

# SEMPERIT



## Integrity

# Compliance Management System

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If you have any questions about this Policy, please contact the Local Compliance Officer or the Group Compliance Officer or send an email to [compliance@semperitgroup.com](mailto:compliance@semperitgroup.com).

## 1 Opening Remarks from Management Board

A company is a member of society that must live up to the expectations of its stakeholders (i.e. employees, customers, suppliers and shareholders) and act in a socially responsible manner. Trust and integrity are the most important assets a company can possess. For us, compliance means to ensure that all employees have a strong awareness of their responsibilities and that all activities are executed adhering to applicable laws, internal policies and high ethical standards.

Semperit is a reputable company with a history of more than 190 years; hence we believe in our values and strengths. While this reputation is the product of many years' work, the careless, improper actions of just one employee can damage our image in the blink of an eye. We must prevent this. Doing so requires that all employees be guided in their activities by reasoned principles, set forth in our Compliance Management System.

The Compliance Management System consists of regulations that should support the employees of Semperit in upholding Semperit's strict ethical and legal standards. It applies to everybody who works for Semperit. If national legislation imposes stricter rules, such legislation takes precedence. The Semperit Group Compliance ("Group **Compliance**") monitors and supervises adherence to applicable regulations and guidelines.

Our Compliance Management System may not resolve all questions you may have. Hence please do not hesitate to ask for advice. Compliance not only means adherence to the laws to prevent damage for Semperit but it is also a part of Semperit's corporate culture and is indispensable for the long-term and long-lasting success of our company.

We thank you for your commitment to adhering to our ethical standards of trust and integrity, which make Semperit a company we are proud to work for.

The Management Board

## 2 Introduction

**2.1** The Semperit values “YOU&US” reflect our culture from an entrepreneurial sustainability perspective. Integrity and honesty are indispensable and key elements of Semperit’s corporate culture.

**2.2** For Semperit, “Conduct that adheres to internal and external rules is the basis for personal integrity and authority”.

**2.3** Acting in accordance with a high degree of business ethics is one key element of Semperit’s Sustainability Strategy.

**2.4** Being compliant is the basis to become a preferred business partner. To

sustainably ensure that we conduct ourselves with integrity, Semperit has implemented a compliance management system based on the highest standards (IDW PS 980, Transparency International Business Principles for Countering Bribery).

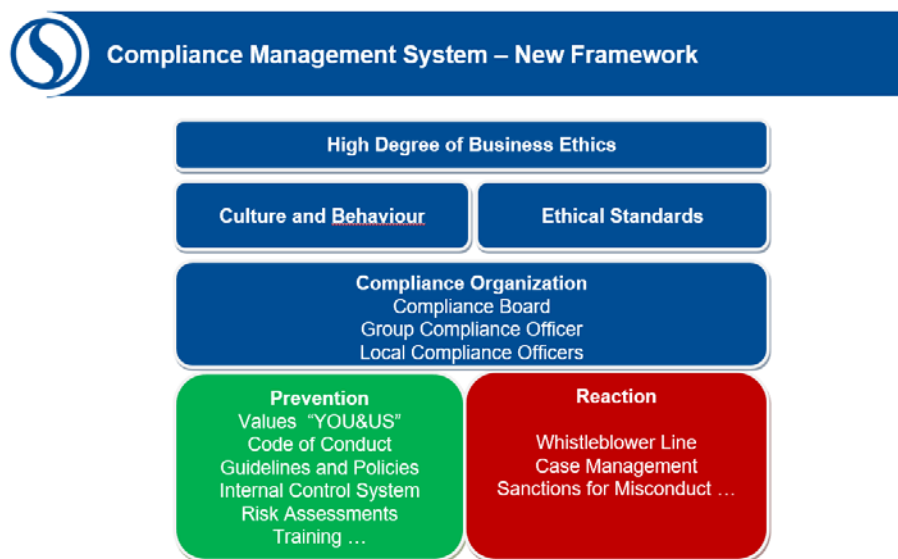
**2.5** All members of the Management Board and Supervisory Board, and all managers, directors, including all employees of Semperit and its affiliates (all together “employees”) are committed to a high degree of business ethics. In addition, we also expect our business partners to act in accordance with laws and regulations and with integrity.

### Compliance is one Key Element of our Sustainability Strategy



### 3 Elements of the Compliance Management System (CMS)

3.1 The core elements of the Semperit Compliance Management System (CMS):



3.2 Our standards are based on laws and regulations, internal guidelines and ethical principles.

3.3 The CMS is constantly being adapted to legal or socially relevant changes.

3.4 To prevent misconduct, corporate values are defined, clear rules and guidelines are established and appropriate controls are integrated in our processes.

3.5 All employees and business partners are encouraged to report (potential) misconduct. Our whistleblower line "SEMPERLINE" is a possible reporting channel. Information is processed in a strictly confidential manner.

### 4 Goals and Strategy

4.1 We assume responsibility for the actions we take even beyond the immediate financial impact, and we act honestly and in a fair and transparent way.

4.2 By being upright and honest, following highest ethical standards, we protect Semperit, our colleagues and Board Members from severe consequences of misconduct such as damage to our reputation, financial loss and criminal prosecution, and want to become a Preferred Business Partner in our markets.

4.3 Following a risk-based approach, Semperit set in place policies for the most

important compliance fields such as anti-bribery and anti-corruption, anti-trust law, export control, capital market compliance and data protection.

4.4 For further compliance risks, special policies apply which shall be implemented by the respective group functions, following good corporate governance, supported by Semperit Group Compliance as needed.

### 5 Compliance Culture

#### 5.1 Corporate Values

5.1.1 Clear rules and guidelines are important and constitute a solid basis for our business activities. However, there is not necessarily a rule in place for every situation we may experience. Therefore, our Semperit values "YOU&US" should give you basic guidance. Only this combination prevents us from misconduct.

What principles define our behaviour?	Confidence and Responsibility
Appreciation and Reliability	Initiative and Dedication
Fairness and Loyalty	Integrity and Honesty

**5.1.2** Semperit's corporate values, to which the values integrity and honesty have been added, describe "HOW" we want to work. We aim to work in a way that we can be trusted. Trust is the basis of all cooperation. Winning it is often a long process, losing it can take just a moment.

## 5.2 Tone at the Top

**5.2.1** The Management Board attaches high importance to integrity and is aware of the example they set. By demonstrating corporate values, attitudes and convictions they have an important influence on corporate culture.

**5.2.2** Therefore, the establishment of and adherence to a modern, sustainable and effective CMS is an important target.

**5.2.3** We want to achieve ambitious business results by observing applicable laws and regulations, internal guidelines and business ethics.

## 6 Compliance Organization

**6.1** The Management Board promotes a conduct based on integrity, which is supported by the compliance organisation.

**6.2** The Group Compliance Officer

- reports to the Management Board and, in terms of discipline, to the CEO.
- is member of the Compliance Board where compliance topics are discussed on a regular basis with the CEO and the CFO of Semperit Group.
- directs the Group Compliance Function.
- has a direct reporting line to the Supervisory Board.

**6.3** The Capital Market Compliance Officer supports and advises the Management Board in implementing appropriate procedures to comply with the respective rules and regulations.

**6.4** The Group Compliance Officer appoints a Local Compliance Manager for each legal entity, who reports directly to Group Compliance and the Management Board of the respective company.

**6.5** The Local Compliance Officer implements relevant policies and procedures based on Group requirements.

## 7 Prevention

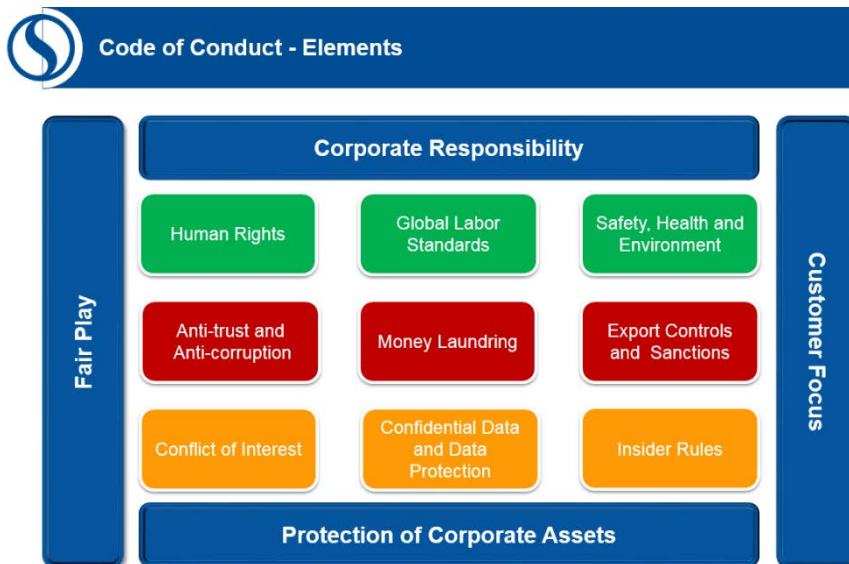
### 7.1 Ethical Standards

#### 7.1.1 Code of Conduct

**7.1.1.1** Based on our values, the Code of Conduct defines a broad range of basic ethical and professional standards. It gives guidance on how to avoid situations that may harm you, Semperit or third parties.

**7.1.1.2** The Code of Conduct does not substitute our responsibility and accountability to exercise good judgement.

**7.1.1.3** The Code of Conduct consists of the following elements:



**7.1.1.4** Since some national regulations are stricter than others, the Code of Conduct takes precedence over less strict rules.

## 7.2 Guidelines

**7.2.1** Clear rules are essential to prevent misconduct. On the basis of its risk-oriented compliance strategy, Semperit has drawn up the following guidelines on:

- Anti-Bribery and Anti-Corruption.
- Anti-Trust.
- Export Control.
- Capital Market Compliance.
- Data Protection.

**7.2.2** The guidelines are available on the intranet site of Group Compliance.

## 7.3 Training and Helpdesk

**7.3.1** Besides experienced Semperit staff, awareness training addresses especially

new employees, and provides a broad overview of basic ethical and professional standards.

**7.3.2** Focused Training covers special compliance topics and is initiated for specific

reasons, such as legal changes, new guidelines, and compliance cases, or deals with detailed information regarding high risk topics. Participants are employees selected on a need-to-know basis.

**7.3.3** Compliance training is an important part of Semperit's Onboarding Academy for new

employees. And it will be an important element of Semperit's new e-learning platform.

**7.3.4** The training content is constantly adapted regarding changes in laws and regulations as well as internal guidelines.

**7.3.5** Participation in training courses is monitored and documented.

**7.3.6** If employees have questions or are uncertain about applying the relevant rules, they should seek advice from the Local or Group Compliance Officer.

## 7.4 HR Policies

**7.4.1** In making personnel decisions such as recruiting, talent management and performance management, the Human Resources department has an important role in further developing our compliance culture:

- Integrity is an important aspect in employing and developing people.
- New employees automatically receive the Semperit values “YOU&US” as well as the Code of Conduct. Additionally, the presentation of the Semperit values as well as the Code of Conduct are key elements of Semperit’s Onboarding Training.
- In case of obvious misconduct, there is a reduction in the variable bonus, if applicable, during the “calibration process”.

## 7.5 Business Partner Integrity

**7.5.1** Semperit attaches great importance to business ethics in relationships to its business partners.

**7.5.2** In addition, we encourage our business partners to follow the same high ethical standards and principles that we ourselves follow.

**7.5.3** We may reserve the right to terminate contracts and seek compensation for damages if they do not fully comply with the law and with this Code of Conduct.

**7.5.4** If appropriate, we carry out business partner checks in a risk-oriented manner prior to starting business relations.

## 7.6 Internal Control System

**7.6.1** Important compliance measures are integrated in the business processes and the internal control system of Semperit.

**7.6.2** The effectiveness of controls is regularly checked. In case of weaknesses

regarding compliance-relevant control targets the Compliance Board decides on appropriate actions.

## 7.7 Risk Assessment

**7.7.1** Compliance risks are evaluated as part of the regular assessments conducted by Group Internal Audit & Risk Management.

**7.7.2** Moreover, compliance risk assessments are conducted by the Group Compliance Officer on the basis of ad hoc information, indicating compliance risks or potential or actual misconduct.

**7.7.3** The results of risk assessments will be reported to the Management Board, the Local and the Group Compliance Officer.

**7.7.4** Compliance topics are on a regularly the subject of audits conducted by Group Internal Audit & Risk Management.

**7.7.5** Group Compliance supervises the implementation of risk mitigating actions.

## 7.8 Continuous Improvement

**7.8.1** An important element of Semperit’s CMS is sustainable improvement based on internal and external expertise.

**7.8.2** Especially the close interaction with internal business partners enables Group Compliance to have a deep understanding of Semperit’s business needs and processes, which are regularly cross-checked against existing policies and procedures. Identified weaknesses are eliminated by appropriate actions.



## 8 Reaction

### 8.1 Whistleblower

**8.1.1** Semperit is keen to encourage a culture of openness, which enables staff to express concerns without fear that they will then be victimised. If you observe or become aware of an actual or potential violation of Semperit's values, its Code of Conduct, guidelines and policies or legal norms, whether committed by Semperit employees or by a business partner, you are encouraged to speak up and report the case to Group Compliance.

**8.1.2** All employees and our business partners have the right to approach Group Compliance with any suspicious cases or relevant matters. All reported allegations pertaining to compliance violations are reviewed for plausibility and further analyzed as required.

**8.1.3** The opportunity to report allegations of compliance violations from employees comes with the expectation that the employees will make use of this option in a responsible manner.

**8.1.4** Employees should fear no sanctions if their allegation subsequently proves to be baseless. The reporting employee will not suffer any negative consequence due to his or her report. There will be no reprisals for good faith reporting of compliance concerns or violations.

**8.1.5** For advice on compliance matters or the reporting of violations of Semperit compliance policies or the Semperit Code of Conduct, contact Compliance at [compliance@semperitgroup.com](mailto:compliance@semperitgroup.com),

the Local Compliance Officer or the Group Compliance Officer directly. Upon the employee's request, his/her report will be handled anonymously.

**8.1.6** Often team members are aware of the misconduct but do not dare sharing their knowledge with anyone else for fear of consequences/retaliation.

**8.1.7** To encounter this kind of concern, you can report your allegation using our whistleblowing system by either indicating your name or anonymously. Via SEMPERLINE, the specially secured communication platform, Semperit provides you with an opportunity to actively contribute to the clarification of violations or irregularities, whilst ensuring strictest confidentiality. Of course Semperit ensures that the operation of SEMPERLINE is in line with applicable EU and the respective local data protection law.

### 8.2 Case Management

**8.2.1** Investigations may only be carried out if actual grounds for suspicion have been established (must be documented) that bear reference to the company.

**8.2.2** Investigations will be conducted by the Group Compliance Officer under strict confidentiality.

**8.2.3** Personal rights and the data protection law will be fully respected in the course of an investigation.

**8.2.4** The Group Compliance Officer (supported by external experts) may provide recommendations about how to deal with the results of the investigation.

**8.2.5** If members of the Supervisory

Board, the Management Board, the Group Compliance Officer and appointed personnel representatives are concerned, special information duties and decision-making rights apply.

### **8.3 Cooperation with Authorities**

**8.3.1** Semperit will cooperate in an appropriate manner with relevant authorities in case of compliance-related investigations and prosecution.

### **8.4 Sanctions for Misconduct**

**8.4.1** Misconduct and violation of laws and internal conduct requirements may have serious consequences not only for the individual, but also for the entire company.

**8.4.2** Semperit disciplines conscious, unlawful misconduct and violation of internal guidelines consistently, regardless of the rank or position of the person involved.

## **9 Reporting/Communication**

**9.1.1** The Group Compliance Officer reports regularly to the Management Board and Supervisory Board, or ad hoc about relevant compliance cases.

**9.1.2** Local Compliance Officers report on a regular basis or ad hoc to the Group Compliance Officer.

**9.1.3** Information regarding Semperit's CMS is available to external stakeholders. Moreover, the Corporate Governance Report and the annual report provide additional CMS related information.