper business advantage. These practices and our Corporate Governance Policies are also extended to our third-party business partners.

### **Gifts and entertainment**

As an ethical enterprise, Verdant takes care to ensure that the giving or receiving of gifts or entertainment does not create a conflict of interest or a violation of our Corporate Governance Policies or applicable law. We avoid proffering business courtesies as an improper inducement for business. Any gifts with a value more than USD 50 must be reported and approved in advance.

### **Fair competition**

We do not enter into business arrangements of any kind that are anti-competitive or that unfairly restrict trade. Agreements of this nature could violate fair competition laws in one or more of the countries in which we conduct business. Furthermore, we avoid inappropriately discussing sensitive, potentially anti-competitive topics with third parties. Sensitive topics include pricing, technical and operating capabilities, and financial and commercial information. We refrain from obtaining information about competitor businesses from improper or unethical channels. Moreover, Verdant does not accept, disclose or make use of competitive information if it was disclosed as a breach of confidentiality.

### **Financial record and accounting**

Accurate records are crucial to Verdant's ability to conform to laws and regulations across the globe and to reflect the Company's financial health, both internally and externally. It is important that all records contain accurate and complete information. Moreover, no one should sign, approve or transmit a record, or permit another to do the same, if he or she knows or has reason to believe the record is false. It is expected that unrecorded funds or assets or false entries in books and records will be reported through the Ethics Hotline.

### **Travel and entertainment**

Verdant expects that colleagues spend the Company's money wisely for business purposes only. The travel and entertainment policy provides processes and limitations for spending the company's money. All employees are expected to comply with the travel and entertainment policy and to submit all business expenses via approved programs and accurately categorize expenses.

### **Global trade/export**

Verdant supports international efforts to prevent trade in technology, substances and materials that can be misused for war, the manufacture of illicit drugs or for other internationally prohibited activities. All business activities will be conducted in conformance with applicable trade sanctions and export control regulations.

## **Ethics and integrity in corporate citizenship**

Our customers are at the center of everything we do. Verdant is committed to developing and providing safe, reliable and high- quality products. We are all responsible for ensuring appropriate quality and safety, which includes the completeness, consistency, and accuracy of good manufacturing practices (GMP) across all our operations. All employees and contractors must comply with all applicable processes, procedures and policies designed to ensure the quality of our products. All concerns must be promptly raised through appropriate channels. We take complaints and adverse events reported via our Ethics Hotline seriously and will promptly investigate them consistent with the laws and regulations of the countries in which we do business.

## **Enforcement**

Violations of the law and/or our Corporate Governance Policies may result in civil and criminal penalties for Verdant and or its employees. Other consequences may include loss of business, loss of faith and confidence in the company, and damage to our reputation with employees, customers and business partners.

Verdant will investigate any suspected failure to comply with the Corporate Governance Policies, supporting policies, or the laws and regulations governing our company. Employees must fully cooperate in all such investigations. We reserve the right to take appropriate corrective action in response to any violations, which may include a written warning, suspension or termination of employment, which may or may not be applied progressively.