



# Code of Conduct

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of Uelzena eG

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## **Preamble**

Founded in 1952 as a central dairy for the utilization of excess milk from our member dairies; we started our multi-faceted industrial business more than 30 years ago.

Today, the Uelzena eG, with its headquarters in Uelzen, Germany is a reliable partner for the food industry.

The successful development of our business has rested on several pillars: high quality products from the fields of Health, Milk Fat and Instant Beverages, long-term relations with large brand product manufacturers and food retailers, and our constantly growing expertise fuelled by our competent and committed employees.

In order to maintain our high reputation in the eyes of our customers, business partners and the public and to continue to influence the development of our business in a positive way, it is inevitable that employees, supervisors and managers of the Uelzena eG act in a proper and responsible way.

The Code of Conduct presented here serves as the ethical and legal framework that guides us in the continuation of our successful business development. It stipulates principles and rules on how we have to behave within the Uelzena eG, with our business partners, our cooperatives and third parties.

The Code of Conduct provides the basis when it comes to deciding on what's best for the Uelzena eG while focusing on decisions that will never question our integrity. From now on, every one has the personal responsibility of implementing the Code of Conduct in their work.

Uelzen, November 2016

sgd. C.-P.Witte  
CEO

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Managing Director  
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Managing Director  
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## **1. Significance, objective, scope**

This Code of Conduct defines the common rules, principles and values of the Uelzena eG; it is the basis for all business activities and decisions and last but not least, it sets the standards for proper moral, ethical and legal practices that apply to the general management, the supervisors and all employees of the Uelzena eG.

Based on defined standards, the Code of Conduct shall prevent wrong decisions and support the implementation of the rules, principles and values as set out below. However, it does not replace existing work instructions and framework guidelines. In fact, it should rather be an orientation for practices applied during daily work. This demand includes that infringements of the Code of Conduct will not be tolerated. Depending on the severity of the violations, everybody has to expect consequences ranging from disciplinary actions and claims for damages to criminal sanctions.

The Code of Conduct applies to all employees, supervisors, managers and representatives on the Management Board and the Supervisory Board of the Uelzena eG.

Moreover, this Code of Conduct also applies to our customers and suppliers because with it we would like to express Uelzena's expectations regarding the ethical and legal aspects of our cooperation.

## **2. Principles of behavior within the Uelzena eG**

### **2.1. *Compliance with laws and the observance of internal guidelines***

For all business actions and decisions, the applicable laws, regulations, guidelines, standards, social rules and norms in the countries in which the Uelzena eG is operating shall be strictly observed and complied with. The same applies to observance and compliance with Uelzena's internal guidelines. Each employee of the Uelzena eG shall be aware that non-compliance can substantially damage business success and the reputation of the Uelzena eG and will not be tolerated.

### **2.2. *Mutual respect and prohibition of discrimination***

The Uelzena eG communicates in an open form and with mutual respect in its interactions with others. We treat our employees and our business partners with respect, fairness and tolerance.

Any form of discrimination on the grounds of race, ethnic origin, skin color, nationality, sex, religion or ideology, handicap, age, sexual orientation or other characteristics protected by law contradicts the principles of Uelzena and will not

be tolerated. The Uelzena eG opposes any form of discrimination, harassment or mobbing by employees.

In this respect, every employee and the way he or she acts will serve as a role model.

These principles are part of the leadership principles and guidelines of Uelzena eG and of the German General Law of Non-Discrimination which is displayed on the company premises.

### **2.3. *Ban on granting or accepting an undue advantage***

Granting or accepting a benefit (corruption) shall not be tolerated regardless of its form and content. Business relations are initiated or maintained based on objective criteria only. All other actions are a violation of this Code. Whether the decisions were made for the benefit of Uelzena or third parties is irrelevant in this regard. This has been legally defined in §331 of the German Criminal Code (StGB).

## **3. Relationship with business partners and third parties**

### **3.1. *Competition and antitrust law***

The Uelzena eG competes with other companies on procurement and sales markets. Competitors are treated by the Uelzena eG fairly and within the scope of legal regulations, competition law (German Act against Restraints of Competition, GWB) and antitrust laws and other rules under competition law that in particular apply in the regions and countries.

The following are prohibited by employees of the Uelzena eG:

- to release information on prices or other sales conditions, costs of production, sales volumes or other sensitive data that is not disclosed within the scope of identifiable contract negotiations;
- to make arrangements with competitors so as to exclude potential other competitors from the market or to boycott certain suppliers or competitors for gaining an advantage;
- to influence the resale price of products of the Uelzena eG;
- to acquire sensitive information on competitors through theft, bribery or transmitting wrong or adulterated data or conducting any other illegal actions aimed at gaining a competitive advantage.

### **3.2. *Relationship with customers and suppliers***

Within the Uelzena eG the relationship with customers and suppliers shall be based on fair contracts and cooperation in good faith. The principles of the Uelzena eG are based on honest and open business relations as well as on compliance of agreements.

Customers of the Uelzena eG shall have access to information that is necessary for arriving at an objective and economically sound decision. Possible complaints or information on quality problems shall be handled by the Uelzena eG in an unbiased and transparent form under consideration of relevant and applicable laws and regulations. It is important for the Uelzena eG that decisions on suppliers are always made in a transparent way and based on objective and economically reasonable aspects.

### **3.3. *Expectations of suppliers and service providers***

The Uelzena eG acts with integrity and we therefore also expect the same from our suppliers and service providers, namely that they comply with existing laws. This means that all suppliers and service providers observe workers' rights, human rights and laws on corruption. We also expect that our suppliers and service providers have sufficient precautions in place in terms of environmental protection and sustainability and we require the same from their suppliers. For verifying these requirements, the Uelzena eG requests comprehensive self-disclosures from its suppliers.

Moreover, the Uelzena eG also expects from its suppliers and service providers that their activities are conducted in line with this Code.

## **4. *Relationship with employees***

The Uelzena eG considers the heterogeneity of its employees as a decisive factor for economic success. This means that differences are appreciated and respected. Any kind of discrimination, harassment or intimidation is forbidden because these contradict the objective of respectful and fair interactions. In particular, any type of physical and emotional violence is expressively condemned and shall be followed up and penalized without exemption (legal basis for this are the obligations imposed on employers according to the German labor and employment laws, including §1157 ABGB, §18 AngG, AGG and ASchG).

The Uelzena eG aims at recruiting, training, maintaining and supporting the most competent employees. Uelzena is committed to equal opportunity, compliance with fair recruiting practices and anti-discrimination laws. The Uelzena eG respects the right for adequate wages that take into consideration relevant tariff contracts, the national minimum wage, the performance of the employees and

the situation on the respective job market. All employees will receive payment that is adequate for their job.

The Uelzena eG acknowledges the right of its staff to assemble, to get organized and to join a trade union of their choice. At the same time the Uelzena eG sets on open and trusting cooperation with the democratically legitimized employee representatives and it commits itself to pursue an open dialogue and to strive for a fair balance of interests. Legal basis is the German Works Constitution Act.

## **5. Avoiding conflicts of interest**

The interests of customers and business partners are of high priority to the Uelzena eG. In principle, the Uelzena eG endeavors to avoid conflicts of interest and to recognize and solve impending conflicts of interest as early as possible.

Private and business interests are kept strictly separate within the Uelzena eG. One's own position in the company must not be abused for one's own benefit or the benefit of one's own family or friends. Business partners must not be privileged for private interests.

## **6. Handling the property of the Uelzena eG**

### **6.1. *Handling the property of the Uelzena eG***

Employees of the Uelzena eG must handle the property of the Uelzena eG responsibly, with care and in a cost-effective way and try to prevent any damage. We are a food technology company and therefore know-how, patents and property rights are of high importance. Supervisors and employees know about that and handle intellectual properties with extreme care and in a very responsible way. In that respect, working materials and business documents shall never be used for private purposes nor passed on to third parties.

### **6.2. *Data protection, privacy, IT security***

Personal data of employees and business partners of the Uelzena eG are collected, processed and used only in accordance with legal regulations. Confidential information forwarded by business partners shall be treated confidentially and be only used for the purposes agreed upon.

Vice versa, the Uelzena eG trusts that sensitive Uelzena documents are also carefully handled. Non-disclosure obligations or agreements shall be observed at all times. Uelzena shall provide suitable measures to ensure the protection of confidential information.

IT security has also to be considered for the protection of information. It ensures that confidential information is not forwarded to unauthorized persons, that access rights are responsibly organized and that passwords are not disclosed.

Every employee in the Uelzena eG has to comply with the relevant IT guidelines and has to ensure that they are observed within their areas of responsibility. Details are laid down in the internal IT guidelines.

## **7. Occupational safety, quality, sustainability and environmental protection**

The Uelzena eG is committed to creating and designing a safe, protected and healthy occupational environment. Safety regulations are complied with and employees receive frequent training.

The Uelzena eG has been certified according to ISO 9001ff, ISO DIN 50001 and IFS. It also meets the SEDEX requirements. Furthermore, certification of other or more specific management systems are taking place.

The Uelzena eG is committed to sustainable management. The respective reporting is presented in an Annual and Sustainability Report that follows the GRI Standard.

## **8. Implementation and organization**

The Code of Conduct presented here is a key part of the practiced values of the Uelzena eG. It is the personal responsibility of each employee to ensure compliance. Every individual employee contributes to the proper implementation of the Code of Conduct of the Uelzena eG. In particular, senior managers of the Uelzena eG are requested to support the implementation proactively.

Each employee has the specific responsibility of conveying the content of this Code of Conduct by being a good example.

In the case of uncertainties over the contents or if there are queries on whether a certain behavior complies with the requirements of this Code of Conduct, every employee can contact the Compliance Officer (see whistleblower system).

### **8.1. Whistleblower system**

In order to prevent criminal procedures and to protect our reputation and assets, we have set up communication processes for employees and external stakeholders (suppliers, customers, business partners) for providing information (tips) on potentially illegal and damaging actions. These procedures safeguard the anonymity and safety of the informer.

### **8.2. Training**

Within the Uelzena eG, defined groups of employees are offered specific, sometimes mandatory, training courses on occupational safety, health, energy



management, hygiene, infection protection, radiation protection and food defense.

Furthermore, all employees of the Uelzena eG are trained in a mandatory compliance training that also addresses the relevant procedural rules.

## **9. Measures and consequences in the case of infringements**

In principle, the Uelzena eG does not tolerate violations of the principles of the Code of Conduct. In general, the severity of the violation determines the scope of possible consequences.

If violations of the Code of Conduct become known, the management of the Uelzena eG takes action and applies suitable measures for proper clarification or correction. Primarily, the management shall try to solve any issue internally. The employee in question shall again be informed about the significance of the Code of Conduct with the aim of bringing about behavioral changes. However, it is also possible that in the case of severe violations, disciplinary actions will be immediately initiated within the scope of the relevant regulations.

The Uelzena eG shall review this Code of Conduct at frequent intervals; the management shall decide on possible modifications.