

Code of Conduct

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Introduction

We are committed to using our technological and professional expertise as effectively as possible in order to produce and sell fibres and abrasive media safely, with a focus on the future. In this way, we enable our customers to implement their projects smoothly and efficiently. Our leading position in the market is indisputably determined by our performance and our values.

We want to foster a corporate culture that is shaped by innovation, personal responsibility and integrity. Requirements around business conduct in the workplace are becoming more and more demanding nowadays. Exemplary behaviour and the ability to act with integrity play a crucial role here. We have set out our standards regarding our value-based business behaviour in this Code of Conduct.

This Code of Conduct is a binding framework for action. It applies to all of KrampeHarex's employees including the management team and, as such, is both an aspiration and a promise. We are committed to the requirements we have set regarding our interactions with each other at KrampeHarex and we firmly promise to fulfil these. This also applies to the relationship with our customers, suppliers and business partners, and with regard to our responsibility to society.

Why do we have this Code of Conduct?

KrampeHarex supports and develops its employees. We promote an environment and a corporate culture in which we can all perform to our very best and meet the expectations of our partners and customers.

This Code of Conduct aims to provide a reliable framework for responsible behaviour which meets legal requirements and also our ethical and social standards. We want to prevent damage arising from the misconduct of KrampeHarex or of individual employees.

Our Code of Conduct defines the framework of our business actions based on legal sources that must be observed, including:

- laws
- regulations (regulatory requirements)
- directives (policies)
- work instructions (processes)
- contracts

In implementing the Code of Conduct, KrampeHarex respects and observes applicable law and legislation and, in this context, also respective cultural and country-specific customs and practices.

The Code of Conduct is of legal importance and also of considerable economic importance. Compliance with it significantly enhances the reputation of KrampeHarex in the market, among regulatory authorities, in the public eye, and among our partners and customers. But above all, it protects us all in the long term – if we adhere to the standards set out in the Code of Conduct.

Our values

Our values define who we are, what we do and, in particular, how we do it. They define our culture and oblige us to act in an exemplary manner. Our values are directly derived from our skills and abilities. We have defined them for the Code of Conduct as follows:

- We set a good example – each individual needs to be aware of their responsibility for the behaviour and motivation of everyone.
- We respect the individual – mutual respect is the basis of cooperation at KrampeHarex.
- We communicate openly and honestly – open communication creates a climate of mutual trust. This includes constructive feedback as well as clear and concise criticism, where appropriate.
- We feel committed to the community. We behave responsibly and contribute to society.

Above all, we act with integrity – for us, integrity means the unconditional obligation to act responsibly, observing and complying with applicable rules and laws, and avoiding conflicts of interest.

Integrity

Behaving with integrity is the prerequisite for trust-based collaborative partnerships.

Compliance with laws and regulations in the jurisdictions in which we operate is inextricably linked to our corporate responsibility and our company values. In this regard, various regulations apply at KrampeHarex. These are adapted to changing and new business processes and/or business activities, and must always be observed by us.

Compliance with laws and regulations and appropriate interaction with KrampeHarex

- Assets are part of our corporate responsibility

We always fulfil our tasks and associated responsibilities within and outside our company with the greatest possible professionalism, competence, care and integrity. We respect the rights of others and refrain from doing anything that might harm our customers, partners, products, KrampeHarex or colleagues.

We also ensure the careful handling of assets and resources. We use these exclusively for appropriate business purposes, provided that no regulations exist to the contrary specifically or in accordance with company regulations/company practice. We consider compliance with the Code of Conduct a shared responsibility.

For us, compliance with the Code of Conduct is an ongoing process in which we support one another. We know that the expectations and requirements of our behaviour evolve in line with our business activities. We factor this into our day-to-day activities. We keep up to date on changes to regulations and requirements in our area of work and apply these in a timely manner.

Customers, employees and our social environment

We are committed to our customers.

For us, customers are our priority. We support them in long-term partnerships. We know the business environments in which our customers operate and we offer them solutions that meet their needs. Our cooperation is based on team spirit, trust, reliability, commitment, honesty, reason and self-confidence – both internally and externally.

We value the commitment of our employees.

We promote a motivating and respectful working environment in which our employees are able to contribute their great potential. At KrampeHarex, we want to attract, promote and retain highly qualified and dedicated employees. We strongly believe that the diversity of our colleagues enriches our company through different views and capabilities. We guarantee a safe working environment and comply with all locally applicable laws and regulations on health and safety in the workplace.

We comply with all legislation on equal opportunities and equal promotion of professional development opportunities for all employees, without any distinction or discrimination on the basis of ethnic origin, skin colour, sex, age, religion, disability, marital status, sexual orientation, nationality or other characteristics.

We do not tolerate unfairness towards employees.

We do not tolerate any form of discrimination, harassment or threats, or any other hostile or improper behaviour in the workplace. We also do not tolerate false or malicious statements or actions that could adversely affect customers, employees, partners of KrampeHarex or the social environment.

In all of our business activities, we always stay focused on the importance of environmental and social sustainability.

For us, the assumption of social responsibility is an integral part of everything we do – it is an investment in society and thus also in our own future.

Conflicts of interest

Conflict between the interests of our customers and the interests of KrampeHarex and our employees may arise in a number of everyday business situations. Situations may also arise in which the personal interests of our customers or employees differ from those of KrampeHarex. We always act carefully and have the necessary knowledge and tools to recognise conflicts of interest, control how we deal with them and – where possible – prevent them.

If conflicts of interest, in fact or in appearance, cannot be avoided, we disclose them in good time. Together with the responsible parties within the company, we look for suitable measures to ensure we act in the best interests of KrampeHarex.

We do not use our position or that of KrampeHarex to pursue our personal interests or the interests of third parties associated with us. Furthermore, we do not hold a stake, either directly or indirectly, in a competitor of KrampeHarex if this affects the legitimate interests of KrampeHarex. Exceptions require the express written agreement of KrampeHarex.

We do not offer or accept any benefits that may lead to conflicts of interest and could thus damage KrampeHarex or our customers.

Data protection, communication and transparency

The trust of customers, the public, employees and investors in us and our brands is a very valuable asset. Data collected from and provided by customers, users and business partners is handled responsibly with due regard for personal rights. External reporting must always be accurate and truthful.

We treat data with absolute confidentiality and communicate professionally. We protect the data of customers, business partners and employees by handling this data responsibly and using it exclusively within the framework of legal requirements.

The statements communicated on behalf of employees of KrampeHarex are consistent, clear and factually correct. Communications directed to the public are coordinated with KrampeHarex.

Information about KrampeHarex and our business activities is shared in consultation with the relevant specialist departments. Statutory reporting obligations (e.g. regarding pricing information, annual and consolidated financial statements, data protection) are met by KrampeHarex via the employees responsible. Where necessary, KrampeHarex cooperates with investigating authorities, auditors, consumer protection organisations and competition authorities, and supports their work.

Confidential information and insider knowledge

We protect business and trade secrets, insider knowledge and other confidential information, keep it secret and never use it for our own advantage or the advantage of others. We use our business information only as part of our usual operational processes and official tasks. If we suspect the misuse of trade secrets, confidential information or insider knowledge, we will report it immediately.

Under no circumstances will we use trade secrets or insider information to pursue personal interests or the interests of third parties.

Criminal acts

We resolutely oppose any form of fraud, bribery and corruption and all other economic crime activities.

As a leading manufacturer of fibres and abrasive media, we have a big responsibility towards our customers, employees, partners and also the public. Our actions are always aimed at meeting high ethical standards. This means we behave in accordance with the law and, in particular, we resolutely oppose any form of criminal act (e.g. fraud, bribery, corruption) in our area of responsibility.

We do not participate in transactions that we suspect are related to bribery.

We seek information actively and appropriately about our customers. We incorporate this information into our decision-making and analyse the customer relationship carefully.

Risk management, finances, taxes and contracts

We assess our risks thoroughly and proactively.

Our actions are based on a rational and consistent approach to dealing with risks and opportunities. Together, the individual elements of risk management constitute a system that ensures risks are identified, analysed, assessed, managed, continuously monitored and reported.

We keep accurate and complete accounts.

We ensure that all business transactions are accounted for in our books in accordance with established rules and processes and generally accepted accounting principles. Our accounting, financial reporting and regulatory reporting are completed on time, precise, accurate, readily understandable and truthful. They each meet the applicable legal and regulatory requirements.

We support the work of auditors to the best of our knowledge and ability.

Financial planning is carried out on the basis of reasonable premises and shows future income contributions, taking into account existing accounting requirements. Opportunities and risks are taken into consideration equally.

We comply with national and international tax laws and reject any form of abuse of tax planning options.

We are committed to meeting all tax-related obligations. We engage in responsible tax planning which takes account of our tax obligations. We reject the abuse of tax planning options.

We comply with designated processes when signing contracts.

There are clear responsibilities associated with signing contracts. We comply with the designated processes and observe signing rights and approval obligations. We comply with budgets and handle them responsibly, we monitor contractual relationships and coordinate specific aspects with the right contact people, and we file documents in accordance with legal requirements.