



CODE OF CONDUCT

KRÜGER GROUP

Status: February 2019



Introduction

The personal integrity, shared values and ethical business conduct of the Krüger Group forms the basis of Krüger Group's reputation around the world. When combined with the quality and performance of our products, those elements create an incredibly powerful platform for business success for the entire Krüger Group.

Building up a positive reputation takes many years but can be destroyed from one day to the other through lack of standards and individual misbehaviour. Further, in particular the violation of antitrust and competition laws may have severe consequences for both the relevant Krüger Group company as well as the person involved in such violation. Violations can lead to fines and loss of business.

We as the Managing Directors of the Krüger Group are therefore committed to ensuring that leading practices of good corporate governance are observed throughout the Krüger Group.

This Code of Conduct anchors our group-wide compliance program and reflects our core operating principles. It is supplemented by our policies, procedures and trainings, which should guide our conduct in specific settings, as well as further more customized regulations at group company or production site level. This Code of Conduct sets forth our minimum requirements with respect to our compliance commitment. Where local laws or a business unit of the Krüger Group imposes stricter requirements than those contained in this Code of Conduct, such stricter requirements must be followed.

As of today, the compliance system will focus on the areas of conflict of interest, anti-bribery as well as antitrust/fair competition. Further areas will be added on a regular basis. Our compliance policy consists of preventive measures such as trainings of our staff as well as the implementation of an internal monitoring and reporting.

Our Compliance Helpdesk (compliance-helpdesk@krueger.de) is available to provide further instruction and information to help you better understand our group-wide commitment to complained behaviour and our obligations and responsibilities as part of the Krüger Group.

Please take time to carefully read through the Code of Conduct. Use these principles as a guide in all of the work you do and the decisions you make. We also ask all executives within the Krüger Group to ensure that their respective teams understand and comply with this Code of Conduct.

Marc Krüger

Dr. Guido Colsman

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We act with integrity

We set a high standard for professional and ethical conduct that at all times governs how we interact with customers, suppliers, colleagues and members of the public. All members and employees of the Krüger Group must understand the legal and ethical requirements that apply to their business units and areas of responsibility.

If you are ever unsure whether an act is “compliant” or ethical, you should ask yourself the following questions:

- Is the action legal?
- Does the action comply with this Code of Conduct?
- Would the action be approved by your direct superior?
- Would the action withstand public scrutiny if disclosed?

If you cannot answer these questions with an unqualified yes, you should seek guidance from your direct superior and/or the Compliance Helpdesk (please see below).

We respect our colleagues

We treat people with fairness, in particular:

- We offer everyone an equal opportunity to succeed based on their performance and talent.

- We are committed to maintaining a work environment that is free from harassment and discrimination.
- We provide a safe and healthy workplace wherever we work and we comply with all labour laws in the jurisdictions where we operate.
- We will not engage in, nor do business with, any third party engaging in the use of forced or involuntary employment or human trafficking.

We avoid conflicts of interest

The Krüger Group respects the right of our employees to manage their personal affairs. Nevertheless, an employee’s personal interests must never improperly influence (or appear to influence) the performance of their duties towards the Krüger Group. Please avoid conflicts of interest at any time, in particular with respect to the following:

- **Personal Relationships:** employees should not participate in any business decision that could benefit an individual with whom they have a close personal relationship at a cost or detriment of any kind to any member of the Krüger Group.
- **Gifts and Business Entertainment:** providing and receiving modest gifts or entertainment can be beneficial to long-term business partnerships provided they are (i) reasonable and appropriate for the situation, (ii) not offered to improperly influence a business decision and (iii) permissible under applicable law. Gifts and entertainment should always be in good

taste and are considered courtesies, not regular practise. All employees should be very careful in providing and receiving gifts and, in case of doubt, contact their direct superior or the Compliance Helpdesk.

We comply with applicable laws

Compliance with applicable laws is the foundation of our Code of Conduct. The Krüger Group operates in many different countries and jurisdictions and employees are required to comply with the applicable laws in all countries to which they travel or any location where any member of the Krüger Group does business. In particular, you should be aware of the following laws that impact our business:

- **Anti-corruption laws:** it is never appropriate to offer or accept bribes, kickbacks or any other type of improper preferential benefit.
- **Competition laws:** we treat our competition fairly and comply with all laws designed to protect competition. Fair dealing laws and antitrust laws protect industry competition by generally prohibiting formal or informal agreements between competitors that seek to manipulate prices or unfairly impact competitors (*see below section "We compete fairly"*).
- **Money Laundering laws:** employees may not attempt to conceal or "launder" illegally received funds or make the source of the funds appear legitimate. In addition, employees should be alert for and report any suspicious transactions.

- **Import, Export and Trade laws:** we transfer products, supplies and raw materials to and from countries all over the world every day. We, therefore, must comply with all laws, rules and regulations that govern these activities. These laws may include export controls and anti-boycott regulations.
- **Direct and Indirect Tax laws:** We operate in various countries in which we are obliged to report business transactions. We, therefore, must honestly reflect all transaction in our books and records and timely fulfil all tax reporting obligations.
- **Human Rights:** We respect human rights. We act in compliance with human rights and we ensure that also our business partners act and work in compliance with human rights.

We compete fairly

It is mandatory Krüger Group policy to comply with all antitrust and competition laws. Antitrust laws aim to promote competition, protect consumers and prevent companies from unreasonably restraining competition. Fair competition may be restrained by illegitimate agreements or sharing of sensitive information.

The following agreements between competitors (i.e. a party that could offer products competing with those offered by any Krüger Group company) are likely to be deemed to violate fair competition requirements:

- agreement to fix prices,

- agreement to engage in bid rigging, i.e. coordination on bids,
- agreement to fix volumes of production,
- agreement to allocate markets,
- agreement to boycott particular customers.

Unless gained properly (e.g. public domain, media, customers, data providers), employees must not provide or receive from competitors any information on the following areas:

- pricing,
- profit margin,
- marketing strategies,
- promotional plans,
- costs,
- market share,
- development or improvement of products.

More detailed guidelines are available for our sales and procurement departments.

We manage corporate assets and information responsibly

Every employee must exercise good judgement when using assets of the Krüger Group. Employees must keep Krüger Group's data confidential including but not limited to trade secrets, contracts, manufacturing, customers, employee and printing data. Further, employees are obliged to keep proper records to allow the Krüger Group to meet legal hold requirements and to ensure that corporate records are legitimate and accurate.

We seek guidance

Any employee may request at any time guidance about how to comply with applicable law or this Code of Conduct. Further, employees that seek advice on a personal conflict of interest or suspect violations of law, this Code of Conduct or any other company policy, are invited to contact any of the following channels,

- the responsible direct superior,
- any member of the Krüger Group compliance team,
- the Compliance Helpdesk (compliance-helpdesk@krueger.de)
- the General Counsel of the Krüger Group Dr. Martin Fröhlich (martin.froehlich@krueger.de), or
- the Managing Directors of the Krüger Group (Marc Krüger, Dr. Guido Colsman).



We investigate any actual or suspected Code violations promptly, fairly and in accordance with legal obligations. We will maintain confidentiality to the greatest extent possible while fulfilling our obligations to investigate possible breaches and to act legally at all times.

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