

CODE OF CONDUCT FREUDENBERG GROUP

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A. INTRODUCTION

Dear Associates,

The Freudenberg Group is a global group of companies. We are obliged to comply with the laws of every country in which we operate. Failure to comply would jeopardize the social acceptance on which we depend throughout the world. We are proud of the commitment of all executives, managers, and associates¹ to act with the highest level of integrity and ethical standards. However, the variety of requirements and challenges facing the Freudenberg Group worldwide, as well as the different and constantly changing conditions and regulations, make it necessary to clarify the standards and behaviors to be followed by all associates.

The **Guiding Principles**, in conjunction with the **Business Principles** of the Freudenberg Group, reinforce our continuous commitment to comply with laws and regulations, promote justice, respect cultural differences, assume social responsibility, and protect the environment and the well-being of the people who work with us and for us. These principles stand as proof of the deeply rooted corporate culture of the Freudenberg Group. They create the conditions for a climate characterized by trust and confidence which promotes teamwork, innovation, customer orientation, and

the long-term success of our company. This Code of Conduct is based on these Guiding Principles and Business Principles. It is binding for all associates. It aims to clarify which personal standard of behavior is expected of each individual, regardless of his/her position. It is intended to enable you to handle ethical and legal questions in an appropriate manner and to deal with sensitive issues. The rules of behavior laid down in the Code of Conduct are not supposed to interfere with your private life. However, when working for the Freudenberg Group, the fundamental attitude of each individual must be one of law-abiding and responsible conduct.

Achieving economic goals is not the only measure of success at Freudenberg. Instead, the key to maintaining the trust of the public, as well as our customers, business partners, and other stakeholders, lies in the integrity and law-abiding conduct of each of us. We refuse to participate in business activities that are not aligned with our corporate values and maintain a zero-tolerance policy toward compliance violations. Unlawful conduct can do a lot of harm: it can result in the assessment of monetary damages and the disgorgement of profits; it can result in the imposition of fines and penalties; it can exclude us from contracts or

¹ In the following text, the term “associates” refers to “executives,” “managers” and “employees,” and is used for both the feminine and masculine form.



tenders; and it can damage our business relationships with customers, as well as our reputation. Therefore, if any violations of statutory regulations or internal rules occur, the Freudenberg Group will take appropriate actions to put an immediate end to such violations and to ensure that such violations do not occur. Regardless of the sanctions provided by law, individuals engaged in such violations will face disciplinary and employment consequences. No one can claim to have acted in Freudenberg's

interests by violating the law. The Code of Conduct is supplemented by the policies and guidelines issued by the Business Groups, Corporate Functions, and regional representatives (Freudenberg Regional Corporate Centers). We expect you to familiarize yourselves with the applicable rules and principles and to take them into account when making decisions. Freudenberg will provide you with all necessary information and support to fulfill these obligations.

B. INFORMATION CONCERNING POSSIBLE COMPLIANCE VIOLATIONS

CONTACT/SUPPORT

Open communication, including with respect to failures, undesirable occurrences, or grievances, is part of our corporate culture (“speak-up/listen-up”).

If you have any questions about the Code of Conduct or concerns as to whether a particular behavior or company policy is consistent with the principles in this Code of Conduct, if you need any advice or suspect that a violation of (local) laws or the Code of Conduct may or will occur, or if you believe a violation has occurred, you are requested to:

- contact your direct supervisor or any manager;
- if the suspicion pertains to the supervisor or manager, or if you wish to discuss the matter with a third party for any reason, report the matter to a higher-ranking manager; or
- contact one of the compliance offices or the relevant specialist function (e.g., HR, HSE) in charge at the Freudenberg Group or Business Group level.

Ethics offices

Associates of a Freudenberg Group company, as well as third parties (i.e., anyone outside the Freudenberg Group, such as customers or suppliers), may confidentially report any company-related violation of law (whether impending or already committed) to the Corporate Ethics Office or a Regional Ethics Office. The same applies to our Code of Conduct, our Business Principles, and other corresponding internal and external guidelines, as well as local customs. Whistleblowers may also point out risks to human rights and the environment as well as violations of human rights or environmental obligations under the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz) resulting from Freudenberg's economic activities in its own business area or caused at or by a direct or indirect supplier of Freudenberg.

Freudenberg will take steps to protect the anonymity of the whistleblower. Associates need not fear any discrimination, retaliation, penalties, or other disciplinary action for reporting a suspected violation of the principles of this Code of Conduct in good faith or for refusing to take any action that may be unlawful.

Weinheim, dated December 5, 2022
Freudenberg & Co. Kommanditgesellschaft



Dr. Mohsen Sohi



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1. HUMAN RIGHTS, HEALTH, OCCUPATIONAL SAFETY, ENVIRONMENT AND CLIMATE PROTECTION

BASIC PRINCIPLES FOR CORPORATE RESPONSIBILITY AND THE WORK ENVIRONMENT

Health protection and occupational safety

Freudenberg is fully committed to ensuring safe working conditions and complying with regulations on occupational health and safety, as well as environmental protection, in order to preserve the health of associates, protect third parties, and prevent accidents, injuries, and work-related health hazards. The Freudenberg Group's initiative "We all take care" and other measures are the core of our commitment to provide and ensure safe working conditions for all associates. Associates share the responsibility for their own health and safety as well as for the health and safety of their colleagues and business partners. Each individual must observe and follow all occupational safety rules without fail in order to promote safe working practices and minimize health risks. We endeavor to provide adequate wages and salaries based on the conditions at the place of employment, local minimum wage legislation, and the terms of the applicable collective agreements. We comply with all applicable local laws on work hours, including overtime, breaks, and paid vacations.

Environmental and climate protection

We take responsibility for making our actions as environmentally compatible as possible. Our mission is to use natural resources for our production processes, products, and services as conservatively and prudently as possible. We responsibly dispose of residual materials which cannot be avoided or recycled in accordance with statutory requirements. Environmental protection is firmly anchored in Freudenberg's business processes and our aim is to steadily reduce raw material and energy consumption by continuously optimizing our processes. We manage the Freudenberg Group in a sustainable manner and hold the United Nations' 2030 Agenda for Sustainable Development as a guiding principle. In addition to compliance with the respective climate goals of the countries in which we operate, Freudenberg aims to achieve CO2 neutrality as a group by 2045.



Human rights

In accordance with our Business Principles and Guiding Principles, Freudenberg respects internationally recognized human rights and fundamental freedoms in harmony with the principles of the UN Global Compact, to which we are a signatory.

We oppose child labor and any form of forced labor or slavery at the Freudenberg Group companies, as well as at our direct and indirect suppliers.

Our employees have the free choice to join or form a union/employee advocacy organization of their choice without discrimination, threats, intimidation, or any other form of retaliation. We acknowledge and respect the free operation of trade unions in accordance with the law of the place of employment and, in particular, the right to strike and the right to collective bargaining. We also respect when employees are represented by democratically elected works councils. We strive to foster constructive cooperation with employee representatives and their organizations.

2. COOPERATION

The Freudenberg Group promotes open communication and teamwork. All associates are expected to treat their colleagues with respect. Managers are to act as role models in this regard.

Equal opportunities and non-discrimination

Associates of the Freudenberg Group mirror the diversity of society and represent a great variety of languages, cultures, and lifestyles. We value the uniqueness of each associate. We respect people of all cultures and ethnic origins. In doing so, we encourage every one of them to contribute to the company through entrepreneurial thought and action, taking the initiative, and being willing to assume responsibility. We create, promote, and maintain a diverse and inclusive work environment in which associates are valued, heard, and respected. In doing so, we foster a culture of inclusion and create an environment in which everyone collab-

orates in teams across international borders and the entire Group, thus contributing the benefit of their different cultures and skills.

We do not tolerate discrimination or unequal treatment, especially not that which is based on national, ethnic, or social origin, religion or ideology, political opinion, sexual orientation, trade union involvement, age, state of health, gender, or any disability. There is no place in our company for discrimination and exploitation of the weak and helpless. We at Freudenberg pride ourselves on a corporate culture in which everyone can learn, grow, and develop together.

Violence and harassment in the workplace

Violence in the workplace is not tolerated. This includes explicit or implicit threats, intimidation, physical assault, and any form of harassment.



3. COMPANY PROPERTY AND PROPRIETARY INFORMATION

Freudenberg company property and proprietary information

Every associate must handle company property responsibly and protect all Freudenberg assets from loss, damage, theft, misuse, and unauthorized use. These assets include not only tangible assets, but also intangible assets such as proprietary information, know-how (such as formulas), patents, brands, copyrights, trademarks, company names, description of goods, or logos. The misappropriation, use or misuse of Freudenberg assets of any kind is prohibited under any circumstance.

Unpublished business-related information or trade secrets must be kept confidential. Associates in possession of such information are prohibited from disclosing it to unauthorized persons inside or outside the company or from exploiting it for their own benefit or the benefit of third parties. This especially applies to information about specific details of business operations of which the public has not yet been informed. Violations of these rules may cause serious harm to Freudenberg and carry consequences under civil and criminal law.



Information about other companies

While it is permissible to collect generally available information about other companies, it is prohibited to obtain information about other companies through unlawful, unfair, or otherwise dubious methods. Freudenberg often enters into relationships with other companies in which these companies release their confidential or proprietary information to us. You should only accept such information once an effective confidentiality agreement is in place.

4. SOFTWARE, EMAIL, SOCIAL MEDIA AND INTERNET



Information technology (IT) systems, including hardware, software, and the data they process and store, are crucial in Freudenberg's business operations. As a rule, they are company property and, as such, may only be used for Freudenberg's business purposes. Persons with access to Freudenberg IT systems, including persons with temporary access, must use the systems in an appropriate manner in compliance with the IT security guidelines of the Freudenberg Group and those of their respective Business Group.

The increased and widespread use of social media, where permitted, must not be allowed to interfere with our

general policy of safeguarding proprietary information and protecting our company's reputation. Associates shall protect Freudenberg's reputation and act in accordance with their duties of loyalty, confidentiality, and good faith. In doing so, they must comply with applicable laws and regulations, as well as data security at all times.

When using the company email account, every associate is obligated to consider the integrity of colleagues and external business partners. Associates should exercise utmost care and diligence to avoid causing or contributing to any adverse effects on the company.

5. ACCOUNTING AND FINANCIAL REPORTING

Annual financial statements and accounting books, records, and accounts of every legal entity within the Freudenberg Group are part of the company records and therefore constitute company property and important assets. They must be accurate and comply with all statutory and fiscal requirements, as well as with Freudenberg's internal ac-

counting policies. All associates are responsible for the creation, use, management, safekeeping and, where applicable, secure destruction of such records. Such actions may only be performed in accordance with company policy, standards, and procedures as well as with current statutory requirements.



6. DATA PROTECTION

There are special legal regulations for the handling of personal data in order to protect privacy. As a rule, the collection, storage, processing, and other use of personal data require the consent of the data subject, a contractual arrangement, or other legal basis. Freudenberg protects the personal data of associates, customers, suppliers, and other data subjects. Freudenberg only collects, processes, uses, and stores personal

data if required by law or necessary for normal business operations. All associates must respect and protect such information as diligently as they respect and protect other company information. Laws protecting individual and personal data vary from country to country. The Freudenberg Group complies with the applicable laws and regulations of the respective country in which business activities are conducted.

7. COOPERATION WITH BUSINESS PARTNERS

Freudenberg expects its associates to comply with statutory requirements, the Code of Conduct, and the entire Compliance framework of the Freudenberg Group. Accordingly, we also expect our business partners, in particular, suppliers and distribution agents, to share and observe our basic principles of ethical behavior, human rights, compliance with legal standards, and environmentally friendly operation. Depending on the specific risk, we perform integrity tests of our business partners before entering into binding contractual arrangements.

Our suppliers undertake to align their actions with our values, to pass this obligation onto their suppliers, and to ensure supplier compliance. In the event of possible violations of our basic principles by business partners, we work with the relevant business partner to resolve the situation and, if necessary, to take appropriate corrective action. This process ensures that our suppliers also meet the requirements and standards of this Code of Conduct.



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8. ANTITRUST AND COMPETITION LAWS

Agreements and coordinated practices between competitors (“horizontal agreements”) are prohibited if they are intended to prevent or restrict competition. Many types of vertical agreements, i.e., agreements between suppliers and customers or patent holders and licensees, are also prohibited in the European Union, the United States, and other countries.

Freudenberg complies with all laws prohibiting unfair or deceptive trade practices. Likewise, Freudenberg does not enter into any coordinated or informal agreements on boycotting customers or other business partners.

Accordingly, Freudenberg requires all associates to fully comply with all antitrust and other commercial laws which ensure the functioning of a free and competitive market and prevent the undue restriction of competition. Price-fixing agreements, manipulation of tenders or bidding procedures, or arrangements on dividing customers or markets among competitors are strictly prohibited.

Freudenberg’s associates must not exchange information or discuss any matters with competitors concerning the following topics:

- Product prices, price changes, price differentiations, margins, costs, discounts, rebates
- Industry-wide pricing policies or practices, price levels, changes in prices
- Plans concerning price setting or product marketing
- Price quotations (bidding procedures or individual offers) in response to respective customer inquiries, including product compositions for such bids
- Information on production capacities and planned changes
- New products in development and other confidential strategies
- Division of territories, customers, or markets
- Customer or transaction-specific confidential information

Any doubts regarding the appropriateness of contacts and communications with competitors or related concerns should be discussed with a person in one of the functions listed in Section B.

9. CONFLICTS OF INTEREST

We expect our associates to maintain the highest ethical standards. The company's interests must be a priority in all business transactions with existing or potential customers, suppliers, competitors, and other partners.

Business decisions may not be based on personal interests or benefits. Private interests must be kept strictly separate from the interests of the Freudenberg Group. Conflicts of interest arise when associates pursue their own activities or personal interests at the expense of Freudenberg's interests. Any existing or potential conflict of interest must be prevented and disclosed to supervisors or compliance officers.

Examples:

- Misuse of business opportunities to which Freudenberg is entitled for the purpose of gaining personal profit or benefits;
- Relationships with current or potential business partners or competitors that may affect or appear to affect the performance of your duties;
- Reporting lines between associates and superiors who are (directly or indirectly) related by blood, marriage or similar relationships (e.g., in the form of a civil partnership);
- Marketing of products or services similar to or in competition with those of Freudenberg;
- Using one's own position or company property for personal benefit;
- Entering into agreements with relatives or close friends on behalf of the company;
- Use of time while working at Freudenberg to manage or prepare a transaction which may subsequently compete with Freudenberg;
- Use of proprietary information for one's own benefit or in a manner detrimental to Freudenberg (e.g., using confidential information with the potential to affect the share price of a company for the private trading in shares (insider trading)).



10. CORRUPTION

Prohibition of corruption

Corruption is prosecuted as a criminal offense on an international level. Corruption, bribery, embezzlement, fraud, acceptance of advantages, and any other form of corrupt action in business transactions are strictly prohibited at Freudenberg.

Gifts, invitations, and hospitality

Benefits in the form of gifts, hospitality, and invitations are common in business relationships. If such benefits remain within appropriate limits and do not violate internal or statutory regulations, they are not objectionable. However, exchanging excessive or inappropriate gifts or hospitality to influence third parties is unethical and may seriously harm your own personal business reputation, as well as that of Freudenberg. It may also be punishable by law.

We have internal guidelines on the handling of gifts, hospitality, and invitations to events to clarify which benefits are appropriate and which steps must be observed when accepting and granting benefits. Associates must familiarize themselves and strictly comply with these guidelines.

These guidelines allow gifts, hospitality, and invitations which:

- are socially adequate and minor in value (e.g., a yearly gift in the form of a

- Freudenberg wine present or calendar);
- are not intended to influence business decisions and do not create the impression of such intent;
- can be bestowed openly and transparently at any time (“publicity test”);
- do not violate any law or any generally recognized ethical standards.

Under these guidelines, associates must not bestow or accept:

- money or cash-like assets (such as vouchers or securities),
- gratuities to the private address of a recipient (“untransparent gift”),
- gratuities which, in light of their value, frequency (e.g., three gifts over half a year) or nature, are inappropriate in the context of the business relationship.

Relations with public officials

Specific legal conditions often apply in relations with public officials, elected representatives, governments, authorities, and other public institutions in which even singular violations can have serious consequences and cause massive damage to the Freudenberg Group and its associates.

Associates are not allowed to offer payments, gifts or use any other unlawful means to influence public officials or associates of international institutions. Our contacts with public officials and elected representatives are based

on strict compliance with the law and applicable internal regulations on the prevention of corruption.

“Facilitation payments,” i.e., payments to public officials to expedite routine official acts, are also prohibited.

The provisions in this section apply not only to Freudenberg associates directly, but also indirectly to all persons and business partners acting in the name of or on behalf of Freudenberg (e.g., distribution agents, consultants, and project partners). Therefore, Freudenberg’s associates may not under any circumstances give or authorize payments, gifts, or other improper means to intermediaries if they are aware, or have reason to believe, that such resources will be used for corrupt activities or to set up slush funds.

Donations and sponsoring

Freudenberg’s corporate history attests to a great number of wide-ranging examples of social engagement in many areas of human coexistence, ranging from the promotion of the arts, science, and research to targeted support for young people and trainees, as well as assistance for the needy and under-privileged. Our company and its family shareholders aim to fulfill our social responsibility and to be recognized as good neighbors in all the states, countries, and communities in which we operate.

All donations must be transparent. Among other things, this means that the identity of the recipient and planned use of the donation must be known. The reason for and purpose of the donation must be documented in a legally sound manner.

Donations that are not allowed as a general rule include:

- Donations to individuals or organizations that are not recognized as charitable or are not otherwise authorized to accept donations,
- Donations to private accounts,
- Donations to organizations whose aims are not compatible with Freudenberg’s business principles, or
- Donations that damage Freudenberg’s reputation.

All sponsorship activities must also be transparent, established on the basis of a written contract, intended for a respectable and reputable purpose in the interest of Freudenberg, and suitable to achieve the intended purpose. Donations and sponsorships may only be granted after the authorization process in place for this purpose has been completed in accordance with the guidelines on granting donations.

11. PROHIBITION OF MONEY LAUNDERING AND FINANCING OF TERRORISM

We do not allow transactions with Freudenberg Group companies to be misused for the purpose of money laundering or the financing of terrorism. We oppose any transaction through which a third party secures the “fruits” of a crime.

Money laundering and the financing of terrorism are punishable in almost all countries of the world.

- Money laundering refers to a situation in which money or other assets originating directly or indirectly from criminal acts are brought into legal economic circulation, thereby concealing their origin.
- Financing of terrorism refers to a situation in which money or other resources are provided for crimes of terrorism or to support terrorist organizations.

Freudenberg actively works to prevent money laundering and terrorism financing. It is our declared aim to exclusively maintain business relations with reputable partners whose business activities are in harmony with statutory regulations and the business principles of the Freudenberg Group and whose operating resources are of legitimate origin. We therefore strive to achieve the greatest possible transparency in our business relationships and cash flows.

12. PRODUCT CONFORMITY AND SAFETY

Countless people come into contact with our products and services every day. We are therefore responsible for ensuring to the greatest degree possible that no injuries or dangers to health, safety, the environment, and the assets of our customers or third parties result from the use of our products and services. It is not only a legal obligation, but also our commitment to comply

with the statutory and official requirements and internal standards that apply to our products. Our products are state of the art and developed in accordance with statutory requirements. Safety instructions in documentation and on machines must always be kept up to date and must be in compliance with the safety regulations.



13. FOREIGN TRADE LAW AND EXPORT CONTROL

Trade restrictions on persons, goods, countries, and uses (e.g., prohibitions on providing aid to international terrorism, authorizations or arms or dual-use goods, embargoes on countries) are common practice in the foreign trade laws of many countries, particularly those of the European Union, the United States, and China. These trade restrictions pertain to the direct and indirect provision of economic and financial resources; the sale, import and export of goods; the provision of software, technical support, transfer of technology, trading and brokerage, and electronic data exchange; and the exchange of

information in general. Failure to comply with such provisions can lead to severe penalties, such as imprisonment, fines, and the loss of export privileges and future business relationships, and can damage the company's reputation. The scope of the applicable restrictions changes frequently and must be constantly monitored. Associates involved in import and export matters (such as purchasing, sales, research and development, and supply chain) must be familiar with the applicable regulations and comply with the processes established in order not to violate the regulations.





14. POLITICAL ACTIVITIES

Freudenberg does not take part in political activities or campaigns. In accordance with this principle, we do not support political parties, organizations, or their representatives with monetary donations or donations in kind.

Freudenberg's desire to remain politically unbiased does not interfere with the rights of associates who wish to take part in the political process outside of their work hours as private individuals in an appropriate and legally permissible manner, or who wish to take part in social institutions, charitable activities, or similar voluntary activities.

15. DRUGS, ALCOHOL AND WEAPONS

The consumption, sale, or possession of illegal drugs and the possession of weapons on company premises or during work hours is strictly prohibited and will be subject to disciplinary measures. The consumption of alcohol on the company premises is prohibited; exceptions apply only to special company events in designated premises. Associates are prohibited from us-

ing substances, including prescription medications, whether at or outside the workplace, in a manner that could impair their ability to perform their work safely and properly or to fulfill their employment obligations. Business activities taking place away from company premises must also be in strict compliance with the relevant applicable laws.

16. PUBLIC STATEMENTS

Only persons explicitly authorized to do so may make public statements on behalf of the company. Inquiries from the media or other persons outside the company must always be forwarded to the management board, the communications department, or other persons

authorized to respond to them. The same principles apply to publications concerning Freudenberg and its business activities if other media (social networks and similar means of communication) are being used.



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