

## WÖRWAG Group

### Code of Conduct

#### Introduction

The Group (hereinafter - Company) affirms its commitment to responsible conduct with integrity to which all employees (hereinafter - employees) are bound.

The objectives of the Company are, or will be laid down in writing by the shareholders in accordance with this principle.

This Code of Conduct is based on the "Declaration of Principles for Compliance and Respect for Human Rights" ([www.woerwag.com](http://www.woerwag.com)) and aims to provide all employees with guidelines for fulfilling their tasks and to avoid violations of national and international laws for the protection of people, the environment and fair competition, taking into account the respective national and cultural framework conditions.

Existing regulations and directives for individual departments, divisions or Companies are not affected hereby unless they violate this Code of Conduct. Violations must be actively reported by employees. Where applicable, the existing regulations and directives will be changed by management.

#### 1. Compliance with Legal Provisions

Each employee must comply with the respectively applicable legal regulations and in particular must respect human rights.

## **2. Fair Competition**

It is our Company policy to promote fair competition. Our employees thus need to adhere to the applicable competition rules. Violations thereof are under threat of punishment or financial penalty and can result in an annulment of the relevant agreement. The following conduct, for example, is prohibited:

- Collusive behaviour between competitors which leads to the prevention of or limitations to competition, e.g. concerning prices, offers, customer allocation, terms of sale, production or sales quotas, and the apportionment of markets.
- Arrangements and agreements between suppliers and customers (prohibited in Germany, the EU and in the US) such as
  - Exclusive arrangements,
  - Certain most-favoured treatment clauses,
  - Exclusive supply agreements,
  - Prohibition of competition,
  - i.e. geographic, personal and objective limitations,
  - if applicable, the abuse of a dominant market position.

If it is suspected that agreements may violate relevant cartel rules, this shall be submitted to management so that decisions can be secured by taking legal advice.

## **3. Conduct towards Business Partners and Representatives of Government Bodies (Anti-Corruption Provision)**

All business partners must be treated fairly. Decision-making processes may only be characterised by objective deliberations. Reliability, quality and competitive pricing as well as other objective criteria form the basis of our customer relationships.

No employee may thus request or accept from customers, other business partners or office holders, personal benefits such as payments, gifts, or other benefits of value. In this respect, a maximum value limit of EUR 40.00 for the Federal Republic of Germany may not be exceeded. Invitations by business partners that are not related to business appointments are not permitted. All decision-making processes may only rest on objective deliberations.

— The employee is entitled to an expense allowance of € 200,00 for lectures within the scope of her/his work. Expense allowances of more than € 200,00 are registered by the Company as other income. The employee may use frequent flyer miles gained on official business flights for private purposes.

— Employees of other Companies, either at home or abroad, may not be promised or granted personal advantages as a consideration in return for favouring our Company.

No office holder, at home or abroad, may be offered or guaranteed a personal advantage of any kind whatsoever.

The offering, granting, requesting or accepting of monetary amounts is, in general, not permitted. Limitations relate to special occasion gifts, entertainment or other benefits of low value which are common in the ordinary course of business transactions and which have no influence on the business or government decision.

Violations constitute criminal offences which, even if only perpetrated abroad, will be prosecuted in Germany.

#### **4. Safety, Health, Environment and Human Rights**

All the employees of our Company are obligated to observe all safety regulations and practices irrespective of whether they are prescribed by law, a government body, the manufacturer, the Company and the like. Each and every employee is jointly responsible for the protection of human life and the environment in his/her work environment, in particular with regard to not tolerating child labour carried out by persons under 15 years of age (in countries that are exempted as developing countries in the ILO Convention 138, persons under 14 years of age) or processing of conflict commodities. The Company particularly ensures the compliance with the ETI Base Code as of 1 April 2014 (see Guidelines in Consense). Recognised actual and/or possible dangers which could lead to burdens on people or the environment must be reported to the competent departments within the Company.

In addition, employees and other external interest groups (e.g. suppliers, etc.) have the opportunity to report human rights violations by means of an anonymous whistleblower system ([compliance@woerwag.com](mailto:compliance@woerwag.com)). No employee can expect any disadvantages due to the reporting of malfunctions. Omitted, late or incomplete reports contradict the interests of the company.

#### **5. Conflicts of Interest - Private Activities**

We expect our employees to be loyal to the Company.

Each employee must avoid situations in which his/her private or financial interests will conflict with those of the Company.

Private activities in associations, parties or other social institutions may not influence the performance of their tasks for the Company in any way whatsoever.

## **6. Protection of Business Secrets**

Business secrets must be treated as confidential. This also applies to information in which business partners or customers have an interest. Any further transmission to third parties (including family members, friends or colleagues) as well as any other utilisation in the context of Service to the Company is not permitted (these obligations continue to apply even after termination of the working relationship).

## **7. Ombudsman**

The ombudsman is a lawyer who is obligated to treat all information divulged to him/her and the personal details of the reporting person, in the strictest of confidence. This lawyer will only clarify the pure facts, and only fully rendered anonymous, if applicable, with management so that there can be no disadvantage to the reporting person from his/her request.

The name and contact details of the ombudsman are stated in the attachment to the Code of Conduct / on the Company intranet.

## **8. Adherence to and Monitoring of this Code of Conduct**

Each employee will receive a copy of this Code of Conduct. Employees are expected to monitor their conduct against these regulations and to consult the ombudsman in cases where doubt may exist and which cannot be clarified with his/her line manager.

Management will include the Code of Conduct in employee training sessions.

Stuttgart, 30.08.2019



---

The Management of Karl Wörwag Lack- und Farbenfabrik GmbH & Co. KG

## Annex to the Wörwag Group Code of Conduct

Name of the Ombudsman of Karl Wörwag Lack- und Farbenfabrik GmbH & Co. KG	Attorney-at-law Dr. Merve Finke von Berg
Address	Paracelsusstraße 20, 71229 Leonberg
Phone number	+49 172 – 7 12 61 17