

DMK Code of Conduct

Version 2 – valid from 01.01.2014



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value system
ethical behaviour

1. *Content, purpose and object of the Code of Conduct*

This Code of Conduct sets forth the shared values and principles of the company DMK Deutsches Milchkontor GmbH and its subsidiaries (referred to below as DMK) This formulation of our value system relates to standards of ethical behaviour which apply without exception to every DMK manager and employee. It is DMK's explicit aspiration to promote conduct that is in harmony with these standards and at the same prevent actions that are incompatible with these principles. A further element of this aspiration is that infringements of this Code of Conduct cannot be tolerated, and that appropriate consequences will be defined. The existing conduct guidelines set by individual areas of the company are superseded by the introduction of the Code of Conduct.

2. *Scope*

The Code of Conduct applies to elected officers (members of the Board of Management, Supervisory Board and Advisory Board) and to all persons who are directly employed at DMK, including for example:

- Managing Directors
- Executive Vice Presidents
- Senior Executives
- Employees

3. Respect for social norms and compliance with legislation

respect and courtesy

DMK does more than just comply with the laws of a given jurisdiction in the conduct of its business. DMK employees also respect social rules and norms and respond to specific cultural features with respect and courtesy. Every DMK employee is aware that disrespect for social norms or cultural values represents a fundamental violation of the principles of equality and equal rights and would cause considerable damage to DMK's image and consequently DMK's business success. Such disrespect cannot be tolerated.

equality and equal rights

4. Conflicts of interests

avoid conflicts

DMK attaches high priority to the interests of its customers and business partners. DMK explicitly strives to avoid conflicts of interests and, should they occur, to identify them in good time and actively address and resolve them by the mutual consent of all those involved. DMK employees are aware of the high risks resulting from a conflict of interests - for their own company and for DMK's customers and business partners. DMK employees therefore avoid any professional or personal action, any economic engagement or any business decision that could lead to a conflict between their own personal interests and those of the company. DMK employees do not misuse their position in the company to obtain inadmissible economic advantages for themselves or others. Any situation that could lead to a possible conflict of interests or acceptance of a benefit or has led to an actual conflict of interests or acceptance of an actual benefit must be reported immediately to the employee's superior manager and/or the Human Resources department in order to find a fair and transparent solution that meets the situation.

5. *Unfair business practices, gifts and other forms of personal benefits*

*no acceptance
of benefits*

DMK and its employees do not tolerate the acceptance of benefits, granting of benefits, bribery or corruption in any form. Even behaviour that is aimed at attracting business by unfair means constitutes an infringement of the DMK Code of Conduct. This includes the falsification or misrepresentation of objective data and facts with the aim of bringing about a specific decision. It is irrelevant whether this decision is intended to be for the benefit of the person who is acting dishonestly, of a third party or of DMK as a company. DMK employees do not accept any privileges, gifts or payments and do not offer any privileges, benefits or payments which could be construed as bribery. Any attempt to influence decisions in such a way or build business relationships in a dishonest manner is deemed to be attempted bribery. It must be rejected immediately and reported to the employee's senior manager. Details are laid down in a procedural instruction entitled "Gifts".

6. *Treatment of customers*

*polite, open,
fair, respectful*

DMK regards and treats customers as partners. Accordingly, DMK employees behave towards every customer of the company with courtesy, openness, respect and with an evident interest in satisfying our customers' concerns and needs to the highest standard. DMK customers should always receive access to all information needed for proper and economically sound decision-making. At the same time, DMK does its best to ensure maximum objectivity of the data and facts needed or requested by the customer. Any complaints or reports of quality defects are processed at DMK promptly, rapidly and impartially and are settled openly and fairly in accordance with the applicable regulations and laws. The overriding goal is to reach mutual agreement with the customer.

7. Treatment of suppliers

***polite, open,
respectful and honest***

profitable

competent

DMK regards and treats suppliers as partners. Accordingly, DMK employees behave towards every supplier of the company with courtesy, openness, respect and with an evident interest in attracting and transacting business honestly at all times. DMK endeavours to make relationships with its business partners as valuable as possible for both sides. We conduct ourselves professionally, respectfully, transparently and fairly. We make decisions in accordance with proper and economically sound criteria. In turn, we expect the highest level of competence from our business partners in respect of quality, costs, innovation and reliability. In addition, DMK expects the actions of its business partners to be likewise based on guidelines that are in harmony with the DMK Code of Conduct. DMK avoids collaboration of any kind with business partners whose standards are incompatible with the DMK Code of Conduct and corporate principles.

8. Treatment of competitors

free competition

DMK supports the market economy system. Free competition is a fundamental component of a market-based economic order and promotes efficiency, economic development and innovation. We support fair dealing with our competitors and undistorted competition within the competition laws that apply and are practised in different regions.

9. Treatment of employees, management and labour representatives

consideration and respect

Consideration and respect for colleagues and fellow human beings is our overriding goal in every situation, including the daily working routine. DMK does not tolerate any form of discrimination against employees of its own company or those of customers or business partners, whether on the grounds of age, gender, appearance, ethnic origin, handicap, religion, sexual orientation, political views or trade union involvement.

Molestation, intimidation, threats and discrimination are pursued and punished without exception. DMK supports a policy of collaborating openly and on a basis of trust with its democratically authorised employee representatives, conducting a constructive dialogue with them at all times and striving for a fair balance of interests. This also includes the payment of salaries and social security-related benefits in accordance with the applicable laws and binding collective wage agreements.

10. Working conditions

maximum safety

health protection

Safety in general and the avoidance of industrial accidents as well as constant improvement of health protection for employees in particular is one of DMK's overriding goals. DMK as a company is committed to designing working conditions for its employees in such a way that technical and organisational safety standards are in place and precautions to ensure an appropriately high level of health protection are taken at all times and in all places. DMK's employees are committed to complying with the safety precautions at all times and in all places in the company and to protect their own health and that of other DMK employees to the maximum extent. DMK is committed to compliance with national regulations and agreements on working hours and regular paid holidays. DMK does not tolerate child labour.

11. Sustainable management, environmental protection, responsible use of resources

protection of environment and natural world

Protecting the environment and the natural world and improving living and environmental conditions are key corporate objectives for DMK.

sustainable management

DMK is committed to sustainable management, thereby acting in line with the global realisation that business success can only be viewed as positive if the company generating this success has, at the same time, fulfilled its social responsibility and also does its best to protect the environment and natural resources as far as possible. In this sense, DMK takes the needs and requirements of future generations as one of the bases for all its business decisions. DMK employees undertake to make an active contribution in their work to the responsible use of natural resources and to environmental protection. Economical use of raw materials, efficient use of energy and water, maximum avoidance of water pollution and the reduction and recycling of waste are priorities to which DMK as a company and all its employees are committed. The same applies to the planning and implementation of buildings and plants, the selection of external suppliers and service providers and decisions on ingredients, operating materials, advertising media etc. that are used. Such choices should always take into account not only objective, practical and economic aspects, but environmental and social ones as well.

12. Protection of tangible and intangible assets

protection of DMK property

12.1 Protection of company property

DMK employees handle the company's operating equipment, tools and documents properly and responsibly. They acknowledge their duty and responsibility to protect DMK's property from loss, damage, misuse, improper use, theft, misappropriation or destruction. This means, among other things, that operating equipment, tools and business documents are neither used for personal purposes nor entrusted to third parties if such actions would adversely affect DMK's interests. Employees must report infringements and possible damage caused by such infringements immediately to their superior manager.

12.2 Protection of data, information and intellectual property

Data and information connected with an employee's duties at DMK must always be treated as confidential. They may not be passed on to third parties – including family members, life partners or friends – or used for anything other than official purposes. Furthermore, the laws on personal data privacy form an automatic benchmark for every DMK employee and for the company itself. The obligation of secrecy relates in particular to all kinds of intellectual property, for example patents, trademark rights and copyrights. However, it also applies to business, marketing and service plans, manufacturing knowledge, project designs, product plans or product revamps, internal costings and unpublished data and reports of all kinds from any area of the company. In order to meet this personal commitment to confidentiality and secrecy, prudence is the primary criterion in handling and exchanging information and in the generation, physical archiving and/or digital storage of documents.

Every DMK employee is aware that a lack of prudence with regard to digital data, particularly in view of the global networking of communication systems, can lead to major and possibly irreparable damage to the persons, customers or suppliers concerned or to DMK as a company within the shortest possible space of time. Consequently, DMK employees are also committed to keeping the knowledge and information they acquire secret even after the end of their employment.

compliance with the corporate culture

13. Compliance with the Code of Conduct/further agreements

Compliance with the principles of the DMK Code of Conduct is essential to our company's success. DMK's management is committed to creating the right environment for a corporate culture marked by openness, respect and recognition. DMK executives ensure that the necessary prerequisites and working conditions are always in place to allow DMK employees to perform their duties on the basis of the DMK Code of Conduct and to identify, address and prevent possible misconduct in good time. This includes giving and explaining the Code of Conduct to DMK employees when they join the company, and reminding them at regular intervals and in appropriate form of the content and significance of the Code of Conduct. Moreover, every DMK employee is called upon to examine his own conduct on the basis of the Code of Conduct's standards and to modify it if appropriate.

14. Handling of debatable issues and interpretations

In the event of debatable interpretations of individual sections of the Code of Conduct, the Human Resources Director as well as the superior manager in the individual areas of the company will be pleased to provide support. It goes without saying that queries will be treated as confidential.

Since DMK currently has no Compliance Board or officer with relevant powers in place, the Chief Executive Officer will make decisions relating to any possible interpretation.

15. Monitoring of compliance with the Code of Conduct; additional guidelines

The management of DMK is committed to monitoring compliance with the Code of Conduct. More detailed guidelines supplementing the Code of Conduct will be produced if necessary or useful. These may deal with specific issues of content or be tailored to specific local conditions and requirements.

16. Consequences in the event of infringements

Infringements against the principles of the Code of Conduct will not be tolerated and will be rigorously punished. In individual cases, DMK also reserves the right to resort to the steps provided for in employment law.

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