



# Code of Conduct

Kelheim Fibres GmbH



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## Introduction

Kelheim Fibres GmbH (hereinafter referred to as Kelheim Fibres), based in Kelheim, is the world's leading manufacturer of special viscose fibres. At our Kelheim plant, we combine progressive technologies with technical expertise and outstanding customer service.

In order to ensure a high level of integrity in all our actions, this Code of Conduct has been created as a guideline. It contains the basic requirements for the conduct of every employee of our company. At the same time, it represents the binding framework and principles for all special guidelines and regulations. The internal guidelines serve as binding instructions and help to comply with laws and regulations as well as in-house requirements.

As an international company, our responsibility is to comply with the laws of all regions and countries in which we operate in order to act with integrity and protect our company from potential harm.

This includes, for example, but is not limited to:

- Compliance with the laws of international trade
- In particular compliance with export and import bans and embargo regulations
- The protection of health and safety of all employees
- Compliance with the relevant national laws and international standards on work safety, environmental protection and data protection
- Respect for human rights

For us as management, this results in the duty to set an example and be a living example of those values. Managers ensure that employees know and comply with all implemented guidelines.

In order to recognise the needs of our customers early on and meet their expectations in the best possible way, we must constantly improve. We are therefore constantly working on optimising our structures and processes in order to achieve and secure the highest quality standards. The satisfaction of our customers has the highest priority for us and stands at the centre of our actions.

Our customers, shareholders, employees, suppliers and other business partners place their trust in us. This obliges us to be open in our dealings with others and to communicate in a transparent manner both internally and externally. We are aware of the responsibility arising from this.

When acquiring new customers, we comply with applicable law. Information is made available to the public in accordance with internationally recognised corporate governance standards.

Being an employee of Kelheim Fibres means respecting the rights of others and avoiding anything that could harm the company and its employees, either professionally or personally. We do not tolerate any form of discrimination or harassment, whether internally or in cooperation with business partners.

The Code of Conduct shall enter into force upon its adoption and publication by management. It applies to all parties within the company.

Kelheim, 01/12/2020

Board of Management, Kelheim Fibres GmbH

signed by Craig Barker

## 1. Behaviour in the business environment

### 1.1 Conflicts of interest

We must do everything in our power to avoid conflicts of interest. Unavoidable conflicts must be resolved as quickly as possible. We handle conflicts of interest in an ethically sound manner. Conflicts of interest may arise in the relationship between Kelheim Fibres and customers, Kelheim Fibres and suppliers, Kelheim Fibres and its employees, or as a conflict of interest between different customers. We expect our employees to inform their managers about relationships with persons or companies that could lead to potential conflicts of interest.

#### 1.1.1 Gifts, hospitality and invitations

The acceptance or granting of gifts, hospitality and invitations is permissible in general business transactions. The prerequisite is that these are voluntary and are not accepted or granted in expectation of a reward. Gifts, hospitality and invitations must never influence or create the appearance of influencing a business decision or lead to preferential treatment of the parties involved. The Anti-Corruption Directive regulates this in more detail.

#### 1.1.2 Secondary employment

All our employees commit their working time to the company. Without the prior consent of the management, our employees shall not conduct business independently for themselves or others or work as employees in another company. Accordingly, employees shall not engage in secondary activity in their own name or for their own account or in the name of or for the account of third parties without prior knowledge and the express written consent of the management. In cases where the interests of Kelheim Fibres are not impaired, the management shall always favourably consider granting such approval.

### 1.2 Bribery and corruption

We reject any form of bribery or corruption and expect behaviour that does not allow personal dependencies or influences. Our company shall never offer, solicit or grant any gift that is intended to unlawfully influence a person's decision or actions. We also do not expect or accept any undue advantages from suppliers or customers. If unauthorised benefits are offered, promised or granted to us, we shall inform the Compliance Officer.

## **1.3 Competition**

We act as a fair competitor to third parties and do not criticize them unfairly. We observe the legal requirements to ensure free competition. This applies in particular to agreements with competitors and other third parties where such agreements may affect competition. We do not participate in price agreements or prohibited coordination of market behaviour between competitors.

## **1.4 Suppliers**

We maintain trusting, fair and respectful business relationships with our suppliers and expect the same from them. Our purchasing department takes into account the laws and regulations of the countries in which we operate. We communicate our principles of ethical and integral actions to our business partners and encourage them to align their actions with the same standards. In addition, we agree with our suppliers wherever possible that they shall comply with our Code of Conduct.

## **1.5 Trade and export controls**

For our company, the international market is a pillar of our success alongside to the domestic market. We benefit from the market economy and free, unhindered competition. Our actions are always in accordance with the observance of all regulations for the import and export of goods as well as with all trade control laws.

## **1.6 Transparent financial reporting**

Our business partners expect that the legal regulations governing the management and supervision of the company as well as the internationally recognised standards of good corporate governance are observed. They need a transparent financial report in order to have a picture of the company's assets, finances and earnings. With this in mind, all employees of the company must contribute to ensuring that our business transactions are fully and correctly recorded in the books. Transparency and correctness are of paramount importance to us when it comes to proper accounting and financial reporting. Therefore, we strictly adhere to all legal framework conditions and ensure that corporate funds and anything that has or represents a financial value are traded responsibly and honestly at all times.

## 2. Behaviour towards colleagues and employees

### 2.1 Employees

We treat every human being with dignity and respect, regardless of origin and circumstances.

It is our goal to always engage committed and competent employees at Kelheim Fibres. In terms of equal opportunities, age, disability, ethnic origin, skin colour, gender, pregnancy, sexual identity, nationality, religion or marital status play no role in personnel selection. We assess our employees on the basis of their performance and provide them with fair feedback. We treat each other with dignity and respect. Employees who violate this principle must expect disciplinary action. We endeavour to solve problems in the workplace as quickly as possible, confidentially and with due regard to all concerns. Managers support their employees in reconciling their professional and private lives and taking advantage of health promotion opportunities.

### 2.2 Workplace

Our employees should work in a healthy and safe working environment.

We handle our work equipment, which is the property of the company, with care, and we use it only for its intended purpose. We are committed to using our resources efficiently.

### 2.3 Minimum wage

Fair wages are the basis of our success, as is fair and compliant behaviour toward one another. We ensure that our employees are paid a wage that is at least equal to the statutory minimum wage or the minimum wage prescribed in the industry and that all applicable standards are complied with.

### 2.4 Employee representation

It is the right of our employees to organise themselves through employee representatives and trade unions. The goal of our company is to find a fair balance between our economic interests and the interests of our employees, which has a lasting positive influence on the overall success of our company.

## 2.5 Child and forced labour

The protection of human and children's rights is a fundamental and universal requirement for us as a company. We firmly reject all forms of child, forced and compulsory labour. Admission to employment may under no circumstances fall below the statutory minimum age. National standards for the protection of children and young workers must be observed at all times.

## 3. Behaviour within society

### 3.1 Product safety

The safety of our products is not negotiable. In order to comply with the applicable national and international regulations, we as a company guarantee the safety of our products by making it our goal not only to meet the legal requirements, but to exceed them. Here, we rely on an effective quality management system that ensures that our customers receive safe products of high quality.

### 3.2 Environmental protection

Environmental protection is an integral part of our corporate goals. For our sake and the sake of future generations, we want to keep the soil, air and water clean and handle resources responsibly. This is why we strictly comply with environmental laws and work systematically to continuously improve our environmental performance. Intelligent technologies help us to reconcile economy and ecology.

With the introduction of EMAS – the world's most demanding system for sustainable - environmental management – we have committed ourselves to going beyond the requirements of international standards to include operational environmental protection.

### 3.3 Officials and elected representatives

The contacts that we at Kelheim Fibres maintain with officials and elected representatives are subject to the strictest laws and regulations, as well as our internal regulations for the avoidance of conflicts of interest and the prohibition of bribery and corruption.



## **4. Information handling**

### **4.1 Confidentiality**

We place great importance on the completeness and accuracy of the information provided by us and treat business matters of which we gain knowledge in the course of our activities as strictly confidential. We do not misuse confidential information and do not pass it on to third parties without authorisation.

### **4.2 Data Protection**

Using all suitable and appropriate technical and organisational means available, we protect corporate data as well as the personal data of our customers, suppliers, employees and other business partners against unauthorised access, unauthorised or improper use, loss or premature destruction. We support each other and exchange information within the defined limits.

## **5. Measures in the event of infringements**

If employees violate agreements and regulations of any kind within the scope of their employment relationship, appropriate disciplinary measures shall be initiated. Priority shall be given to convincing the employees concerned to change their behaviour, by explaining the significance of our Code of Conduct. However, serious infringements may also result in disciplinary action.

All employees are required to inform the Compliance Officer if violations become known. Deviation from the Code of Conduct is permitted only after prior approval by the management and only in individual cases.

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