

Code of conduct of the Franke Group

(The Code)

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The owner and CEO message – a Franke Compliance Culture

Dear employees,

In more than 100 years the Franke Group has grown from a sheet-metal business to a global provider of products and solutions for residential kitchens and bathrooms, professional foodservice, coffee preparation and semi-public and public washrooms. Our customers and other stakeholders have trust in Franke since many years. The long-term business success of Franke is based on quality, innovation, corporate values and reputation. This Code defines our most important guiding principles which are based on the core values of the Franke Group: Enable people, Foster teamwork, Act entrepreneurial, Deliver solutions, Be accountable.

The Franke Group is active in a large number of countries with different legal and cultural settings. As business practices vary over the globe, high ethical and moral standards shall be valid no matter where and in what role people are acting. The Franke Group has been an active member of the UN Global Compact since 2011. This Code clarifies and defines the business practices which must be applied by all employees, directors and officers of the Franke Group. It was updated in April 2013 (incorporation of the United Nations Global Compact) and January 2019 (partial revision).

This Code wants to achieve three important goals. First of all, it will help us safeguard the reputation and strengthen the brand of the Franke Group and its companies. Secondly, it fosters an open, honest and efficient working atmosphere by harmonizing expectations of all employees. Finally, this Code shall ensure personal commitment to integrity, ethical conduct and responsible behavior.

This Code defines a minimum standard of conduct, the baseline which you should never go below. It reflects the goal to safeguard compliance with applicable law and regulations (including the internal directives which deal in more detail with the topics of the Code). It supersedes local customs and practices whenever it is more stringent. International and local laws always supersede this Code where they are more stringent or contradictory to the contents of this Code.

We are personally committed to adhering to the principles in this Code and we call on all employees of the Franke Group to do the same.

Sincerely yours,



A handwritten signature in black ink, appearing to read 'M. Pieper'.

Michael Pieper
Owner Artemis Group/Franke Group



A handwritten signature in black ink, appearing to read 'P. Wohlhauser'.

Patrik Wohlhauser
President/CEO Franke Group

A. Conduct towards our business partners

Drawing on our long history of expertise, reliability and integrity, we build rewarding and enduring partnerships with our customers and business partners. The standards of behavior required in our relationships are designed to ensure that we consistently deliver those values and avoid actions that will harm our reputation. We expect our business partners to respect our ethical commitments and adhere to this Code.

1. Legal Compliance

We respect and fully comply with all applicable laws and regulations. In addition, all employees, directors and officers throughout the Franke Group are responsible for complying with this Code and other internal regulations and directives (as amended from time to time and listed on the Franke intranet: [frankegroup.sharepoint.com / Policies & Integrity](http://frankegroup.sharepoint.com/Policies%20&%20Integrity))

2. Prohibition of Corruption and Bribery

We are against any kind of corruption in our relationships with our business partners and with public officials. No direct or indirect bribery or facilitation payments shall be made in order to directly or indirectly influence a business action or decision (active bribery). Likewise, the Franke Group employees, directors and officers shall never request or accept any benefits for themselves or third parties (passive bribery).

3. Gifts, Events and other Financial Contributions

Corporate entertainment and the exchange of gifts are acceptable business practices in some countries. But every transfer of value in the form of a gift, entertainment or other financial contribution carries the danger of creating dependency and potential loss of objectivity. To protect your independence, as well as that of your business partner, you are only permitted to offer, make or accept occasional gifts, meals or entertainment reasonable in value that are consistent with local customs and our anti-bribery directive. We make no donation in order to obtain any commercial advantages. All sponsoring activities are handled transparently, and involve appropriate and verifiable communications and marketing services on the part of the sponsoring receivers.

4. Competition and Antitrust Laws

We foster market competition by ensuring compliance with antitrust and competition laws. The Franke Group and its employees commit themselves to fair competition in all business relationships. We ensure that no agreements are concluded with competitors, customer or suppliers which restrict competition on prices or by allocation of product or geographic markets. Business decisions are made independently and without the exchange of sensitive information with competitors.

5. Trade Restrictions

The Franke Group has international business relations. It is thus actively involved in the global trade in goods and services. Within this context, the Franke Group complies with applicable national and international trade restrictions, custom laws and regulations in the countries where it does business. Trade restriction laws may be triggered in connection with direct or indirect import/exports to or from sanctioned countries (embargoes) or to parties who may be designated based on national security grounds.

6. Product Safety and Quality

The Franke Group strives for developing innovative and high-quality products. In doing so, it attributes high priority to product safety. The Franke Group maintains business relations with its suppliers that are based on trust and fairness. In turn, Franke expects its suppliers to treat it with the same respect and integrity.

B. Conduct towards our company's assets

Every employee, director and officer of the Franke Group is expected to act in the best interest of the Franke Group. This means that we take care of the assets of the Franke Group, e.g. facilities, equipment, information systems and intellectual property. We also protect the reputation of the Franke Group by properly handling information and data and avoiding conflicts of interest. Actions that harm the reputation of the Franke Group will not be tolerated.

7. Loyal and Transparent Reporting

Financial reporting is carried out in compliance with local and international financial reporting standards and gives a true and fair view of its assets, liabilities and results of its operations and financial position. Any records and reports within the Franke Group and to the outside must be conscientious, complete and accurate. It is absolutely unacceptable to bring the Franke Group into disrepute by disseminating incorrect or malicious information.

8. Conflict of Interest

The Franke Group expects that the personal interests (direct or indirect or through related parties) of its employees, directors and officers will not interfere or conflict with its interest. The interest of the Franke Group shall always have priority. Situations, in which an employee receives or promises preferred treatment based on personal closeness, need to be avoided. You should impede all relationships with suppliers, customers, competitors and other external parties which might impair your objectivity and independence of judgment when making decisions. A conflict of interest may occur when becoming active as director, purchaser, consultant or investor in relation to competitors, consultants, customers, suppliers, services providers or other business partners of the Franke Group. Any such conflict of interest needs to be disclosed to and approved by the line manager. In case of doubt it is essential to consult with the Local Compliance Officer.

We also want to make sure that the workplace is fair and untainted by any possible perception of favoritism. The Franke Group encourages the tradition of family service but the hiring of family members can raise concerns about fairness and objectivity. Therefore, to ensure that all are hired, rewarded and promoted fairly, the policy is to disclose such relationships and not to employ persons closely related to a Franke Group employee without prior approval.

9. Protecting Franke's Assets

Use of company assets such as raw materials, semi-finished goods, finished goods, scrap metals, tools, office furnishings etc. for any purpose other than your professional activity and on official business for the Franke Group is strictly forbidden. Deliberate actions that cause financial loss to the Franke Group such as theft, fraud, fictitious expense claims, unexcused absenteeism or sabotage are serious offences.

10. Respecting and Protecting Intellectual Property Rights

At the Franke Group, Intellectual Property is paramount to our operations. Each product, each solution, each service and each offering we deliver to the market is built on our Intellectual Property, including the know-how, brand and innovation that we create, have, and maintain. Hence, we protect our Intellectual Property and respect the Intellectual Property of our competitors and any other third party.

11. Confidentiality of Data and Security of Information

We protect the Franke Group's business interest and confidential information. We are careful when choosing to discuss confidential subjects and when we exchange non-public information we ensure it is communicated only to authorized recipients bound by a non-disclosure agreement. We are aware that personal data of our employees and business partners are sensitive and therefore protect such data by handling it in a careful and responsible manner. Every employee, director and officer is responsible within the scope of his/her duties for ensuring a high level of data privacy at the Franke Group and to adhere to the applicable data protection regulations. When collecting personal data, we inform the people concerned of the reasons for collecting such data. The Franke Group takes a variety of technical and organizational measures to ensure confidentiality and security of personal data.

12. Prohibition of Insider Trading

In the course of your professional activity for the Franke Group you may acquire information, knowledge of projects or events which is not publicly available. Every employee, director and officer shall adhere to the rules prohibiting the use of insider information, hence the personal exploitation and/or unauthorized disclosure to other is illegal and subject to punishment. This includes, but is not limited to, conducting transactions on the stock exchange on your own behalf, making recommendations to others as well as letting a third party conduct transactions (whether on your behalf or on their own behalf). This applies irrespective of any personal gains realized.

C. Conduct towards our employees

The people who work at the Franke Group come from many different countries, backgrounds and cultures. We can only appreciate the contribution of each individual if we observe normal standards of courtesy and respect when interacting with one another. Regular communications, equality of opportunity and upholding high health and safety standards as well as complying with the applicable laws are essential to fostering a work environment in which everyone will feel welcome and comfortable.

13. Health & Safety

The Franke Group is committed to providing healthy and safe working conditions in order to warrant safety at the working space. Accidents shall be prevented and unsafe equipment and workplaces shall be reported.

Employees, directors and officers must not distribute, possess or use illegal or prescription drugs or alcohol on the Franke Group properties, on working time or in connection with the Franke Group business in a manner that may either affect performance of business responsibilities, appearance and behavior.

14. Fair Working Conditions

The Franke Group strives to provide a fair workplace and equal treatment of its employees where all have an equal opportunity to work, advance and contribute to the success. We do not tolerate any form of discrimination or harassment in the workplace on the grounds of gender, age, color, national origin, race, sexual orientation, religion or any other legally protected personal characteristic (security rules may restrict certain work to specific individuals).

These principles apply to all aspects of the employment relationship, such as hiring, promotion, compensation, sanction and termination.

D. Conduct towards the environment

The Franke Group is committed to creating lasting value for its stakeholders as well as for the society by achieving a balance between business, environmental and social performance.

15. Sustainability

Excellent products and services combined with the expertise of our employees and our dedication to social and environmental values are our contributions to a more sustainable world. Business partners and other stakeholders are invited to join the Franke Group on its journey to contribute to a sustainable development.

To the same extent we ensure that respect for the environment is an important consideration and we are conscious about the consumption of energy and natural resources. We support initiatives to promote greater environmental responsibility and encourage the diffusion of environmentally friendly technologies.

We are committed to international human rights and fundamental labor law standards (e.g. the Ten Principles of the UN Global Compact and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work). Particularly, we do not tolerate child or forced labor.

The Franke Group's sustainability journey is reported once a year in its Sustainability Report.

Annex: Scope and internal organization for compliance