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## POLICY REGARDING THE AVOIDANCE OF CORRUPTION AND CONFLICTS OF INTEREST

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<b>Owner</b>	Corporate Affairs
<b>Purpose</b>	This policy is intended to help raise our awareness of the severe risks related to corruption and conflicts of interest and to sensitize us to the topic and risky situations in particular.
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Dear employees,

Kalle Group stands for integrity, sustainability and fairness in business. Our good reputation as well as the resulting trust of our customers and business partners help us to be perceived as a reliable and valued partner. Alongside the quality of our products, these aspects are a decisive factor in the success of our company. Our common goal must be to maintain and build on this reputation and the trust placed in us through responsible, compliant behavior.

Without exception, we reject any form of undue influence or even the attempt to do so. Bribery and corruption are not tolerated, non-compliance consistently pursued and sanctioned accordingly. We also base our business decisions solely on the interests of the company and make them objectively, without prejudice and on the basis of objective criteria. Since even the appearance or suspicion of a conflict of interest can significantly damage our reputation, we avoid all situations in which the interests of the individual collide or could collide with the interests of Kalle Group.

This policy is intended to help raise our awareness of the compliance risk areas mentioned and to sensitize us to the topic in general and risky situations in particular. We want to provide you with a practical guide that you can consult in your day-to-day work and especially in cases of doubt that may arise. We therefore expect all our employees to familiarize themselves with this policy and to consider the principles regulated here in their daily work.

Nevertheless, there will always be cases in which it is very difficult to assess whether a certain behaviour is permissible. In such cases of doubt, do not take any risks, but contact your supervisor or [compliance@kallegroup.com](mailto:compliance@kallegroup.com) – contact persons Dr. Michael Schmalholz and / or Harald Angermüller.

## A. Scope and structure

This policy applies to all employees and directors of all Kalle Group entities. It contains a basic overview of instructions on how to avoid corruption and conflicts of interest.

Please note that this policy represents a minimum standard that must be observed not only within Europe, but worldwide. In some countries, even stricter regulations may apply. In this case, of course, these stricter regulations must be observed.

The overview is intended to clarify general aspects and common questions and to explain various hypothetical cases with the use of the traffic light symbol:

This classification is based on the question, how significantly and how likely the corruption or conflict of interest may lead to disadvantages for Kalle. Disadvantages can be of different nature. Corruption and conflicts of interest may i.e., lead to reputational risks for Kalle or loss of confidence on clients', suppliers' and business partners' side in general. Essential for the following classification is, inter alia, also whether a prosecution authority would initiate an investigation based on the action described:



... means that there is a high probability of significant disadvantages for Kalle, or that the prosecution authority would very likely assume an initial suspicion of corruption in this case.



... means that it is not unlikely that no insignificant disadvantages may arise for Kalle, or that the prosecution authority could consider this case critical and therefore assume an initial suspicion of corruption.



... means that possible disadvantages for Kalle, which are not altogether insignificant, are unlikely or that the prosecution authority would most likely not consider this case as critical and therefore would not assume an initial suspicion of corruption.

## B. What is not considered corruption?

Generally, gifts and invitations to customers or other business partners are permitted if they are customary in social interaction and are not aimed to improperly influence business decisions. It is essential that gifts or invitations do not serve the purpose of influencing business decisions or preferential treatment in the awarding of contracts in relation to competitors.

For example, invitations to business partners to customary business events or small gifts for birthdays or Christmas are permissible (i.e., in Germany up to 50 euros per year and business partner, cf. no. 3 of Kalle's Code of Conduct). Such gifts are generally not suitable to improperly influence business decisions.



The following examples are intended as a guide and serve explanatory purposes only. They do not refer to actual incidences within Kalle Group.

### Example:



*One-time invitation by a Kalle employee to a customary lunch or dinner (meaning no starred restaurant or the like) at which business matters are discussed; handing over of promotional gifts of small value (i.e. in Germany up to 50 euros per year and business partner, cf. no. 3 of Kalle's Code of Conduct, meaning e. g. ordinary pen and no luxury fountain pen, wall calendars and no high-priced graphic, coffee mug and no high-priced vase); granting of small promotional gifts on the occasion of a business event at the customer's premises (e. g. training, product presentation).*

As an exception, gifts of a higher value may also be permissible, provided that this is in line with the local culture or is required for reasons of courtesy and respect. However, gifts of a higher value may only be given after obtaining the written consent of the superior. If in doubt, it is mandatory to involve the Compliance Department.

Examples:



*An invitation to the business manager of an important customer in the course of negotiations on an upcoming project to a dinner in a high-class restaurant. While such an invitation may influence an ordinary employee with an average salary, a business manager will most likely not be influenced by it under normal circumstances.*



*An invitation to a customer by a Kalle employee to an evening event with the intention of building and strengthening the business relationship and thanking them for their past business cooperation if it is clear that there is no connection to an upcoming decision.*



If you receive a gift from a customer or supplier that is not a small promotional gift, please inform your supervisor and, if necessary, [Compliance@kallegroup.com](mailto:Compliance@kallegroup.com) – contact persons Dr. Michael Schmalholz and / or Harald Angermüller. Please familiarize yourself with cultural customs before traveling abroad. If you have any questions, please contact your supervisor or [Compliance@kallegroup.com](mailto:Compliance@kallegroup.com) – contact persons Dr. Michael Schmalholz and / or Harald Angermüller.



There may be some market participants (competitors' employees, customers or intermediaries) who consider higher value gifts, including (always inadmissible) monetary gifts and personal gifts, as "normal" or "necessary" to obtain business.

However, the fact that in certain parts of the world substantial gifts of money or other gifts are still common does not mean that they are permissible. In most parts of the world, it is illegal to offer or give a gift with the intention of improperly influencing a business decision.

For criminal liability, it is generally not decisive whether a gift is solely in the interest of the company (e. g. to obtain an order). A criminal offense of bribery does not necessarily require that the individual employee wishes to enrich himself personally.

### C. What is considered corruption?

Corruption means, on the one hand, offering, promising or granting of a benefit for the purpose of improperly influencing a business partner or a public official, but also requesting, allowing oneself to be promised or accepting a benefit for improper reasons.

Please note that according to the criminal laws of most countries in the world, corruption is also subject to prosecution if the act of corruption takes place abroad.

#### Example:



*During the contract negotiations abroad, the responsible employee of a business partner requires the payment of a brokerage commission in the event of the conclusion of the contract. The brokerage commission is to be added to the invoice and forwarded to the employee of the business partner after payment of the invoice.*



*All actions of corruptive behavior are carried out in Germany. Also the underlying payment transaction is executed in Germany. The target of the corruption is however an advantage for the business transactions of Kalle in the USA, which may never occur. Nevertheless, there is substantial risk that the US prosecution authorities will assume their responsibility.*

The following actions outlined in sections I. through VI. are considered corruption under European anti-bribery laws and are therefore prohibited:

#### I. Payment and acceptance of bribe money in business transactions

Payment and acceptance of bribes in business transactions are prohibited. This means that corruption in connection with business relationships with customers, suppliers and other business partners is illegal and subject to criminal prosecution.

Any employee is prohibited from offering, promising or granting a benefit to an employee of another company in order to improperly influence a future or pending business decision.

### Examples – Distribution:



*In the course of a tender offer, a Kalle employee offers a payment to the responsible head of a potential customer's purchasing department if the latter buys only Kalle sausage casings and no competitor products.*



*Kalle is negotiating with a potential new customer. The negotiations turn out to be difficult and hardly make any progress. One day, a Mr. X contacts Kalle's sales representative (V) and informs V that he has very good connections with the potential new customer and that the customer would place the order with Kalle if Kalle were willing to pay X a consulting fee. Through research, V finds out that X is an employee of the potential new client. Nevertheless, V agrees to the payment. Kalle and X conclude an agreement. Shortly thereafter, Kalle is awarded the contract. It is not apparent what services X provides for the consulting fee.*



*Kalle and a competitor (C) each submit a tender for a lucrative contract to manufacture artificial sausage casings in response to a call for bids from a Chinese state-owned company. After the bids are submitted, an intermediary, who supposedly advises the contracting authority, contacts Kalle's sales representative. The intermediary suggests that Kalle be awarded the contract if compensation is paid for the losing party. C receives "appropriate compensation for the costs of the tendering process".*

In the same way as offering or granting improper benefits, allowing oneself to be promised or accepting improper benefits is also punishable. When accepting invitations and gifts, Kalle employees should therefore always check whether they could improperly influence a decision.

### Example - Purchasing:



*A Kalle employee concludes a contract with a Kalle supplier for the delivery of sausage casings because the latter has promised to pay him a sum of money / a trip / soccer tickets.*

### Examples - Order acquisition:



*A sausage manufacturer contacts a Kalle employee and claims he can get Kalle an order in exchange for a "commission."*





*An employee of a tendering company contacts a Kalle employee and states that he can provide exclusive information about the tender in return for a payment of 1,000 euros.*



*A Kalle employee invites a member of staff from a company (C) that has put a sausage casing contract out to tender to a trade fair at which Kalle is represented. The trade fair takes place at the place where C is seated.*



In this context, it is significant that a conduct may also be subject to prosecution even if the decision to place the order in question was not ultimately influenced by the benefit, e. g. because the gift was inappropriate (a soccer ticket for a person not interested in sports) or Kalle received the order for objective reasons.

## **II. Means of bribery**

"Bribes" may be benefits of any kind. Anything that improves the financial, legal or personal situation of the recipient and to which the latter is not entitled is considered a benefit. This includes in particular all open and concealed material benefits, but also non-material benefits.

### Examples:

- "Tips", "commissions", "consulting fees".
- Financial benefits (vouchers, admission tickets, invitations to events, vacation trips, discounts, interest-free or low-interest loans, free or low-cost services)
- Valuable items (cf. no. 3 of Kalle's Code of Conduct with a threshold of 50 euros per year and business partner) (clothing; high-priced food such as champagne and caviar; electronic equipment, as long as it is not limited to e.g., a small torch or a USB stick with company logo or the like)
- Non-material benefits (awards, honorary positions, career prospects, sexual favors)

- Charitable donations, if made with the intention to influence business decisions; donations demand in any case consultation of the Compliance Department (Compliance@kallegroup.com – contact persons Dr. Michael Schmalholz and / or Harald Angermüller).
- Failure to take a certain action (waiver of the possible termination of a contract, waiver of warranty rights)



Promotional gifts may – depending on their value – constitute inadmissible benefits. This can be assumed when an item is usually not used as a promotional gift due to its value, e. g. a Montblanc fountain pen with a company imprint.



The use of intermediaries (sales intermediaries, consultants, agents, brokers, etc.) entails a particularly high risk of corruption. For this reason, the payment of commissions or brokerage fees is only permitted under the following conditions:

- The integrity of the intermediary must be verified before the start of the business relationship (onboarding). This **verification** must be documented.
- The establishment of the new business relationship requires the written **approval** of the Compliance department or directing management (*Geschäftsführung*).
- There must be **no conflict of interest** (e. g. the intermediary must not be an employee of the customer or have a personal relationship with him).
- Payment requires a **proper invoice**. The basis for this must be a written agreement with a clear definition of performance and consideration.
- **No payment in excess** of the contractually agreed amount may be made.
- The **beneficiary account** is specified in the agreement. The payment must strictly be made to a bank account located in a country where the intermediary resides or has his registered office, and which is in his name or the name of his company. First-time deviations must be reported to the Compliance Department (Compliance@kallegroup.com – contact persons Dr. Michael Schmalholz and / or Harald Angermüller). Repeated or similar deviations in ongoing business relationships do not have to be reported again.

- The service provision shown in the invoice has actually taken place and is documented.
- The commissions paid must represent an adequate consideration for the service received and should not exceed 5 % of the order value.
- The accounting of payments has to be done properly.

### III. Benefit to third parties

Benefits that are not granted to the business partner but to a third party can also constitute bribery.

#### Examples:



*A Kalle sales employee offers a customer the opportunity to obtain an apprenticeship for the employee's son / wife / friend if the assertion of warranty rights for defective Kalle services is waived.*



*An employee of a customer requests a cash payment as "consideration" for the conclusion of a contract. This money is added to the agreed price of the Kalle services. For the purpose of concealment, it is agreed that the money will be paid to a friend of the customer's employee who acts as an independent consultant.*



*During negotiations, the managing director of a potential customer suggests that he will award a contract to a company if it donates a substantial amount of money to the local soccer club.*

### IV. Minor and multiple benefits

Not only the payment or acceptance of larger sums of money or valuable gifts (e. g. vacation trips) is prohibited, but also the repeated granting or acceptance of small benefits in close intervals (e.g., a bottle of wine per month, while an annual, appropriate gift for Christmas is permissible). In this case, there is a risk that the recipient will be improperly influenced in his or her business decision due to the advantage granted several times.

Example:



*A supplier regularly sends small courtesy gifts at intervals of a few weeks to the responsible Kalle purchaser (e. g. pocket calculator with company logo, chocolate, wine bottles worth 10 to 20 euros) and has been inviting him to lunch for some time several times per month. The Kalle employee accepts these gifts and invitations and over time feels obligated to the supplier. Therefore, the next order goes to this supplier and not to a (cheaper) competitor.*

However, one-time and low-value benefits, like a bottle of wine (cf. no. 3 of Kalle's Code of Conduct with the threshold of 50 euros per year and business partner), are legal if they are not granted to influence a business decision.

Example:



*A one-time invitation to a moderate meal (e.g., of a value of 35 euros) to discuss business matters and several weeks later a bottle of wine, a small courtesy gift of 10 euros or a small promotional gift (e. g. calendars, notepads) for Christmas.*

## **V. Undue influence on business decisions**

The promise or granting of benefits must always be regarded as bribery if the intention is to exert undue influence on an upcoming business decision.

Undue influence is generally present if the business decision is not made on the basis of objective criteria (e. g. quality or price), but because of the benefit.

This applies regardless of whether the intention to bribe is explicitly mentioned or merely implied by offering or granting a benefit.

Example



*Before a contract is concluded, an employee of a business partner who is involved in the negotiations is invited by a Kalle employee to a renowned ball including hotel accommodation together with his wife. The employee accepts the invitation. A short time later, the order is placed. No further information is available on the facts of the case. In such a case, the public prosecutor would probably initiate an investigation against the parties involved for corruption / bribery in business transactions.*

Moreover, the simple offer of a benefit may be subject to criminal prosecution, even if the benefit was rejected by the other party and the bribery attempt was thus unsuccessful.

## VI. Typical cases of bribery

Bribery in business transactions generally occurs when one of the following benefits is offered, promised, granted or accepted in the course of initiating or maintaining business relationships in order to improperly influence pending business decisions.

- Explicit monetary grants
- Hidden ("disguised") cash benefits
  - *"Consulting fees" etc. to friends or family members of the bribed person, even though no mediation activity has taken place.*
  - *Cash benefits with an obvious underlying conflict of interest.*

*Example:*



*According to hidden collusion between Kalle and an employee of the customer the customer is invoiced for overly high amounts. After payment a partial amount is immediately transferred to said employee of the customer (or another person dedicated by him).*

- *High commissions, e. g. intermediary commission of 10 % or 12,000 euros per month in absolute terms, if it is not apparent that the intermediary's efforts justify a particularly high commission. Such constellations are regular "red flags" for law enforcement agencies, since intermediaries are often used to forward bribes.*
- Consumer goods (e. g. electrical appliances, clothing, food, alcohol)
- Monetary benefits (e. g. travel, tickets, favorable loans).
- Other benefits (e. g. arranging secondary employment, sexual favors).

## **D. Granting of benefits and bribery of public officials**

In terms of favoritism towards public officials, anti-bribery laws are usually particularly strict.

Please note that in many countries bribery of public officials is punished more severely than bribery in the private sector. The simple act of securing the goodwill of a public official in the exercise of his or her function is often already illegal and subject to criminal prosecution. This also applies in cases where a favor is granted merely to speed up an administrative procedure without the intention of influencing the decision.

### **I. Public officials**

Public officials are judges, civil servants or persons who hold office in the legislative, executive or administrative branches of a municipality or state and perform public functions.

#### Examples:

- Prosecutors
- Tax officials
- Employees of public hospitals
- Employees of public universities, research institutions and schools

Employees of privately operated companies that perform public functions may also be public officials.

#### Examples:

- Employees of testing and certification bodies
- Employees of municipal energy supply companies

In addition to the bribery of domestic public officials, the granting of benefits and bribes to foreign public officials is also regularly punishable under local criminal law. In many countries, employees of state-owned business enterprises (see court rulings e.g., regarding employees of Flughafen Brandenburg GmbH) are also considered public officials. This is sometimes difficult to recognize from the outside. There are also substantial differences in the individual jurisdictions (e.g., narrow definition of "official-person" in Russia) and in the case law (e.g., older Federal Supreme Court rulings denying public official status of employees of the former Flughafen Frankfurt/Main AG).

Please note that, especially abroad, public officials may attend certain events where this is not necessarily expected.

Example:



*A corporate delegation meets with the delegation of business representatives from the host country in Asia. Among the business representatives are also some public officials who, however, do not disclose their function at first. Even though it is disclosed on time, a Kalle employee continues to hand out gifts to thank for hospitality, which are generally acceptable in the private sector, to public officials out of embarrassment.*

## II. Acceleration payments

Acceleration payments are payments or other benefits (often of small value) directed to a public official in order to "secure" his goodwill in the exercise of his official functions or simply to expedite that exercise without otherwise seeking to influence him.

Acceleration payments constitute bribes and are illegal in many countries. Therefore, Kalle employees are prohibited from making acceleration payments.

Example:



*Repeated small gifts (e. g. a bottle of wine) to an employee of a government agency in order to process applications submitted by Kalle more quickly.*



*The employee of a (public) inspection body responsible for testing and certifying a new product is repeatedly invited to lunch in order to speed up the testing of the new product.*



*A foreign customs official requests payment to expedite the process of clearing customs and shipping sausage casings that need to be delivered urgently.*

### **III. General prohibition of monetary contributions to public officials**

Monetary payments to public officials are always to be regarded as bribery of public officials and are therefore punishable by law.

### **IV. Other benefits**

As described above, stricter standards apply when dealing with public officials than with business partners from the private sector.

No gifts may be rewarded to public officials, in principle also no promotional gifts of low value or gifts for special occasions (e. g. Christmas or anniversaries). Deviations herefrom must be discussed in advance with the Compliance Department (Compliance@kallegroup.com – contact persons Dr. Michael Schmalholz and / or Harald Angermüller).

Modest hospitality during meetings (e. g. sandwiches, cookies, coffee) is not problematic and does not have to be agreed upon with the Compliance Department.



If a public official expects or demands gifts or invitations, or if there is any doubt as to whether the necessary approval has been obtained, an invitation must not be issued.



## **E. Penalty for violations**

Bribery is a criminal offense. The penalties provided by law for persons involved in bribery include not only heavy fines, but also (depending on the country) prison sentences of up to 10 or even 15 years. The possibility of criminal prosecution is not eliminated by the use of a middleman (messenger, broker or similar).

Severe financial sanctions can also be imposed on the members of the company's management and on the company itself if violations of anti-corruption regulations are found e.g., by managerial staff or other employees. There is a risk of personal liability or criminal sanctions of members of the board as well as managerial staff and other employees. The person acting as well as the company and other third parties who have benefited from the bribery must return the benefits received or their value (so-called asset recovery).

Due to penalties and fines, often in combination with asset recovery, acts of corruption can threaten the existence of the company concerned (and thus also of its employees).

Violations of criminal corruption law and the provisions of this policy will not be tolerated by Kalle and may result in consequences under employment law for any employee concerned, up to and including termination without notice and claims for damages.

## **F. Tax law**

Crimes related to corruption are often connected with tax evasion. To the extent that benefits are provided in connection with acts of corruption, it should be noted that the recipient of the bribe often does not declare these benefits for tax purposes. Therefore, a person who makes contributions or grants other benefits that are connected with this criminal act may be prosecuted for aiding and abetting tax evasion.

Not only the person who initiated the payment, but also the company making the payment can come under the scrutiny of the investigating authorities. This is because, by their very nature, bribe payments are not recorded as such, but are often disguised or incorrectly treated as deductible business expenses.

## G. Guidelines for the avoidance of conflicts of interest

Conflicts of interest can arise for a variety of reasons and in a wide range of situations. They must always be avoided. Every employee who is responsible for or involved in a business decision must check for him- or herself and on his or her own responsibility whether there is a conflict of interest or at least the appearance of such a conflict.

The following guidelines for avoiding conflicts of interest at Kalle must be observed by all our employees:

### I. Personal conflicts of interest

Conflicts of interest may arise in particular due to an existing close personal relationship, e. g. relatives, household members or close friends. Such relationships must not affect our business decisions – this applies both to business relationships with external partners and to internal personnel decisions and employment relationships.

If you have or have had a close personal relationship with an employee of a (potential) business partner, this must be disclosed immediately to the superior or via e-mail to Compliance@kallegroup.com. Decisions in this context may only be made after appropriate prior consultation and on the basis of objective criteria (e. g., quality, price, reliability).

*Example: An employee from Kalle's purchasing department wants to place an order with a company that belongs to his best friend:*



*The company of the Kalle employee's best friend submitted the best offer in terms of price, quality and delivery conditions and is therefore to be awarded the contract. For third parties aware of the personal connection but not of the classification of the offer this could appear shady and lead to a reputational loss.*

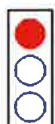
*However, this will not lead to the acceptance of the offer being disabled. It must be ensured though that all legal and Kalle's internal transparency guidelines are observed.*



*The company gets the order even though it is significantly more expensive than a competing bid for the same quality.*

The same applies if you are to decide, on behalf of Kalle, on the employment or promotion of a person with whom you have or have had a personal relationship. In this case, you should particularly avoid assuming responsibility for personnel. In any case, such situations must be reported immediately to your supervisor or via e-mail to [Compliance@kallegroup.com](mailto:Compliance@kallegroup.com). Personnel decisions are to be made solely on the basis of objective criteria (e. g. professional qualifications, work performance, reliability).

Examples:



*A newcomer to the profession applies to Kalle for a job in his uncle's team. Although he does not have the required work experience and there are more suitable candidates, he is hired by his uncle.*



In summary, the following **principle** can be stated:

If you are in a close personal relationship with

- an employee of a current or potential business partner or
- a Kalle employee with whom there is an official relationship of dependence,

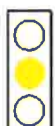
you must immediately disclose this to your supervisor or via e-mail to [Compliance@kallegroup.com](mailto:Compliance@kallegroup.com), in order to jointly seek a solution and resolve the conflict.

## II. Financial conflicts of interest

A conflict of interest may also arise due to conflicting financial interests.

A financial conflict of interest exists in particular if an employee of Kalle holds a significant interest in a competitor or (current or potential) business partner and, as (co-)owner, is in any case entitled to a significant share of the profits of this competitor or business partner. If such a situation exists or may occur, it must be reported immediately to the supervisor or via e-mail to [Compliance@kallegroup.com](mailto:Compliance@kallegroup.com).

Examples:



*One of Kalle's buyers wants to commission a company as a supplier in which he and two other shareholders hold the majority of the shares, a total of just under 35 %.*



*For some time, a Kalle employee has owned a small block of shares in a company that is a major competitor of Kalle. This is a very large company with many shareholders; the shareholding is well below 1 %.*

The same applies to all other financial relationships with one of our competitors or (current or potential) business partners. This includes, for example, cases in which private investments are/were made in such a company or a loan relationship exists. This must also be disclosed immediately.

Examples:



*An employee of Kalle wants to borrow money privately from an acquaintance. The latter runs a butcher's shop and, in this context, has commissioned Kalle to produce sausage casings.*



The following principle applies here: If you hold a significant interest in one of our competitors or (current or potential) business partners, or if you have any other significant financial relationship with them, your supervisor or Compliance@kallegroup.com must be informed immediately.

In addition, employees may not use business opportunities to which Kalle is entitled and may wish to take benefits for their own purposes or sabotage them in order to gain a benefit for themselves or a third party.

### **III. External employment and sideline activities**

Conflicts of interest may also arise if, in addition to your employment with Kalle, you pursue other employment outside the Kalle Group that may affect the company's interests.

This is the case if such external (sideline)activities (may) collide with your tasks and duties as an employee of Kalle or at least give the impression of a collision.

This applies in particular to activities for companies that have a business or competitive relationship with Kalle. Here, there is a risk that internal information of Kalle and information from contracts or contractual relationships will be used to one's own benefits and against the interests of Kalle. This applies irrespectively of whether you enter into (or maintain) an employment relationship or such activity on a self-employed basis.

Such activities are permitted only with express authorization. This permission can only be granted by Kalle after prior consultation with your supervisor and the Human Resources Department. Furthermore, it should be clearly pointed out that the use of Kalle's know-how for other purposes regularly violates the German Act of the Protection of Trade Secrets (*Geschäftsgeheimnisschutzgesetz*) and breaches ancillary obligation under the employment contract.

Examples:



*A Kalle employee wants to spend the weekend supporting an organization that is dedicated to protecting the environment by reducing meat consumption and regularly demonstrates in front of companies that produce sausage wafers, among other things.*



*A part-time sales employee at Kalle wants to earn some extra money. When he tells this to the employee of a major customer at a joint appointment, the customer offers him a mini-job to support the internal sales team.*



**The following principle must be observed in this context:** Activities outside the Kalle Group that could affect the company's interests are only permitted with prior express approval.

#### IV. Material or non-material benefits

Material or non-material benefits can also be a trigger for conflicts of interest and make an objective, unbiased decision based on objective criteria more difficult or impossible. These are regulated in detail in the first part of this policy.

**This policy has been released by the management of Kalle Management GmbH as per February 1st, 2022. This policy replaces the group's Anti-Bribery and Corruption Policy from March 2014.**

\*\*\*

Wiesbaden, 1 February 2022

Handwritten signature of Torben Müller in blue ink.

**Torben Müller**

CO-CEO

Handwritten signature of Dr. Michael Schmalholz in blue ink.

**Dr. Michael Schmalholz**

SVP Corporate Affairs and Head of Group Compliance