

CODE OF CONDUCT

We always play by the rules – wherever we do business.

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“ *To be successful as a company, it is essential that every employee complies with applicable laws and internal regulations.* ”

Frank Lelek & Peter Dettelmann
Managing Directors at Stockhausen

DEAR EMPLOYEES,

We belong to the innovation leaders in the global marketplace. Still, we're not content with what we have already achieved. We are constantly working to improve our service and the safety of our products.

For us "Compliance" means that we conduct our business in a manner that is fair, reliable and transparent, including full observance of all applicable laws, internal regulations and binding voluntary commitments.

Stockhausen does not do business at any price.

Why is compliance so important? Observing compliance rules strengthens the trust of business

partners, shareholders and the general public in Stockhausen and its employees. Wrongdoing by individuals can seriously damage Stockhausen's excellent reputation. Therefore, every employee is required to respect and adhere to the compliance rules detailed in this Code of Conduct.

Stockhausen Management in both Germany and the United States expects all employees to familiarize themselves with this Code of Conduct and base their conduct on these rules. Should you have any questions, please contact our Compliance Officer.

Let's all make sure we act responsibly in all of our endeavors.

SCOPE

This Code of Conduct applies to all Stockhausen Companies*, in other words for



all employees of
*Stockhausen
Superabsorber GmbH
and Stockhausen
Superabsorber LLC,



all employees of
companies where the
Stockhausen
Companies directly or
indirectly, jointly or
severally hold more
than
50 percent of the
shares or are able to
exert a controlling
influence in any other
way ("Affiliates"), and



Management
(Managing Directors
and General
Manager(s) as well as
Supervisory Board
Members) of the
Stockhausen
Companies and their
Affiliates.

GENERAL PRINCIPLES AND OBLIGATIONS

Stockhausen defines compliance as observing all applicable laws, internal regulations and binding voluntary commitments. The main compliance requirements are set forth in this Code of Conduct.

All employees must observe the rules described in this Code of Conduct. They are required to familiarize themselves with the Code of Conduct and take part in the related training sessions.

All supervisors act as role models. They therefore have a special responsibility and must ensure that employees under their supervision observe the rules of the Code of Conduct.

This Code of Conduct may be supplemented by internal regulations. These must be consistent with the Code of Conduct and must be disseminated appropriately within the Stockhausen Companies.

This Code of Conduct sets minimum standards and takes precedence over less stringent national laws. If there is any conflict, mandatory local law shall prevail.

Any questions relating to this Code of Conduct must be referred to the relevant department or the Compliance Officer for clarification in a timely manner to ensure continuous compliance with the Code of Conduct.

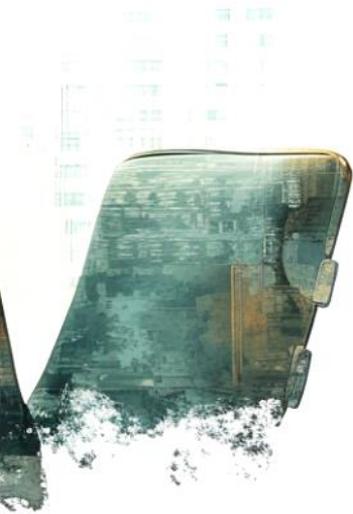
FOUR EYES PRINCIPLE

Stockhausen expects employees to carefully consider whether they may take decisions on their own, or whether it is appropriate to involve other employees.

Some decisions can have a significant legal, economic or substantive impact. In such cases, it is important to avoid taking incorrect decisions and to exclude all possibility of abuse. Therefore, Stockhausen has internal regulations which stipulate that at least two authorized employees must be involved in decisions ("four eyes principle"). In addition to this, all employees must consider carefully on a case-by-case basis whether they are authorized to take a decision in their area of responsibility on their own, or whether it is appropriate to involve other employees.



*"We observe the
four eyes principle."*



INTERNATIONALLY RECOGNIZED HUMAN RIGHTS, LABOR AND SOCIAL STANDARDS

Stockhausen respects internationally recognized human rights.

As part of the ICI group of companies, Stockhausen is committed, in particular, to the principles of the International Charter of Human Rights, the ten principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises, the labor and social standards of the International Labor Organization (ILO), and the principle of social partnership.

In addition to the equality of all human rights, the following principles are especially important to the Stockhausen Companies

- the right to equal opportunities and the right to non-discrimination
- the avoidance of all forms of child and forced labor
- the right to freedom of association and the right to collective bargaining
- fair pay and additional benefits in line with local market conditions
- compliance with applicable regulations on working hours.

Equality of opportunity, diversity, and fair and respectful treatment of others play a key role for the Stockhausen Companies as an employer. The Stockhausen Companies therefore expect their employees to act accordingly in their work.

In their business relationships, in particular, all employees must respect the rights of others, and national and cultural diversity. No employee, other person employed by Stockhausen, prospective employee or business partner may be treated unfairly, accorded preferential treatment, placed at a disadvantage or excluded on the basis of race or ethnic origin, skin color, gender, religion or philosophy, physical constitution, appearance, age, sexual identity or other attributes that are protected by law. All forms of harassment are prohibited. Stockhausen does not tolerate actions that contribute to or support the violation of human rights.

If employees are concerned about any of the issues referred to in this section, they should contact their supervisor, or the Human Resources department.



"We treat each other with fairness and respect."



ENVIRONMENT, SAFETY, HEALTH AND QUALITY

Stockhausen regards the protection of people's health and safety and environmental responsibility as essential elements of corporate conduct. Stockhausen respects the principles of Responsible Care.



Stockhausen produces and markets products that benefit people. The safety and environmental compatibility of its products has top priority for Stockhausen. Quality management is used to steadily improve products and production processes, avoid errors, further improve safety, and reduce the use of energy and raw materials. In view of this, employees engaged in associated activities are required to make careful use of the air, water and the soil in accordance with the applicable legal requirements. Waste must be disposed of in accordance with the statutory provisions. The construction, operation, modification and extension of production plants must comply with the permitting regulations.

Stockhausen has defined high global standards to ensure a uniform safety culture. It continuously drives forward measures to protect health and improve occupational, plant and transportation safety.

Material- and production-related risks are systematically reduced. To prevent danger to themselves and others, employees must observe all relevant safety regulations at all times. In addition, all applicable legal requirements on handling and producing chemicals must be observed. All employees are responsible for safety in their area of work.

Stockhausen is a good neighbor for the communities around its sites. That includes providing transparent information and engaging in dialogue.

Stockhausen informs its customers of the correct use and possible impact of its products on people and the environment in compliance with legal requirements. Stockhausen expects employees to work constructively with the authorities, where applicable.



*"We always comply with
all relevant environmental and
safety regulations."*

ANTITRUST LAW

Stockhausen is committed to fair competition and complies with antitrust and competition law.

Fair competition provides an incentive for innovation and high-quality products for the benefit of consumers. The Stockhausen Companies foster fair competition and comply with antitrust and competition law.

All employees are required to strictly observe antitrust law and the corresponding internal regulations and to ensure timely involvement of the Legal Department if there is any doubt.



PROHIBITION OF CARTELS

Anti-competitive agreements with competitors are forbidden, irrespective of the market position of those involved. Moreover, it is forbidden to bring about any understanding with competitors on such matters. In many countries, merely giving, receiving or exchanging information on issues of relevance for competition is not permitted.

Meetings between competitors are only possible if there is a legitimate commercial reason that is not in itself anti-competitive.

Agreements with other companies—for example, suppliers, customers and distributors—may also be subject to antitrust restrictions, especially if Stockhausen or its business partner has a strong market position.

In general, there is a ban on issuing instructions to distributors on the resale prices they may charge. Exceptions are only permitted in rare cases and must be compliant with local law. The prior consent of the Legal Department must always be obtained.

MARKET DOMINANCE

In many countries, companies which have a strong market position are subject to specific antitrust restrictions, especially if they are deemed to have a dominant market position. In other words, abuse of market dominance is forbidden. The Legal Department must be consulted to assess whether there is any such abuse or whether a dominant market position exists.

MERGER CONTROL

The acquisition and divestment of companies and business activities, and mergers are normally subject to the prior approval of the relevant anti-trust authorities. In order to make sure that all relevant aspects are considered, the Legal Department must be consulted at an early stage. Failure to notify the authorities or even delayed notification can result in substantial fines and the transaction may even be declared invalid.



*"We strictly observe
antitrust regulations."*

TAXES, PREVENTION OF MONEY LAUNDERING AND FINANCIAL REPORTING

Stockhausen complies with all tax and anti-money laundering regulations worldwide.

Stockhausen is aware of its corporate responsibility to meet its tax obligations. In its global operations, Stockhausen and its employees therefore observe the applicable national tax law at all times.

In addition, Stockhausen complies with all laws on preventing money laundering and the financing of terrorism. Money laundering involves obfuscating illegal sources of funds by introducing such funds into legal business and financial systems.

Payments to or by Stockhausen in cash are forbidden, except where the sums involved are negligible. All payments must comply with tax laws as well as anti-money laundering and anti-corruption regulations.

FINANCIAL REPORTING

To ensure correct financial reporting, all relevant circumstances must be documented in full and correctly and accounted for in accordance with the relevant external regulations and any internal rules specified by Stockhausen. In addition, all accounting records and the documents associated with all transactions must be reflected completely and correctly, and Stockhausen's net assets must be recognized correctly.



*"We observe the rules on
taxation and the prevention
of money laundering."*





FOREIGN TRADE AND EXPORT CONTROL

Stockhausen supports global endeavors to prevent the production of nuclear, biological and chemical weapons and the development of suitable launch technologies, and complies with all applicable foreign trade and customs regulations.

Trade in goods, services and technologies is regulated by national and international laws.

In the cross-border purchase or sale of products, services and technologies, all employees must comply with the foreign trade and customs laws in their area of responsibility.

All imports and exports must be declared correctly and transparently to the customs authorities. Lawful conduct of import and export business must be evaluated in advance by the experts responsible for foreign trade on the basis of the applicable regulations.



*"We comply with
foreign trade and customs
regulations."*

BAN ON CORRUPTION

Stockhausen bans any form of corruption.



Corruption means requesting, accepting, offering or granting personal benefits in connection with a business transaction or public function. Such benefits may be a gift, an invitation or another favor that benefits the person involved or a third party, for example, a relative.

Since corruption normally distorts competition and jeopardizes the integrity of state conduct if a public official is involved, it is illegal in nearly all countries.

WHAT IS NOT ALLOWED?

Stockhausen is committed to fair competition to the benefit of its customers, shareholders and other stakeholders. In addition, Stockhausen respects the independence of public officials. Therefore, Stockhausen bans all forms of corruption, including "facilitation payments". These are payments made to a public official to initiate or speed up routine official acts to which Stockhausen is entitled.

Benefits in the form of cash and similar payments are generally not permitted, even in cases where they would not constitute corruption.

WHAT IS ALLOWED?

In practice, gifts and invitations to employees, business partners and public officials are the most common type of benefit. The granting and acceptance of such benefits is only allowed if they are appropriate. In particular, the acceptance of an appropriate benefit must not influence or even appear to influence the employee's decisions.

That is measured primarily by the financial value of the benefit, the function and position of the recipient, its timing in relation to negotiations and decision-making processes, and by business customs in the country concerned.

Benefits to related parties, for example, family members, are only permitted in very limited circumstances. In any case, any benefits must be approved by the Compliance Officer.

Particularly stringent legal restrictions apply to benefits to public officials. Public officials do not simply comprise people who hold an official position or function, for example, representatives of authorities. University professors and representatives of state-owned companies may also be considered officials. Benefits to public officials are therefore only permitted on a very limited scale, subject to Stockhausen's regional regulations.

RELATIONSHIPS WITH BUSINESS PARTNERS

Relationships with business partners must be based exclusively on objective criteria. That applies above all to the selection of business partners.



"We do not tolerate corruption."



DATA PROTECTION

Stockhausen ensures a uniform and appropriate level of data protection.

Stockhausen uses methods of electronic data interchange for its own business purposes and for future innovative applications. At the same time, Stockhausen is aware of the associated risks. When handling personal data on employees and business partners, Stockhausen therefore protects and respects the personal rights and privacy of the people concerned. That is based on a uniform standard that applies to the Stockhausen Companies.

Employees may only collect, use and process data that relate to or could relate to individuals in accordance with the principles of lawfulness, transparency and proportionality. In addition, employees may only collect, use and process data to the extent that this is absolutely necessary (data minimization).



*"We respect the personal rights
and privacy of employees
and business partners when handling
personal data."*

UTILIZATION AND PROTECTION OF ASSETS AND RESOURCES

Stockhausen expects employees to utilize the assets and resources provided by the company and third parties correctly and responsibly.

Stockhausen's assets and resources include the equipment and services made available to employees for their work. They also include Stockhausen's intellectual property, for example, inventions, patents, brands and certain confidential business-related information. This is especially valuable to the Stockhausen Companies as innovative companies.

Stockhausen's assets and resources also include IT systems. Large quantities of data are processed, transmitted and stored digitally. Therefore, the associated IT systems are a vital element in Stockhausen's business processes. Unauthorized intervention in IT systems is not allowed because it can cause serious disruption to their availability and functioning and therefore disrupt Stockhausen's business processes.

Every employee must handle Stockhausen's assets and resources correctly and responsibly. They must be protected from loss, damage and misuse. Using Stockhausen's assets and resources for private or non-business purposes is not permitted unless the employee has first obtained explicit permission.

The rules set out in the previous paragraph also apply to assets and resources, including intellectual property, belonging to business partners and other third parties. The loss, damage or misuse of such assets and resources can have serious consequences for Stockhausen and for employees who break the rules.



*"We treat our own assets
and resources,
and those belonging to
third parties, responsibly."*

CONFLICTS OF INTEREST

Strict separation of private and business interests is very important to Stockhausen.

Employees' personal relationships or interests must not influence their work for Stockhausen. Therefore, both actual conflicts of interest and the mere appearance of a conflict of interest must be avoided. All employees are required to report actual or possible conflicts of interest to avoid potential consequences for themselves under employment law or criminal law, and to avoid harming Stockhausen.

CONFLICTS OF INTEREST MAY ARISE AS A RESULT OF:

- 1 **Secondary employment**
- 2 **Financial interests in competitors, business partners or other companies connected to Stockhausen**
- 3 **Business transactions and decisions involving relatives and other related parties.**

1 **Secondary employment**

Secondary employment can impair Stockhausen's interests. Firstly, because employees have an obligation to dedicate their entire working capacity to the benefit of Stockhausen within their employment relationship.

And secondly, because secondary employment could affect employees' business decisions at Stockhausen or decisions made by third parties with regard to Stockhausen. As a general rule, all employees are therefore required to report any entrepreneurial activity, commercial work for a third party, or corresponding functions assumed at a third party.

This obligation also applies to employees who take on a public or political function, or undertake social, charitable or other work, unless the nature and extent of the function or work is such that it is not likely to impair Stockhausen's interests.

The general duty to report secondary employment and the activities outlined above apply regardless whether the employee receives remuneration or undertakes the work on a voluntary basis.

The basic obligation to report secondary employment applies regardless of whether the employee receives remuneration for the secondary employment or performs this activity on a voluntary basis.

2 **Financial interests in competitors, business partners or other companies connected to Stockhausen**

Employees must notify Stockhausen of any direct or indirect financial interest exceeding 5 percent in a competitor or business partner of Stockhausen – especially customers, suppliers, distributors, agents, consultants, service-providers and other companies with a connection to Stockhausen. This obligation also applies if the financial interest is not held by the employee but by a relative or other related party (see below), provided the employee is aware of the interest held.

3 Business transactions and decisions involving relatives and other related parties

Employees must report all business transactions involving a relative or other related party (see below), provided the employee is aware of the interest held. Decisions in connection with Stockhausen involving the following relatives and other related parties:

- Spouse
- Life partner/registered civil partner
- Parents, parents-in-law, step-parents
- Children, children-in-law, step-children
- Siblings, half-siblings, step-siblings
- other persons living in the same household
- Other persons living in the same household
- Other persons with whom they have a close personal and/or economic or financial relationship.



"We keep private and business interests separate."

WHAT ACTION IS REQUIRED IN THE ABOVE CASES?

In all cases outlined herein, employees are required to notify their supervisor and the Human Resources department in writing as soon as possible. Notification is not necessary if applicable local law conflicts with this obligation.

Employees must wait for a decision by the Human Resources department. In particular, they may not take up notifiable secondary employment, transact business, or make any related decision before they have received the consent of the Human Resources department. In the case of secondary employment, consent will be given if there is no conflict with Stockhausen's legitimate interests.

Where employment contracts specify additional or other arrangements, these must be observed. This also applies to local regulations based on mandatory local law.

EXTERNAL COMMUNICATION

Stockhausen is committed to open, timely, uniform and reliable communication with all stakeholders

Employees who make public statements about Stockhausen influence the image of the Stockhausen Companies in relation to stakeholders such as the media, business partners and competitors. Employees may express their private opinion in public; however, they must never imply they are speaking on behalf of Stockhausen. This applies especially when using social media. Public statements on behalf of the Stockhausen Companies may only be made by persons who are specifically authorized to do so.

◀ *"We only speak on behalf of Stockhausen if we are authorized to do so."*



SOCIAL AND POLITICAL COMMITMENT

Stockhausen is convinced that social and political commitment is essential for the interaction of business and society. Stockhausen demonstrates its social responsibility in a variety of different ways

Stockhausen grants donations in the form of money and benefits in kind to promote cultural, social, religious, scientific, political and charitable purposes. Donations are only permitted within the framework of internal guidelines.

Political advocacy on behalf of Stockhausen must be based on the principle of transparency.



"We are aware that social and political commitment of Stockhausen must comply with Stockhausen's internal regulations."



SANCTIONS AND CONSEQUENCES

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This Code of Conduct is an integral part of the employment relationship between Stockhausen and every employee. Violating this Code of Conduct can have serious consequences for employees, for example disciplinary action under employment law, including termination of employment, or claims for compensation by Stockhausen or third parties. If violating this Code of Conduct also constitutes a criminal offence, such violation may also result in criminal proceedings, which could lead to the employee being fined or imprisoned.

Violating this Code of Conduct is never in Stockhausen's interest (zero-tolerance principle). In such cases, employees may not use the defense that they believed they were acting in Stockhausen's interest.

Even a violation of this Code of Conduct by a single employee can seriously harm Stockhausen's reputation and result in considerable financial damage, for example, through fines and claims for compensation.



< *"We know that violating this Code of Conduct can have serious consequences and sanctions."*



*"We report
violations of the
Code of Conduct."*



WHISTLEBLOWER SYSTEM

Every employee is required to report possible or actual violations of this Code of Conduct to the responsible department or Compliance Officer without delay, regardless whether they relate to the employee or to his/her colleagues.

Stockhausen investigates all alleged violations and treats all information with the greatest possible confidentiality. Stockhausen does not tolerate any disadvantage to employees who report possible or actual violations or cooperate in the investigation of such violations, except if the allegations comprise an abuse of the whistleblower system

COMPANY INFORMATION

COMPANY INFORMATION

Stockhausen Superabsorber GmbH
Alte Untergath 10
47805 Krefeld

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Peter Dettelmann

Chairman of the Supervisory Board
Christoph Sprenger

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This document can be downloaded online:
www.stockhausen.com/en/contact-and-documents

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PICTURE CREDITS

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