

Dear Ladies and Gentlemen,

## ⇒ improve - change - develop⇐

this is the standard with which we will continue to strive for further success in the future. The key to the company's success lies in a company-wide corporate culture characterized by integrity, ethics and personal responsibility.

This Code of Conduct is intended to help you to understand and to implement the standards of ethical business practice that apply at Vereinigte Filzfabriken AG. The Code of Conduct applies to all employees of our company and we expect compliance from our customers, business partners and suppliers as well. Adherence to ethical values is necessary for long-term success. This includes fair dealings with each other and acting in accordance with the prescribed standards and laws in everyday business.

The management bears responsibility for a sustainable corporate strategy and its implementation. Integrity as well as compliance with laws and ethical principles are essential elements to maintain the authenticity of our company (in an ethical and socially responsible manner).

All supervisors are obliged to support, monitor and encourage their employees in complying with the Code of Conduct.

### Environment

As a textile company, we are committed to nature. We protect our environment through state-of-the-art facilities.

Each employee is required to comply with applicable environmental laws and to contribute to the protection of our environment by acting and behaving in a responsible and sustainable manner.

When developing new products and operating our production facilities, we ensure that the impact on the environment and climate is kept as low as possible and that our products make a positive contribution to the efficient use of resources and to environmental and climate protection for our customers.

### Human rights and labor standards

We respect and promote human dignity and we are committed to the protection and observance of international human rights. It is a matter of course for us not to use child labor of any kind and to reject all forms of forced labor. We do not tolerate any working conditions that conflict with international or local laws. In all our business activities, we always strive neither to cause nor to contribute to human rights violations.

#### **- Discrimination**

We do not discriminate in hiring, compensation, training opportunities, promotions or terminations on the basis of race, ethnicity, gender, age, marital status, religion, disability, pregnancy or sexual orientation of our employees and, of course, we require our employees to strongly oppose such discrimination.

#### **- Disciplinary measures**

We firmly oppose the use of physical punishment, mental or physical coercion and verbal abuse.

#### **- Motivation & Training**

We regard motivated employees and their identification with the goals of our company as a key success factor. We place particular emphasis on the development of our employees. We focus on job-related training that can be applied within the company.

#### **- Compensation**

In remunerating employees for their work, we comply with the provisions of the law or - where applicable - collectively agreed pay scales. We do not tolerate deductions from wages that are not permitted by law, including deductions from wages as a disciplinary measure.

#### **- Working Hours**

We comply with the statutory or applicable collectively bargained provisions on working hours, including overtime, rest breaks and recuperation leave. Overtime shall be compensated or remunerated at least in accordance with the statutory or collectively agreed regulations; it shall be ordered by way of exception and exclusively on a statutory, collectively agreed or contractual basis.

#### **- Health & Safety**

The health and safety of employees is protected to the highest degree by providing a healthy and safe work environment. By complying with applicable safety regulations, each individual is responsible for providing a safe and healthy work environment.

### Ethical business practices and integrity

We pursue only legitimate business objectives and practices and maintain business

relationships only with reputable partners.

We behave fairly and appreciatively toward our business partners and customers.

#### **- Corruption, trade control, money laundering**

We reject any form of bribery and corruption and avoid even the appearance of it - be it in the form of granting or accepting unfair advantages.

We act in accordance with applicable import and export control regulations and comply with legal requirements for the prevention of money laundering.

#### **- Fair Competition**

We advocate free and fair competition. We do not tolerate anti-competitive agreements and ensure that we act in compliance with applicable antitrust laws.

We reject competitive advantages through unfair business practices.

#### **- Personal data, protection of confidential information and intellectual Property**

We respect the privacy rights of our employees, business partners and customers and comply with applicable legal and regulatory requirements for the processing of

personal data and information security when handling personal information.

We take great care to ensure that the trade secrets and other confidential information of our business partners and customers entrusted to us are adequately protected against unauthorized acquisition, use and disclosure, at least in accordance with the relevant legal provisions on the protection of trade secrets.

We respect the intellectual property of our business partners, customers and other third parties and, when transferring know-how and technologies, ensure that sufficient precautions are taken to protect intellectual property rights.

#### **- Consumer interests**

We take appropriate measures to ensure the quality of the products we offer. We ensure that our products comply with all legal regulations relating to the health and safety of our business partners and they are safe and harmless to health for their intended use. We also consider the interests of our business partners in information and sales activities by adopting fair business, marketing and advertising practices and promoting customer education.

### Communication

We communicate the contents of the Code of Conduct to employees, business partners and third parties as appropriate.

### Implementation and enforcement

We observe this Code of Conduct in our actions and encourage our business partners to apply the Code of Conduct accordingly. We support our business partners in organizing their supply chain in such a way that human and employee rights are respected and working conditions are continuously improved.

In the spirit of good corporate governance, we anchor the principles of responsible corporate governance set out in the Code of Conduct in our strategic and operational management system.

### Contact address

For further questions regarding this Code of Conduct, all employees as well as third parties (customers, suppliers, etc.) are able to contact our central e-mail address:

[info@vfg.de](mailto:info@vfg.de)

All information is kept strictly confidential.