

**Code of Conduct**

**of**

**ZEOCHEM<sup>®</sup>**

## Zeochem Code of Conduct

Dear colleagues,

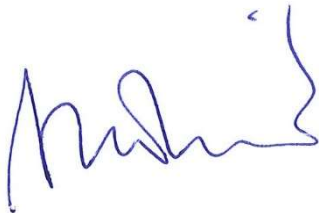
ZEOCHEM is committed to maintain an organization made of employees with the highest standard of integrity. This commitment remains imperative because it is the cornerstone of our success. Ethical behavior and appropriate business conduct are essential to everything we do, every day.

Each of us must make numerous decisions in our day to day business, some which involve a question of ethics. While it is often simple to determine the ethical course of action on our own, there may be situations which require deeper consideration. This Code is supposed to provide us with the required guidance.

This "Code of Conduct" which is mandatory for all sites of ZEOCHEM, provides us with a common set of ethical standards and policies for the correct conduct in whatever situation of day to day business taking into account the legal provisions, but also what is desired ethical conduct. These rules form the basis for our more detailed current and future policies and working procedures for all sites of ZEOCHEM.

Each and every employee is requested to comply with this Code to maintain and safeguard the reputation of ZEOCHEM now and in future. It is essential therefore that you carefully read these standards and understand their spirit and the required conduct.

Situations will surely arise in which the appropriate course of action is not obvious. If you are ever in doubt on how to proceed you should immediately seek advice from your supervisor or company head.



Dr. Alois Waldburg-Zeil  
Chief Executive Officer ZEOCHEM

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## 1 Introduction

This Code of Conduct is one element of the efforts of ZEOCHEM to ensure lawful and ethical conduct across the associated sites of ZEOCHEM, including all employees. It is part of a complex process to guarantee compliance with the law and associated guidelines, which requires open communications and the highest integrity. Although law and customs will vary throughout ZEOCHEM's different locations, our basic ethical responsibilities are globally binding.

Zeochem is part of the stock listed CPH Chemie + Papier Holding AG (CPH). This Code of Conduct is the implementation of the rules of CPH. Details can be found at [www.cph.ch/en](http://www.cph.ch/en).

## 2 Area of application and subject matter

This Code is obligatory for all employees of all ZEOCHEM Group companies.

The Code contains general principles and information concerning ethical behavior and responsibility of each employee of ZEOCHEM and is supplemented by additional policies and instructions.

Not all situations an employee of ZEOCHEM may face can be covered in this Code, nor does it replace the responsibility of each employee of ZEOCHEM to apply common sense and good judgment.

Each employee is expected:

- To act with integrity, honesty and fairness when representing the company towards customers, suppliers, business partners, authorities and other third parties
- To be aware of and consequently follow current law, rules, policies and instructions as applicable
- To protect proprietary information as well as that provided by customers, suppliers, business partners and other third parties
- To protect company's property, assets and resources and to support their efficient utilization as well as treat our products, waste and by-products in an ecologically correct manner

If there are questions concerning this Code, everyone can consult either his/her supervisor, or the respective site responsible person of ZEOCHEM.

## 3 Our Employees

The diversity and talent of our employees represent a highly valuable company asset and ZEOCHEM is committed to treat all employees with fairness and respect.

### 3.1 Equal employment opportunities

To assure equal employment opportunities ZEOCHEM always makes employment decisions unrelated to personal characteristics, e.g. ethnicity, religion, ideology, gender, age, sexual orientation, disability or any other personal characteristics protected by applicable law.

"Employment decisions" mean e.g. decisions related to hiring, training, promotion and termination.

### **3.2 Discrimination and harassment**

Consistent with our respect for individual employees, ZEOCHEM is committed to providing a work environment free from discrimination based on ethnicity, religion, nationality, gender, age, disability, sexual orientation or any other unlawful factor. ZEOCHEM does not allow an intimidating, hostile or offensive work environment. This includes, but is not limited to racist, sexist or ethnic comments or jokes, sexual advances or inappropriate physical contact, sexually-oriented gestures, pictures, jokes and statements.

### **3.3 Data privacy**

It is ZEOCHEM policy that all personal information concerning employees, customers, business partners or suppliers must be treated as confidential, respecting all privacy rights. The protection of such information is of very high importance and care must be taken to preserve the confidentiality of the persons concerned.

### **3.4 Health, safety and environment**

ZEOCHEM strives to provide a safe and healthy work environment, obligates itself to follow all current environmental law, guidelines and regulations as well as applying necessary safety standards.

Employees are responsible for following safety instructions precisely and to take safety precautions to protect themselves, co-workers and any third parties.

Accidents, violations, any risk and unsafe conditions must be reported immediately, enabling management to take necessary steps in a timely manner in order to maintain a safe and healthy work environment.

### **3.5 Abuse of drugs**

It is prohibited for all employees of ZEOCHEM to work under the influence of alcohol, illegal drugs, any other intoxicants or legal drugs reducing ability to work. Furthermore, ZEOCHEM prohibits the sale or distribution of illegal chemical compounds and other substances causing intoxication inside the company's premises.

## **4 Conduction of our business and integrity in the market place**

### **4.1 Compliance and product quality**

All employees of ZEOCHEM must comply with applicable laws in their place of employment. As Zeochem undertakes business activities in many countries, "applicable laws" include global rules and regulations as well as sanctions imposed against countries, persons and organization.

ZEOCHEM is committed to maintain product quality as agreed with customers and authorities and in line with applicable regulations and guidelines.

ZEOCHEM strives for continuous improvement and good performance to build credibility and gain confidence of business partners, authorities and the public.

## **4.2 Consumer protection, competitive information and unfair practices**

Employees of ZEOCHEM are not allowed to perform unfair or deceptive business actions and practices, nor acts of unfair competition. It is important that ZEOCHEM is recognized in the marketplace as a company that operates ethically.

Unfair practice will jeopardize the reputation of ZEOCHEM in the marketplace and can additionally result in civil and contract penalties. Unfair practices as defined in this Code are specifically any intentional and culpable violations committed by employees against law and internal policies and capital market regulations.

Accordingly, using proprietary information (e.g. trade secret information) without the owner's consent is prohibited. No employee should take any advantage through manipulation, concealment, abuse of privileged information and in particular should respect the rights of customers, suppliers, competitors and employees.

ZEOCHEM fully supports the goals of antitrust and similar laws preserving and promoting fair and open competition and always expects each employee to comply with those laws.

## **4.3 Accuracy, integrity, retention of books and records**

All employees are obliged to file information completely, exactly, correctly and promptly.

Documents to be signed, e.g. production or quality assurance documents or expenditure authorizations, must be signed in accordance with the established internal controls of Zeochem Group.

All documents and accounts which serve as basis for reports to the management, creditors and authorities, must follow the current regulations and legal standards and must contain exact details of any commercial transactions.

# **5 The company's assets, computers and communication systems**

## **5.1 Confidential information and intellectual property**

Safeguarding the intellectual property of ZEOCHEM is absolutely necessary in order to maintain our competitive advantage.

Information generated by research, development, quality assurance, manufacturing, sales and marketing is considered sensitive, and is fundamentally paramount for our success.

Such proprietary information encompasses e.g. marketing and sales data, strategies, development opportunities, research and process know-how, regulatory and registration data and manufacturing techniques.

All such information must be kept confidential by employees and must not be disclosed unnecessarily and improperly to third parties or colleagues in order to protect the company's business.

Confidential information should only be provided to a third party if it supports the company's business interest and only if a signed confidentiality agreement is in existence. Any electronic communication, e.g. email via internet should comply with Zeochem policy.

All employees have signed agreements committing them not to disclose confidential information while working at and after having left ZEOCHEM.

Furthermore, the intellectual property of third parties must be treated with identical care. The violation of intellectual property rights and copyrights of a third party may result in

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civil action and/or significant monetary fines for ZEOCHEM and additionally would adversely affect the reputation of ZEOCHEM.

### **5.2 Media information release**

Employees are not allowed to make any statements involving internal Zeochem information to the media (e.g. radio, press, television, social media). Every communication with the public is within the responsibility of CPH as a stock listed company. In case of requests from any outside party to comment on Zeochem activities such requests need to be forwarded to the CEO of Zeochem Group who is responsible for the coordination with CPH.

### **5.3 Conflict of interest**

A conflicting interest exists if a personal interest of an employee influences his/her job-related tasks. Situations and circumstances which reduce an employee's objective decision making ability in connection with his/her job-related duties should be avoided e.g. personal relationship that may create a conflict of interest with the employee's responsibilities or compromise the integrity of the company.

Employees should immediately inform their superior, the company head or the CEO of Zeochem Group as soon as they come into or as soon as they discover a conflicting interest.

### **5.4 Gifts and inadmissible payments**

Any improper payments, benefits, services or anything else of value accepted from or provided to any business partner, third party or authority representative intended or even appearing to intend to gain an advantage or influence decision-making are forbidden.

Only gifts, benefits and services of small value generally acceptable and usual within applied hospitality to business partners or third parties (including authority representatives) are allowed providing they do not compromise the integrity of either party.

However, they need to be authorized and correctly recorded in the books and in line with applicable law and the rules of Zeochem.

### **5.5 Use of computers and network**

Employees may not have access to or use computer and network resources of ZEOCHEM without the prior approval of the company. The rules set in CPH's guideline "Regulation IT Use" are to be applied.

Systems of ZEOCHEM may not be used to access or transmit material that could embarrass, insult, disparage, harass or offend other persons.

ZEOCHEM requires that any software used on ZEOCHEM computers or for business purposes must be subject to proper licenses.

## **6 Procedural structure for the compliance with the rules**

### **6.1 Panels and responsibilities**

ZEOCHEM is committed to compliance with local, regional and federal laws in Switzerland and all other countries, where ZEOCHEM runs manufacturing sites or conducts business. This Code of Conduct is in place to assure Zeochem's compliance. The CEO of Zeochem Group is responsible for overseeing the compliance of ZEOCHEM.

As required, the CEO will be supported by individual departments, e.g. HR, Finance, HSE, Quality etc. in the implementation and maintenance of the compliance program.

In addition, the company heads are responsible for Compliance at their location sending reports to the CEO on a regular basis and assuring that a training on the Code of Conduct is conducted.

### **6.2 Reporting mechanism in the event of violations**

Each employee is expected to raise any concerns if there is a risk to the company, ideally before these risks become actual problems.

If an employee becomes aware of information about violation of duty or even criminal acts or any possible damages in his/her area of work, he/she is required to prevent this, based on his/her contractual duties of loyalty and damage prevention.

If this is not possible, he/she should report this to supervisors, free from any self-incrimination.

Should an executive member of ZEOCHEM Group companies come under suspicion of a possible violation, the chairman of the advisory board or the advisory board of ZEOCHEM is responsible for the investigation of a possible violation.

Each report of suspected violation of the Code of Conduct will be treated confidentially and immediately investigated by the responsible persons of ZEOCHEM. This investigation will be initiated by the company head or the CEO of Zeochem Group who will decide which kind of support will be necessary for the investigation, e.g. by the affected departments.

If there is concrete indication, the facts will be further investigated without distinction of the suspected individual and his/her position in the company. Both circumstances, those incriminating and those exonerating the suspect must be investigated.

Based on the established facts and the evidence taken, the company heads or the CEO of Zeochem Group shall evaluate whether or not the legal and factual conditions are met in order to take further action.

If finally, corrective actions are requested, the involved manager or supervisor and, if necessary, with the participation of the executive members of the involved site, will decide on which steps should be taken to remedy the problem and prevent its recurrence.

The investigation of facts and the results of the various investigation activities and possible corrective actions must be recorded in a manner understandable to third parties if applicable.



### **6.3 Protection of the suspects as well as the informers, confidentiality**

When investigating the facts, the personal rights of the suspected individual as well as the general constitutional principles, especially the principle of proportionality must be observed.

Personal data must be treated in line with the data privacy regulations of ZEOCHEM.

Taking of evidence must only be made using legally permitted means.

ZEOCHEM takes every required and reasonable action to ensure that individuals having provided information on violations or relevant suspicion in good faith will not suffer any personal, job-related or financial disadvantage or be subject to any retaliatory measures.

### **6.4 Disciplinary action for violations**

The goal of ZEOCHEM is to prevent violations of compliance and the recurrence of illegal behavior, to make such behavior discovered as soon as reasonably possible and to discipline those who engage in it as well as those who fail to exercise appropriate supervision or oversight.

In such cases ZEOCHEM reserves its right to take disciplinary action against its employees.

In the event of strong suspicion of there being facts of a criminal act ZEOCHEM will - depending on the severity of the criminal act - also forward the case to the criminal prosecution.

### **6.5 Anti-bribery Code**

ZEOCHEM believes that integrity and fair dealing are essential assets of the company and this should be reflected in all activities. Each employee has a responsibility to ensure that the company will not get involved in corruption.

Neglecting this duty result in sanctions. Both active and passive bribery is illegal. The following conventions are ratified by the countries in which Zeochem is active with legal entities or direct as well as indirect representations:

- United Nations Convention Against Corruption,
- OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions
- Council of Europe Criminal Law Convention on Corruption and Additional Protocol

No executive member, employee nor any other person representing ZEOCHEM such as agents, suppliers, joint venture partners or others, may on any occasion, neither directly or indirectly, offer anything of value to any person that directly or indirectly represents a client or a supplier in order to gain an advantage or as a reward for a favor.

The company can be held responsible for unlawful actions committed by external partners if it can be proven that the company by negligence has overseen the red flags of warning which indicate that an agent might be using bribery. It is very important that all employees are following these rules when working with external partners:

- Only use qualified companies and representatives with a good reputation

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- Please contact your direct supervisor and ask for advice if you identify one or more of these “red flags of alert” – e.g. if the agent:
  - Has a questionable reputation.
  - Suggests a deal that indicates bribery.
  - Neglects the company Code of Conduct.
  - Does not appear to be a fair dealer in other situations.
  - Does not show any interest in quality, training, guarantees etc.
  - Has a relationship (such as family ties or former employment) that could improperly influence the client’s decision.
  - Requests an unusual payment method such as transferring the commission to a bank in a third country or to another currency than normally used for transactions in the country of the agent.
  - Breaks up the contract sum into smaller amounts.
  - Claims that he or she can help secure the contract because he or she has a "special agreement" with the customer of the contract.
  - Requires payment in advance.
  - Requires a commission that is unusually large in relation to the service provided.
  - requires that a bid should be made through a specific sales agent or partner.

## 7 Final provisions

This Code of Conduct will become effective upon its communication to the employees and may be modified by ZEOCHEM at any time.

Rüti, 12. May 2020