

# System Procedure

## Code of Ethics and Compliance - Business Partner

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# 1. Purpose

## 1.1 Statement

At deugro group, we are committed to conducting business lawfully, with integrity, and with respect for people and the environment. These values form the foundation for the way we work and have helped us earn our reputation and the trust of our customers.

This edition of the Code of Ethics and Compliance is designed to guide our business partners in upholding these values. It explains the general rules and guidelines that we each must observe in order to meet our high standards for ethical business behavior.

Every one of us is responsible for acting in accordance with the standards set forth in this Code and applying to every situation the basic principles of honesty, fairness, integrity, and compliance with the law. In order to fulfill this commitment and maintain the trust of our customers, we must each ensure that adherence to these standards and values are given the highest priority.

I ask you to each study this Code, make sure you understand how it relates to your scope of work, and make a personal commitment to adhere to it in your work for deugro group. If you have any questions regarding the Code please get in touch with the deugro group Compliance Officer.

Thomas C. Press  
Pfaeffikon, June 2017

## 2. Scope

This System Procedure (the “Procedure”) applies to all deugro group companies worldwide. This includes Dehoco AG and any wholly-owned, majority-owned, or minority-owned and controlled affiliates, as well as all branches and all organizational units (all together the “deugro group”, “Company” or “Organization”).

## 3. References

ISO 9001:2015	Sections 5.1.2, 6.1, 7.4, 8.4.3, 8.7
ISO 37001:2016	Sections 5.1.2, 8.7, 8.9

## 4. Terms and Definitions

CoEC	Code of Ethics and Compliance
EU	European Union
FCPA	United States Foreign Corrupt Practices Act
ISO	The International Organization for Standardization (ISO) is an international standard-setting body composed of representatives from various national standards organizations.
OHSAS	Occupational Health and Safety Management Systems
UNGC	United Nations Global Compact

## 5. Exhibits

- D-MAN-0001 Integrated Management System Manual
- D-MAN-0002 Compliance Management System Manual
- D-POL-0007 Ethics & Compliance
- D-POL-0010 Gifts & Hospitality
- D-POL-0012 Data Privacy

- D-SYS-0018 Anti-Corruption Compliance Policy – Business Partners
- D-SYS-0023 Trade Controls and Economic Sanctions

## 6. Risk Assessments

It is mandatory for each employee to whom this procedure is applicable to consider and associate themselves with the following risks, but not limited to:

- Commercial Risks

## 7. How to Proceed

### 7.1 Introduction

#### 7.1.1 Using the Code of Ethics and Compliance

This Code of Ethics and Compliance (the “CoEC”) establishes global principles for business conduct applicable throughout the deugro group and to our business partners. You should use it as an everyday resource and whenever you conduct business with or on behalf of deugro group. For the purposes of this CoEC, all agents, subcontractors, joint venture partners, and other third parties are individually or collectively referred to as “business partners”.

It is mandatory that our business partners at all times operate within the framework of all applicable laws and regulations. deugro group is a global player and therefore subject to different laws and regulations in every country. When local legal requirements are stricter than this CoEC, or the CoEC is more restrictive than applicable laws and regulations, you should always follow the stricter standard. If you have any questions regarding which standard to apply, please ask deugro group’s Compliance Officer.

#### 7.1.2 Who has to follow this CoEC?

All business partners are obliged to act consistently with this CoEC when conducting business with deugro group or on deugro group’s behalf. Failure to follow the CoEC will be a cause for termination of any contractual or business relationship with deugro group. Violations of this CoEC may also represent violations of the law and may result in civil or criminal penalties for you, your company, and/or deugro group.

All business partners must act consistently with this CoEC. Each business partner is required to undergo a compliance due diligence process, which includes signing an acknowledgment of this CoEC.

#### 7.1.3 Reporting of Concerns and Violations of the CoEC

All business partners must immediately report any known or suspected violation of this CoEC to the deugro group’s Compliance Officer or through our Speak Up! Hotline. If you have any questions regarding this CoEC or its applicability, immediately contact deugro group’s Compliance Officer.

### 7.2 Professional Business Conduct

#### 7.2.1 Human Rights and Labor Ethics

Being a member of the United Nations Global Compact (“UNGC”), deugro group adheres to all human rights and international standards of labor ethics as set forth in the UNGC. We require our business partners to respect the following values as well:

- Refraining from participation in human rights abuses;

- Ensuring the freedom of association and recognizing the right to collective bargaining (e.g. admitting your work force to join trade unions);
- Eliminating all forms of forced and compulsory labor;
- Eliminating child labor;
- Complying with recognized legal standards of working time and of a healthy workplace.

## **7.2.2 Promoting a Fair Workplace**

deugro group is firmly committed to providing an equal opportunity workplace and will not tolerate any discrimination or harassment. This includes discrimination or harassment based on race, color, religion, gender, age, national origin, sexual orientation, marital status, or disability. We require all of our business partners to adhere to the same principles and provide a fair workplace, free of any harassment or discrimination. This also relates to sexual harassment, which - like other forms of harassment - can occur in verbal, physical, or visual form.

## **7.2.3 Conflicts of Interest**

A conflict of interest exists when your personal interests or family and other allegiances are at odds with deugro group's and/or your company's best interest. A conflict of interest could also occur when you conduct business with deugro group's competitors, customers, or suppliers that matches your company's relationship with deugro group (i.e., similar scope of activities during the same project). Our business partners must avoid engaging in activity that would constitute a conflict of interest. For further information, please refer to our online training courses or consult deugro group's Compliance Officer.

## **7.2.4 Confidentiality**

Our business partners must maintain the confidentiality of deugro group's proprietary information, as well as the proprietary information of our customers and our suppliers, except when disclosure is authorized in writing or required by law. Proprietary information includes all non-public information that might be of use to competitors or harmful to deugro group or its customers or suppliers if disclosed. deugro group reserves the right to protect confidential information by entering into a mutual non-disclosure agreement with a business partner.

## **7.3 Business Partners**

### **7.3.1 Competition and Fair Dealing**

deugro group always seeks to gain a competitive advantage through excellent performance, never through unethical or unlawful business practices. We perform our business with honesty, fairness, and integrity. Business relationships founded on trust and mutual benefit are the basis for deugro group's success. deugro group expects all business partners to adhere to the same strict standards.

### **7.3.2 Competition and Antitrust**

deugro group strictly adheres to all applicable antitrust and competition laws. In the United States, Europe, and many countries around the globe, these laws prohibit price-fixing, dividing territories, agreeing to contract terms, and other similar activities with competitors that counter free market principles. These laws promote or protect free and fair competition around the world and prohibit all anti-competitive behavior, such as price-fixing conspiracies. Each business partner is required to strictly act within the law, and must also avoid the appearance of, or participation in, any price-fixing, bid rigging, allocation of markets or customers, or other improper practices when conducting business on behalf of deugro group. Please note that some competition laws, such as the US and EU antitrust laws, apply to conduct that occurs outside the respective countries.

### **7.3.3 Trade Controls**

deugro group must comply with applicable trade restrictions, import and export controls, economic sanctions, and anti-boycott laws. deugro group subsidiaries and our business partners must adhere to all applicable national and international embargo laws and regulations. We require our business partners to follow all applicable trade controls laws when doing business on behalf of deugro group.

Serious penalties (fines, revocation of permits, and imprisonment) may result for violations of these rules and regulations.

### **7.3.4 Supply Chain Security**

deugro group makes supply chain security a top priority and participates in important international security initiatives to help ensure a more secure global supply chain. All deugro group employees and business partners are required to comply with the security standards related to physical, procedural, personnel, and IT security according to the supply chain security programs in which deugro group participates. These standards have therefore been integrated into various deugro group policies, processes, practices, and procedures as required. deugro group is committed to ensuring that supply chain security procedures are also adopted by all business partners worldwide. For more information, please refer to our website or contact deugro group directly.

## **7.4 Improper Payments**

### **7.4.1 Bribery**

deugro group maintains a zero-tolerance policy for bribery and expects that all business partners do the same. All employees and business partners are strictly prohibited from offering, promising, paying, or giving a payment or anything of value, directly or indirectly, to a public official or any private person for the purpose of obtaining or retaining an improper advantage in the conduct of business. Similarly, our employees or business partners must not accept or solicit such payments. These prohibitions apply regardless of your geographic location. You should immediately inform your management and deugro group's Compliance Officer if you receive a request for a bribe or have information regarding the actual or potential payment of a bribe by any deugro group employee or business partner.

It is deugro group's policy that all of its business operations and contractors worldwide must comply with the United States Foreign Corrupt Practices Act (FCPA) and the United Kingdom Bribery Act 2010. For further guidance, please see deugro group's Anti-Corruption Compliance Policy.

### **7.4.2 Facilitation Payments**

A facilitation payment is a small payment, given to a public official, usually in cash, to secure the performance of a routine government action to which you are clearly entitled. Such payments do not constitute violations of the FCPA, but under most circumstances constitute a violation of the Bribery Act and are almost always illegal under local law.

Accordingly, deugro group's policy strictly prohibits facilitation payments in all but the most extenuating circumstances. For further information on facilitation payments and how to respond to requests for them, see deugro group's Anti-Corruption Compliance Policy.

### **7.4.3 Use of Third Parties or Agents for Bribery**

As our business partner, you must ensure at all times that you do not pay bribes. deugro group will not pay bribes either directly or indirectly for any reason, even if that costs us business. This also includes the payment of bribes or facilitation payments through third parties, which is also strictly forbidden.

#### **7.4.4 Gifts, Entertainment, Travel and Hospitality**

Providing gifts, entertainment, travel, and hospitality (“business courtesies”) to potential clients, existing clients, and business partners is part of our accepted business practice and can foster good will and productive working relationships. However, these business courtesies have the potential to be misunderstood by local authorities as bribes.

It is important that any business courtesy we provide to others not affect their judgment or improperly influence or have the appearance of improperly influencing them in the performance of their job. Similarly, we should never accept business courtesies that could reasonably be deemed to affect our judgment or actions in the performance of our job.

Whenever doing business on behalf of deugro group, we ask you to refrain from accepting or receiving any gifts or business courtesies. In case of doubt, please contact deugro group’s Compliance Officer.

### **7.5 Protecting Company Assets and Financial Integrity**

#### **7.5.1 Data Privacy**

At deugro group, we are committed to protecting the privacy of all our business partners. We collect, process, and use personal data only for legitimate business purposes. Documents containing personal data about our business partners are treated as confidential, stored carefully, and disclosed only to authorized persons. Personal data includes data related to an identifiable or identified individual.

#### **7.5.2 Protection and Proper Use of deugro group Assets**

Proprietary information such as patents, trademarks, copyrights, trade secrets, non-published and confidential business information (e.g., customer databases, software, marketing strategies) constitute deugro group assets. Unauthorized use, disclosure, or distribution of this information is prohibited and might lead to civil or criminal penalties. For further information, please refer to our online training courses and consult deugro group’s Compliance Officer.

#### **7.5.3 Money Laundering Prevention**

Money laundering is the process by which individuals or entities attempt to conceal illicitly acquired funds, or otherwise make these funds look legitimate. deugro group will not condone, facilitate or support money laundering. We are committed to full compliance with all anti-money laundering laws throughout the world. We will conduct business only with business partners involved in legitimate business activities with funds derived from legitimate sources.

In furtherance of the above, deugro group business partners will be remunerated in a manner exclusively commensurate with the activities to be performed under the contract, with payments being made by deugro group exclusively to the contractual counterpart, in the countries where the parties are incorporated or in the country where the contract is performed.

### **7.6 Contact Information**

Any questions, concerns or issues that arise can be directed to our Compliance Officer as follows:

Ms. Jessica Kaplan – Compliance Officer  
compliance@deugro-group.com  
+41 43 211 10 44

You can also submit a concern anonymously through our Speak Up! Hotline by phone, Web, and make a report in your own language, by accessing:

[www.deugro-group.com/speak-up](http://www.deugro-group.com/speak-up)

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