

Code of Conduct

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KPS AG

Code of Conduct

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1. **Foreword**

Our company is a genuine success story. We are proud of our achievements and continue to pursue the goal of expanding our market leadership. In a complex and challenging business environment, trusting and friendly cooperation based on competent, honorable, and reliable personalities is important. Compliance with laws, regulations, and company policies is a matter of course for each and every one of us. Our Code of Conduct is based on our fundamental values. It guides our daily behavior and provides a blueprint for our compliance, our ethics, and our accountability.

Through this Code of Conduct, we are supporting our employees in ensuring that ethical behavior is an integral part of their normal working day – whether in interactions with colleagues, our customers, or our business partners. It all begins with a very simple statement:

**We always act with integrity and in
compliance with the law.**

Besides describing our outlook, integrity and legal compliance also improve our performance and reflect us as a company – before our customers, our business partners, and the general public – and also enable us to attract and retain top employees.

Over the years, we have gained customer recognition for our integrity and consider this one of the most important cornerstones of our business success.

Our business principles are the result of intensive discussions aimed at defining necessary and fair guidelines for internal processes and for dealing with customers, suppliers, and partners. The business principles set out to minimize risk, help us to avoid conflicts of interest, and lay the foundations for this in our daily work.

A high degree of credibility and integrity can be maintained only if each and every one of us understands our own individual responsibility in observing the business principles.

2. Our values

Our sustainable fundamental values –

- **Entrepreneurial thinking and action**
- **Professionalism and passion**
- **Respect and individuality**

shape our culture. They underlie the way we interact with our customers, our business partners, and employees, and how we make decisions.

Entrepreneurial thinking and action

- We endeavor to delight our customers with our excellent quality work, reliability, and sophisticated, innovative solutions that create genuine added value and improve efficiency. We work with our customers to formulate entrepreneurial strategies and success factors, and pursue projects that bridge the gap between the customer's senior management and individual employee activities.
- We use innovative approaches, methods, and technologies to breathe new life into existing situations and make them more forward looking, and ensure both the competitiveness of our customers and the long-term success of our own company. We continue to take an uncompromising, united approach in our pursuit of this goal because we are proud of what we, and our colleagues, have achieved. This is our USP.
- With regard to personal authority, we act independently and responsibly in the interests of the company, our customers, and our colleagues.

Professionalism and passion

- Our ability to deliver optimum results every time sets us apart and is the reason we are where we are today. Every day, we are motivated afresh to rise to even the most complex challenges and develop and successfully implement custom solutions with ambition and joy. We use proven, standardized, structured, and integrated processes as part of this to guarantee the expected high quality and completeness for our customers, and to keep promised completion dates.
- Our enthusiasm for our day-to-day work is what drives us and continues to motivate us to think outside the box. Our passion for what we do is a source of creativity and inspiration in the development of innovative approaches.

Respect and individuality

- We hold our colleagues and our customers in the highest regard. We consider empathy crucial for respectful communication. Part and parcel of this, for us, is ensuring that people can rely on our integrity, trustworthiness, and honesty at all times. We promote open communication and freedom of expression both within the company and with our customers. We work together in a constructive and cooperative manner, giving one another the benefit of our knowledge and experience. We create an environment of mutual support, taking responsibility for one another and looking out for each other.
- We provide an equal opportunity working environment with zero tolerance for any form of harassment or discrimination. We have zero tolerance for abusive, threatening, or offensive behavior by employees or customer representatives toward colleagues, whether verbal, physical, or visual in nature. Examples include derogatory comments based on racial, ethnic, or other characteristics that are under the special protection of the law, as well as unwelcome sexual advances.

We particularly value a trusting working environment where hard work is rewarded, and everyone is given the opportunity to contribute their individual skills and experience to optimum effect. We afford our employees creative freedom, supporting each individual in achieving their goals and realizing their professional potential.

3. Business ethics of KPS AG

We use our common sense and our judgment to resolve ethical dilemmas. Should there be any doubt as to whether the right path has been selected, the HR department, the supervisor, or a colleague are on hand to provide assistance.

In the event of uncertainties, the following questions can help with decision making:

- Do the measures I have planned meet applicable laws, regulations, and ethical standards of conduct?
- Have I been honest and fair?
- Will my conduct also hold up to future scrutiny?

- What will I think of this in retrospect?
- Can I justify the planned measures and possible consequences to my colleagues?
- How would the situation come across if published on the front page of a newspaper?

4. Our commitment to sustainability

We are strongly committed to the principles of sustainability. While economic prosperity is important to us, it must not come at the expense of society or the environment or compromise the ability of future generations to meet their own needs.

We are committed to meeting the needs and expectations of our customers, business partners, shareholders, and employees through the observance of ethical and environmental laws, standards, and rules of conduct, improving the early detection and management of social and environmental risks, facilitating the development of new products that help to reduce social and environmental risks as well as improving the internal ecological balance of infrastructure and logistics.

We pursue a long-term approach to economic success by engaging in activities that are compatible with the sustainable development of political, economic, social, and ecological systems. Our business partners share our principles and our commitment to sustainability.

5. Conflicts of interest

A personal conflict of interest can arise from various situations. We are each best qualified to identify whether a conflict of interest exists. Good judgment is therefore very important for recognizing actual or potential personal conflicts of interest.

We act in a manner that is loyal to the company at all times. This means that all situations must be avoided where personal or financial interests could come into conflict with the interests of KPS. Moreover, we shall not exploit any

direct or indirect business opportunities intended for KPS for our own benefit or for the benefit of related persons or companies outside of KPS.

Conflicts of interest arise when one's own, private interests interfere or appear to interfere with work duties or the interests of KPS.

5.1 Secondary employment

We shall not undertake any secondary employment if the time required would compromise the fulfillment of our obligations toward KPS. Voluntary secondary employment does not have to be disclosed if it has no impact on the performance of work for KPS and/or does not prejudice the competitive interests of KPS.

We shall not, without the consent of the management of KPS, develop or sell proprietary or third-party products or provide services if KPS offers similar products/services, nor shall we perform any activity to support the marketing of products or services of a competitor of KPS. We shall not accept any secondary employment with a KPS customer, supplier, competitor or partner if this would prejudice the competitive interests of KPS. We shall not, either directly or indirectly, work for a competitor as an independent contractor, consultant, or in any other way.

5.2 Employment of related persons

Persons who are related to us (family members, partners, or other related parties) may be hired unless there could potentially be a conflict of interest or the appearance of such a conflict. To avoid conflicts of interest, there can be no direct lines of reporting between related employees. In the event of such a conflict, there should, where appropriate, be an internal transfer of one or both employees.

6. Loyalty, bribery, and corruption

We do not tolerate bribery and corruption in any form whatsoever. This means that a single decision-maker may not be offered, promised, or provided with any services or items of value to influence them to make a decision in favor of KPS. Note: Concessions for other companies (such as approved discounts for our services) are not to be considered bribery. However, as soon as a service or item of value is given to an individual person for personal advantage, it is bribery. "Services and items of value" are not only financial, but also include events, hospitality, commission etc. Payments to accelerate processing and kickbacks are also prohibited. These are payments that

are made to speed up the implementation of routine processes. We perform our business activities without any active or passive influence from bribery and corruption. Apart from the salary or any additional remuneration approved by the management, we do not profit or otherwise benefit from any transaction concluded for KPS and must not make any offers to third parties with the aim of exerting an undue influence on their business decisions.

6.1 **Gifts from third parties**

We shall accept invitations to business meals and entertainment events from current and potential customers, suppliers, competitors, or partners of KPS only if the intention behind participation in such business meal or entertainment event is to initiate or improve business relationships and thus serves the interests of KPS, does not unduly influence business decisions to be taken by KPS, does not obligate KPS to pay a consideration in return, and does not breach any laws or ethical principles, and is appropriate within the context of the business culture of the respective country.

If an invitation to an employee of KPS also includes a family member, partner, or other related person, then the employee shall ensure that the family member, partner, or other related person does not take part at the expense of the inviting customer, supplier, competitor, or partner. In exceptional cases, participation both at a value greater than the above-mentioned value and participation of family members, partners, and other related persons at the expense of the inviting customer, supplier, competitor, or partner is possible if the above principles are respected and important business discussions are held during, immediately before, or immediately after a meal or event, and if prior written approval is obtained from a superior. We shall turn down any invitations to business meals or events exceeding a value of EUR 80 per capita.

6.2 **Other gifts from third parties**

We, our family members, our partners, or other related persons shall not accept any material gifts, payments, loans, or gifts in kind (such as vacations or other concessions) from current and potential customers, suppliers, competitors, or partners if the perk could exert an unfair influence on us or if acceptance of the perk would harm the business interests of KPS, or acceptance of the perk would obligate KPS to pay a consideration in return, or the perk is offered directly or indirectly by an interested party during negotiations or a bidding procedure, acceptance of the perk would give the impression of an illegal advantage, or the perk violates laws or ethical principles, or the perk is connected with previous perks.

This does not apply to standard promotional gifts of nominal value or payments that are unrelated to an individual's work at KPS and if it would make no difference whether or not the paying party were a customer, supplier, competitor, or partner of KPS. This includes, in particular, payments from banks in connection with private banking transactions.

Occasionally, there may be business relations where, due to local hospitality norms, the exchanging of higher-value gifts is customary. In such cases, employees of KPS may accept these gifts. However, the accepted gifts must be handed over to a manager immediately for internal use, the general benefit of employees, or donation to a charitable cause.

In private business dealings with customers, suppliers, competitors, or partners of KPS, we may accept offered discounts and other concessions only if offered to all employees of KPS.

6.3 Gifts to third parties

We shall invite current and potential customers, suppliers, competitors, or partners of KPS to business meals and entertainment events only if the intention behind such business meal or entertainment event is to initiate or improve business relationships and thus serves the interests of KPS, does not unduly influence business decisions to be taken by the customer, supplier, competitor, or partner, does not obligate them to pay a consideration in return, and does not breach any laws or ethical principles and is appropriate within the context of the business culture of the respective country. Invitations to business meals or events must not exceed a value of EUR 80 per capita.

We shall invite individual employees of a potential customer to hospitality events no more than once per quarter. We shall not offer free participation in any business meal or entertainment event to any family member, partner, or other related party of employees of our customers, suppliers, competitors, or partners.

In exceptional cases, both an invitation at a value greater than the amount mentioned above and the inclusion of family members, partners, and other related persons is possible if the above principles are respected and superior approval has been obtained, important business discussions are held during, immediately before, or immediately after a meal or event, and hospitality is provided in accordance with KPS Guidelines for events with hospitality and business events.

7. Confidentiality and communication

7.1 Confidentiality

We support working from home and provide the materials required for this. These include, among other things, IT equipment such as computers, monitor, and laptop and the necessary office supplies.

Company property, that is financial resources, computers, or other valuable items, may be used by us for permissible transactions or other approved purposes only and will not be used for illegal purposes.

All internal company documents, data, files, records, and reports that are acquired or created within the scope of our activity for KPS are the property of KPS and shall, where applicable, be considered confidential information provided that they are relevant for the business operations of KPS and are not publicly accessible.

We shall only forward information marked or otherwise identifiable as confidential to customers, suppliers or partners and shall, as a rule, only accept confidential information from customers, suppliers or partners if a prior, written non-disclosure agreement or other agreement has been entered into for the protection of confidentiality.

7.2 Communication

Our management is committed to open and honest communication about the business activities and strategies of KPS with all employees.

We communicate both positive and negative news in a timely manner, explicitly dispensing with the strict observance of hierarchies and also providing information independently up to board level. This direct form of communication enables and supports entrepreneurial action. It is to be encouraged and not sanctioned. Any breaches against this must be reported in accordance with section 12.

We are aware that premature comments to the media, authorities, or other public authorities may be wrongly interpreted or misunderstood, and could possibly invoke liability action. For this reason, only authorized employees shall ever disclose business-relevant information relating to KPS, its business activities, strategies, or other company matters internally and externally. We adhere to our social media guidelines when dealing with new social media. This is important in order to preserve the integrity of our company and avoid any negative impact on the reputation of KPS or any impact on the share price.

We must not alter or destroy KPS business documents that are the subject of judicial or regulatory investigation.

We send internal e-mails in such a way as to permit optimal further processing of the message by the recipient. Links may be used for sending large attachments. If considerable information is being sent within an e-mail, we also duly summarize the main content in the mail.

8. Use of information technology (IT)

We are allowed to access the Internet. Material on websites not operated by us may be subject to legal regulations, such as click-through or download agreements, or framework agreements that we have with the operator of the website, or a combination of the two. In addition, texts, charts, photos, music and video content on websites may be protected by copyright, and sounds, logos and images that are the trademark of their respective owners may be protected by trademark law. We respect the intellectual property rights of third parties and avoid the unauthorized use of third-party trademarks or copyrighted materials.

E-mails are business documents and may possibly be used as evidence in court or otherwise made public. We are prohibited from using the e-mail and Internet system as well as the other telecommunication systems of KPS for the following purposes:

For personal benefit, or for unlawful or other illegal purposes,

- To send or access abusive, offensive, or otherwise threatening material;
- For illegal or unauthorized access to other systems or data;
- To participate in online chats or discussion groups for non-business purposes, or to take part in these in such a way that could result in liability on the part of KPS;
- To operate shops and conduct activities that are unrelated to the activities of KPS.

9. Data protection

We respect and protect personal data and privacy of the individual.

We comply with pertinent data protection laws, including provisions on the protection of personal data of applicants, customers, suppliers, partners, and other persons whose data is collected or processed by KPS.

Personal data may only be collected and processed in accordance with the provisions of the applicable data protection laws, particularly the EU General Data Protection Regulation. The further processing of data must be in accordance with the applicable laws and, unless otherwise approved, in accordance with the originally stated purpose.

We all have a duty to observe secrecy and maintain the confidentiality of personal data to which we have access for the performance of our tasks at KPS. We may only collect, process, and/or use or access personal data to the extent necessary for the performance of our tasks and in accordance with the approved processes.

10. Insider dealing and information

KPS shares can be traded on the stock exchange. The shares are subject to stringent European and German regulations and legal requirements, which prohibit the unlawful disclosure of insider information or the use of such information for transactions. It is irrelevant whether a specific non-disclosure agreement or insider statement has been signed in this regard. These regulations govern trade transactions both within and outside of the European Union.

We therefore make sure that any trading of KPS shares is not effected on the basis of insider information and that there is no unlawful disclosure of insider information.

With the exception of transactions that are subject to the ban on insider trading, we may, at our discretion, decide whether to sell or purchase KPS shares.

11. Intellectual property (IP)

We respect the intellectual property (IP) rights of third parties, and, at the same time, make every effort to protect the IP rights of our own work products. Proprietary KPS intellectual property helps us to be better than the competition. Our intellectual property is a competitive advantage that sets us apart from the rest of the industry and demonstrates to the customer that we are able to deliver a unique benefit for the substantial investment.

We own IP rights to numerous data and media forms, for example on the Internet and e-mail systems, or to images, texts, products, brand names, and technical processes, regardless of whether they are held on paper or electronically. The copying of third-party materials for limited personal use or internal training purposes at KPS may be allowed, depending on the applicable law; however, the excessive copying and reproduction of such documents must be avoided at all costs.

12. Scope and responsibilities

Our Code of Conduct includes all the legal and ethical compliance rules that apply to KPS AG worldwide. However, this Code of Conduct does not override applicable local laws and regulations, which may require deviations from the Code of Conduct.

This Code applies to all of us; to all employees and representatives of KPS AG and its subsidiaries who act on behalf of the KPS Group. Intentional or negligent breaches of the Code will result in commensurate disciplinary action.

Everyone is allowed to report a violation of the Code of Conduct. There are no personal consequences for such a report. All violations reported are recorded systemically KPS-wide. Each report will be followed up.

The KPS management leads by example and fully supports the objectives of this Code. Your superior and the HR department of the respective companies are available to all employees and managers should you have any questions in this regard. You can also contact the KPS management.