Compliance Policy

To our staff members.

Compliance with applicable law and social standards is of outstanding significance for Teekanne. As a company for brand products, good market reputation is of huge importance for us. This reputation needs to be protected against damage through infringements within the company and the negative public effects resulting from such infringements. The company and its employees also have to be protected against financial loss that may be incurred through penalties, fines and claims for damages.

Against this background, we place great emphasis on our employees being aware of the essential legal provisions, and complying with them.

In order to ensure compliance within the company, a Compliance Policy has been passed - in close cooperation with the employees' representatives -, which defines and demands consistent legally impeccable conduct by all employees.

Recent events have shown that regulations are particularly necessary in the areas of antitrust law and corruption prevention. Breaches of such rules usually have a particularly negative external impact, and this is where the threatened sanctions are particularly severe. This is the reason why we have decided to place the main emphasis of this Policy on the areas of antitrust law and corruption prevention. This focus will be continuously reviewed and will, if necessary, be updated and expanded. This update and revision of this Policy has been prepared against the background of some revised statutory regulations and is based on insight obtained in the past.

We ask you to implement and act by the contents of this Compliance Policy without exception. Should you have any questions or need clarification of any irregularities or uncertainties, please directly contact the Compliance Officer or his deputy. The management will also be available to help.

Düsseldorf, on September 2019

Frank Schübel

Contents: **Page:**

Principles

Obligation to lawful conduct

Throughout its more than 125 years of corporate history, Teekanne has always placed an emphasis on integrity and fair conduct towards customers, competitors and suppliers. As a brand company, the good market reputation is of decisive significance for Teekanne. In competition, Teekanne believes in the quality of its products and the commitment of its employees, rather than in unfair and illegal practices.

Breaches of law may have serious consequences for companies and their employees, and may, for instance, lead to fines of millions of Euro or imprisonment, and may tarnish the reputation in the long run. This is one of the reasons why it is important for Teekanne and for all employees to know and comply with essential rules. As even the initiation of official investigations may have negative consequences, it is important to avoid even the slightest appearance of illegal conduct.

Compliance Policies

These Compliance Policies shall initially apply to Teekanne Beteiligungs GmbH, and shall then be extended to all companies of the Teekanne Group and their employees worldwide. They shall also apply to members of the company bodies. It is irrelevant whether questionable conduct is customary in some countries, or may even be expected by the business partners. Potential unfair or illegal conduct on the part of our competitors does not justify deviation from the Compliance Policies.

The Compliance Policies comprise the following parts:

- Antitrust Policy
- Anti-Corruption Policy (including the “Guidelines for the assignment and identification of consultants and agents within the company” available at intranet and the “Documentation/approval of a benefit under the Teekanne GmbH & Co. KG Anti-Corruption Policy”) / prevention of money-laundering
- Policy on confidentiality and conflicts of interests
- Policy on product safety (foodstuffs and machines)
- Policy on equal treatment and respectful collaboration
- Data protection

In addition to this, Teekanne pays particular attention to compliance with the regulations in the area of export control.

The Compliance Policies shall provide fundamental rules and show ways towards lawful conduct. In order to improve comprehensibility, the Policies comprise practical examples which, however, cannot cover all potential cases. In case of uncertainty or

doubt, please promptly contact the Compliance Officer. All employees shall acquaint themselves with the Compliance Policies, comply with these Policies and, if necessary, contact the Compliance Officer, in particular if they learn of, or perceive, potential compliance violations or relevant suspicious situations at Teekanne or in the surrounding market (for instance with competitors, suppliers or customers). Superiors are obligated to see to it that the Compliance Policies are being adhered to. However, this does not release other employees from their personal obligation to adhere to the Compliance Policies, and to immediately contact the Compliance Officer in case of doubt. Breaches of the Compliance Policies may have consequences under labour law for the affected employees.

Compliance Officer

The contact for all members of corporate bodies and for all employees in compliance-related matters shall be the Compliance Officer at Teekanne Düsseldorf **[**Germany**]**, Dr. Gerhard Held, who may be contacted at all times by telephone under +49 (0)211 5085-206. Ms. Heidrun Engelhard has been appointed as the Compliance Officer's deputy, and can be contacted at all times under +49 (0)211 5085-347. Upon request, the Compliance Officer shall handle all information confidentially. The company pledges that reporting employees will not face any detrimental consequences **[**under labour law**]** as a result of the report as such. With his/her report to the Compliance Officer, the employee at the same time fulfils his/her reporting obligations under labour law.

In addition to this, the Compliance Officer shall be responsible for organising compliance measures (such as training courses and compliance policies) and shall deal with compliance cases. The appointment of a Compliance Officer shall not release the members of the Teekanne corporate bodies nor the employees from their obligation to be aware of the Compliance Policies, to comply with them and to see to compliance with the Policies within their area of responsibility. An autonomous review by each employee, in particular in the area of anti-corruption, is a central component of the following compliance measures.

The compliance guidelines were implemented in a binding manner in the Teekanne Group of Companies from 2012 onwards. In view of further developments, the compliance guidelines have now been revised and adapted. The revised version will be established - starting from Teekanne Beteiligungs GmbH - in all affiliated companies of the Teekanne Group (if necessary in a country-specific adapted form). As soon as the new Teekanne Holding GmbH & Co. KG is established, the compliance guidelines will also apply to this then top company of the Teekanne group of companies.

Antitrust Policy

Teekanne complies with antitrust regulations of all jurisdictions which are affected by the company's business activities. Antitrust violations will not be tolerated, neither if they are committed by employees nor by business partners.

Violations of antitrust rules may result in serious sanctions against Teekanne and its employees. Teekanne may in particular face:

- Administrative fines, which may amount to millions of Euro
- Claims for damages
- Harm to the brand's and the company's good reputation
- Invalidity of contracts

Employees who are involved in antitrust violations would face personal sanctions:

- Personal administrative fines, in particular in Germany
- Imprisonment or monetary sentences, in particular in the US, Canada, the UK and in France
- Claims for damages
- Consequences under labour law

At present, 90 countries have enacted antitrust laws. These laws usually also apply to conduct committed outside the relevant jurisdiction, if such conduct affects competition within the country. If, for instance, corporate representatives meet outside Europe with the aim of agreeing on prices for the European market, their conduct violates European antitrust law. This Policy refers to European antitrust law. However, the rules applicable outside Europe often have similar content.

1 General rules

Antitrust law protects free competition among companies. Conduct which restricts the freedom of competition, whether through formal agreements or concerted actions (1.1) or through abuse of market power (1.2), is always prohibited.

1.1 Prohibition of anti-competitive agreements and concerted actions

Antitrust law prohibits agreements and concerted actions between companies as well as resolutions by associations of companies which aim at, or lead to, restrictions of competition. Such conduct is legally invalid and may lead to substantial fines and claims for damages. The prohibition does not apply with regard to companies in which Teekanne holds a dominating interest and which form an economic unit with Teekanne.

In individual cases, anti-competitive conduct may be permitted, if an overall evaluation shows that the positive effects (for instance the development of new products through joint research projects) outweigh the anti-competitive effects. This depends on the circumstances of the individual case, and can therefore only be evaluated for each specific case by the Compliance Officer.

Anti-competitive conduct may occur:

- in relation to competitors (see section 2 below)
- in relation to companies operating on other stages of production, for instance as Teekanne's customers or suppliers (see section 3 below)

1.2 Prohibition of an abuse of market power

Companies are prohibited from abusing a market-dominating position or other special market powers (for instance in relation to economically-dependent suppliers), if this leads to disadvantages for other companies (customers, competitors, suppliers, etc.). Antitrust authorities often assume that a market-dominating position exists if a company has reached a market share of one third or more.

It may in particular be considered as abusive if companies with a strong market position:

- impede their competitors without objective reasons
- link different transactions without objective reasons
- apply different terms to comparable transactions with different partners, without objective reasons
- refuse provision of supplies to certain customers without objective reasons

Should Teekanne be able to be regarded as having a dominating or strong market position in a certain area, and should a certain activity be able to be classified as abusive, such activity has to be discussed with the Compliance Officer prior to its implementation.

2 Conduct towards competitors

Any contact with a competitor must strictly avoid the formation of cartels (2.1). Forwarding of confidential information between competitors may be considered to be conduct under a cartel, and therefore is only permitted within narrow limits (2.2). However, other forms of cooperation (such as in research and development) often are lawful (2.3).

2.1 Prohibition of cartels

Cartels are formal agreements or concerted actions between competitors relating to the companies' competitive conduct. The prohibition in particular includes formal or informal agreements on:

- Prices (and their components, time and extent of price increases, discounts, etc.)
- Other terms and conditions
- Customers, supply territories
- Production, capacity utilisation

Cartels may be formed through formal agreements or informal conduct (for instance exchange of ideas among competitors). Concerted actions also are prohibited. Such actions in particular include cases where a company informs competitors in advance of its intended activities in the market, in order for them to be able to align their conduct accordingly.

It is not only active participation in such agreements which is prohibited. Even the mere passive presence at meetings where topics with antitrust relevance, such as prices or customers, are being discussed, is prohibited and subject to administrative fines. This applies even if such agreements subsequently are **not** implemented.

Examples: **1.** An employee of one of our competitors would like to enter into discussions as to who should primarily supply which customers. He also offers talks on future price increases. Both meetings would constitute severe violations of antitrust law, which would be subject to significant fines and other sanctions for the involved companies and employees. This would even be the case if the Teekanne representative merely attended the meeting passively and did not implement the agreements.

2. Sales representatives of two competitors coincidentally meet in a common customer's parking lot. They briefly discuss their companies' discount policies, without agreeing on future discounts. In this case, antitrust authorities would probably assume that a violation of antitrust law has occurred, as confidential marketing information has been exchanged among competitors.

3. A company sends its new price list, which is not publicly available, to a competitor. Antitrust authorities could be of the opinion that the aim of this conduct is the prohibited coordination of future price increases, even if the companies have not conducted any talks on this topic.

Against this background, meetings with competitors are only permitted if antitrust issues are not being discussed and if it is possible to provide proof thereof in case of investigations. The following rules apply:

- Participation in events with a programme (for instance trade association meetings) is only permitted if a written agenda is provided in advance. Examine this agenda with regard to topics which may be questionable with regard to antitrust law (for instance "market development"), and contact the Compliance Officer should you recognise such topics.

- If issues which are problematic under antitrust laws are discussed during the meeting (in particular prices, customers, markets), insist on such discussions to be discontinued immediately.

- If this request is not met without delay, leave the meeting, have this recorded in the minutes, and immediately inform the Compliance Officer.

2.2 Forwarding of confidential information among competitors, category captaincies

Antitrust law demands that competitors independently organise their business policies, without providing each other with confidential information. In particular an exchange of information which is relevant for marketing (such as price or customer lists) is not permitted and may be subject to substantial sanctions.

These principles also apply where a supplier acts as a category captain. Teekanne and its competitors must not use this position in order to exchange confidential information among themselves or among customers. Where Teekanne acts as a category captain, it is furthermore important to ensure that the company does not receive confidential information (for instance on terms and conditions or sales strategies) from its competitors. Information on competitors which is relevant with regard to competition, such as prices, price increases, costs, margins, customers, promotion and launch plans etc., may therefore not be accepted, even if the customer so desires. Category management projects may not be carried out together with a competitor (even if the customer so desires).

Where Teekanne acts as a category captain, the company must ensure strictly objective conduct. Teekanne must in particular not make access to the retail trade's shelves more difficult for other companies without objective reasons, nor submit suggestions to the retail trade unless they are justified by objective reasons. In this respect, the category captain must not make any recommendations to the customer which negatively influence the placement/listing of competitive products. The category captain is strictly prohibited from making pricing recommendations on competitors' products.

Examples:

1. Teekanne acts as a category captain for two customers, and provides one customer with the other customer's sales information or strategies. This would not be permitted, as Teekanne would indirectly cause an unlawful exchange of information among competitors (the two customers).

2. Teekanne would like to inform a customer about Teekanne's future product and pricing strategies. Another tea supplier acts as the category captain for this customer. The customer asks Teekanne to transmit the confidential information to the category captain. This would distort competition between Teekanne and the other supplier. It must be ensured to the best possible extent that such information is only received by the customer, but not by the other tea supplier.

3. Teekanne in its capacity as the category captain receives confidential information (such as terms and conditions) of another tea supplier. This would restrict competition between the two tea suppliers. In order to prevent his, Teekanne must make it clear towards the customer that confidential information from other tea suppliers (in particular terms and conditions) must not be forwarded to Teekanne.

4. Teekanne acts as a category captain for a customer who also offers his own brand of tea. The customer would like to coordinate his pricing policy for his own brand with Teekanne. This would not be permitted, as the customer and Teekanne are competitors in this respect. The cus-

tomer must autonomously determine his pricing policy, without coordinating it with Teekanne.

Other forms of exchange of information may be permitted, for instance reporting of corporate key figures to a trade association who then compiles anonymous market statistics on the basis of such data.

Whether forwarding of information is permitted depends on various factors and can only be evaluated in each specific case. Therefore, the Compliance Officer's approval must be obtained prior to providing or receiving confidential information to or from **competitors or third parties** (such as trade associations). Under no circumstances may information from category management projects be forwarded to the customer's competitors.

In general, it is permitted to accept information on competitors (such as offers) **from customers**. In this case, it is not the competitors who coordinate their activities, but the customer decides that Teekanne should be provided with a competitor's information. However, cause may not be given to the appearance that the activities constitute an illegal exchange between competitors. Therefore, documents received from customers must always be furnished with a note as to when, by whom, and in which context they were provided. The customer's behaviour would, however, not be permitted if it served to indirectly coordinate the manufacturers' competitive behaviour, or if it had this effect.

Examples:

1. A competitor sends you an offer which he has submitted to a common customer. This is an exchange of information which violates antitrust law. Immediately contact the Compliance Officer.

2. The customer sends you a competitor's offer in order to get a more favourable offer from Teekanne. Here, the customer decides that Teekanne should know the other party's offer. This information may be accepted. However, the offer must be furnished with a note which states that it was provided by the customer in connection with a tender. The date must also be noted.

Legally safe structure due to

- written agreements between Teekanne and the trade partner regarding the
  - purpose and extent of the project
  - restriction of the data to be exchanged and their confidentiality
  - handling of the data after finalisation of the project
  - utilisation rights to project results and their non-binding character
- best practice:
  - no exchange of information among competitors
  - Teekanne may only make non-binding recommendations

- trade partner may not be obligated to implement individual results
- basic principle: CM processes should link one dealer and one provider!

— clear allocation of duties to the category captain ("Chinese walls").

2.3 Permitted cooperation with competitors

A variety of cooperation projects among competitors are permitted under antitrust law, in particular in the following areas:

- Issue of licences
- Rules and standards
- Procurement
- Research and development

The question as to whether an activity is permitted depends on numerous criteria, and can only be evaluated in each individual case. Therefore, the Compliance Officer's approval must be obtained prior to entering into a cooperation with a competitor.

3 Conduct towards customers and suppliers

3.1 General

Agreements among companies operating on different stages of production are as such usually permitted under antitrust law. However, they may contain individual regulations which restrict the freedom of competition of the companies involved, and may therefore be problematic under antitrust law.

The following is always prohibited:

- Restrictions on the territory where the purchaser of a product may resell the product if he is contacted by a customer (restrictions on passive sales)
- Restrictions on the purchaser's freedom to fix the price at which he wishes to resell a product (resale price maintenance)

With regard to other regulations which restrict competition, the decision as to whether or not they are permitted depends on the circumstances of the specific case (for instance market share of the companies, term of the agreement) Among these are:

- Imposition on a supplier of the obligation to supply a product to one customer only
- Imposition on a customer of the obligation to procure 80 % or more of his overall requirements in a market from one manufacturer
- Other agreements on exclusivity
- Non-competition agreements

Such regulations may be invalid. Always contact the Compliance Officer prior to agreeing on such regulations.

An exception are the relations between Teekanne and so-called genuine sales agents. These are sales agents who do not obtain ownership in the products sold, and do not bear any economic risks apart from their commission risks. They are considered as being a part of Teekanne. Therefore, they can be made subject to conditions regarding prices, customers etc., which would not be permitted in relation to independent dealers.

3.2 No influence on the resale prices of the dealer companies

Manufacturers are prohibited from influencing their customer's resale prices. The only permitted options are recommended (non-binding) retail prices. Furthermore, it is permitted to once and in a non-binding manner explain to the customer such recommended retail prices and the Teekanne pricing strategy. However, customers must not be threatened with negative consequences if they do not comply with the recommended retail price, nor must benefits be promised if they use this price. Such negative consequences may, for instance, be less favourable terms and conditions, restrictions on supplies or cutbacks in assistance measures (such as contributions towards advertising costs). Benefits in order to enforce illegal price maintenance could, for instance, be discounts, support for promotion prices or advantages if a certain minimum dealer margin is added on the purchase price.

The antitrust authorities in particular consider the following activities as always constituting illegal conduct:

- A manufacturer agrees with a dealer on sales margins or maximum price reductions to be granted on a pre-defined price level.

- A manufacturer only supports the dealer's advertising activities if a previously agreed promotion price is charged.

- A manufacturer only grants discounts and reimburses advertising expenses if a pre-defined price level is adhered to.

- A manufacturer and a dealer agree on neutral margins or improved margins if the manufacturer's sales price is increased while at the same time the resale price is increased as well ("floating" resale price maintenance).

The following activities constitute a risk according to the opinion held by the antitrust authorities, which could aggravate, support or even establish illegal activities, depending on the individual case, so that such activities also should be refrained from:

- A manufacturer specifies binding resale prices or minimum resale prices on order forms, purchasing forms or other documents used by the trade in unmodified form.

- A manufacturer makes a dealer's resale prices the subject of discussion, thus influencing, or intending to influence, the dealer's pricing policy.

- A dealer contributes to the systematic monitoring of resale prices by a manufacturer, for instance through a price monitoring system.

- A dealer forwards price comparison lists or sales slip collections to a manufacturer, or vice versa (even though such overviews may be compiled, acquired and used by suppliers or dealers for their own purposes, they may not be made available to third parties, for instance with the aim of proving or requesting a known "market price level").

- A manufacturer provides a dealer with calculation tools or instructions for the calculation of the resale price.

- A manufacturer prints resale prices on packaging or material intended to be used to identify the price in the store, or specifies resale prices in his advertising activities, without mentioning that they are "recommended resale prices".

In individual cases these and similar activities may be permitted as an exception. In order to avoid risks for Teekanne and the employees involved, approval by the Compliance Officer must be obtained in advance if such or similar measures are intended to be taken.

3.3 No coordination of dealers through Teekanne (hub-and-spoke)

Teekanne's communication with dealers may not cause or support concerted actions among such dealers (three-way coordination - "hub-and-spoke"). It would be prohibited if Teekanne agreed with dealers on their product range, sales strategies, advertising or promotions, if this served to coordinate such measures among the dealers, or had this effect.

This means that, in communications with dealers, it is important to avoid the impression that Teekanne directly coordinates their market conduct, for instance by forwarding confidential information on a dealer's market conduct to another dealer, or by addressing the issue of pricing policy in discussions with a dealer, upon request by another dealer.

The antitrust authorities in particular consider the following activities as always constituting illegal conduct:

- A manufacturer provides a dealer with information relating to prices or terms and conditions or other competition parameters of a competing dealer (such as date or extent of changes in resale prices etc.).

- A manufacturer discloses his terms and conditions/ competition parameters with one dealer to another dealer.

- Manufacturer and dealers agree on most-favoured status clauses or similar rules aimed at a uniform price level on the relevant level of trade.

- A manufacturer and a dealer agree on benefits or negative consequences which depend on the structure of other dealers' pricing policies. Examples for this are claims for compensation contributions, reduction of invoices or margin guarantees for a dealer if other dealers fail to implement the manufacturer's price recommendations.

- A dealer agrees with his supplier (manufacturer) on the product range, the sales strategies or advertising measures, provided that this serves the purpose of an indirect or direct coordination of such measures with other dealers; this also applies to the timing of promotion measures among dealers and suppliers if this serves the above mentioned purpose.

- A manufacturer regularly discusses with one dealer the resale prices of other dealers, for instance if the manufacturer learns of complaints by one dealer regarding other dealers' pricing policies, and gives rise to the impression that the manufacturer will take measures in order to "maintain prices".

- A manufacturer monitors the development of resale prices at the marketing level, together with the dealer. This, for instance, includes an obligation imposed upon the manufacturer or a dealer to report prices below a certain price level offered by another dealer.

In the event of such activities, the antitrust authorities often assume that they are aimed at, or result in, a coordination of prices or other competition parameters among the dealers, and that they therefore violate antitrust law. In order to avoid risks for Teekanne and for the employees involved, such activities must be refrained from. In case of doubt, please contact the Compliance Officer in order to find out whether such or similar activities may be carried out.

For more information, please see the Teekanne “Antitrust Guidelines in Sales”, available at intranet.

Anti-Corruption Policy / prevention of money laundering

The last few years have shown that corruption occurs even in renowned companies. Teekanne rejects such conduct and does not tolerate it, neither among its employees nor among its business partners (customers, suppliers, representatives, consultants, etc.). As even the initiation of investigations may lead to significant negative consequences for a company (such as harm to the brand), even the appearance of corrupt conduct must categorically be avoided.

It is prohibited to offer, promise or grant benefits to business partners in exchange for Teekanne receiving unfair preferential treatment in the context of the procurement of goods or services (active corruption, see section 1) or to request, to have promised or to accept benefits in exchange for Teekanne granting business partners unfair preferential treatment in the context of the procurement of goods and services (passive corruption, see section 2). This also applies if such conduct leads to a breach of internal obligations towards Teekanne or a third party based on such third-party's internal guidelines (so-called "principal paradigm", see section 3). Apart from direct corruption, indirect forms of corrupt conduct are prohibited as well, such as payments via consultants or family members to a target person. It is also prohibited to give benefits or bribes to public officials.

This Policy applies in all jurisdictions where Teekanne operates its business. It also applies in countries where corrupt conduct is considered as normal or is less rigorously pursued than in Germany. German law and numerous other jurisdictions also prohibit corruption abroad, even if corruptive conduct is socially accepted in the foreign country.

This Policy is oriented at the provisions of German law, the rules in other jurisdictions often are similar.

Corrupt conduct may lead to severe sanctions for the companies involved:

- fines
- Harm to the reputation of the company and its brand
- State seizure of the benefits obtained from corruption (in particular complete customer payments)
- Reclaiming of payments already effected by customers
- Claims for damages by customers and affected competitors
- Invalidity of contracts

Corrupt conduct may also lead to severe personal sanctions for the employees, including in particular:

- Imprisonment and monetary sentences
- Sanctions under labour law

- Claims for damages against the employee himself/herself
- Bans from the profession or bans from holding certain capacities or offices
- Travel restrictions

Corrupt conduct often leads to other offences, such as fraud, misappropriation or tax offences, which may trigger additional sanctions for the companies and their employees.

Against this background, the prevention of active and passive corruption as well as of conduct which may give rise to the appearance of corruption, has highest priority for Teekanne and for all employees.

1 Prohibition of active corruption

Here, two basic principles apply:

- It is prohibited to offer, promise or grant improper personal benefits to the employees or representatives of domestic or foreign companies in order to receive unfair preferential treatment with regard to the procurement of goods or services in domestic or international competition.

- No personal benefits whatsoever may be offered, promised or granted to domestic or foreign public officers.

These prohibitions apply in all jurisdictions, even if corrupt practices may be customary in some regions or may be used by Teekanne's competitors.

Where Teekanne cooperates with other companies or persons, it must be ensured that such companies or persons do not behave corruptly. In particular, benefits for business partners or public officers may not be granted indirectly or via third parties. Special precautions must be taken if consultants or sales agents are assigned.

1.1 Assignment of consultants and agents

In sales, cooperation with consultants and agents is only permitted once they have been scrutinised with regard to whether their assignment may give rise to the appearance of corruption. This also applies with regard to the conclusion of new, or the extension of existing contracts with partners with whom Teekanne has already cooperated or cooperates at present.

Consultants or agents may only be assigned if all conditions defined by Teekanne have been met. The relevant information and forms are included in the “Guidelines

for the assignment and identification of consultants and agents in sales” (available at intranet.

Every assignment of consultants and agents must be made by means of a **written** contract which in particular defines the services to be provided for Teekanne, and which comprises a compliance clause. The contract must furthermore include full bank transfer data, in particular information on the account held by the consultant or agent which must be with a bank in the consultant's or agent's home state.

In order to be able to provide proof for the lawfulness of the assignment, the following points must be documented in writing:

- Documents which show that the conditions set out in the “Guidelines for the assignment and identification of consultants and agents in sales” have been met (such as company brochure, print-out of the internet site, list of references, negotiation memos, credit information from Creditreform)
- Contract document
- Written proof of performance of the consultant or agent
- Fully completed identification form (available at intranet in accordance with the “Guidelines for the assignment and identification of consultants and agents in sales”, (available at intranet)

Examples:

1. A consultant offers Teekanne sales support services. He requests an unusually high fee as consideration. It is possible that part of this fee may be used to bribe potential customers. Cooperation therefore is only permitted if it can be ensured after consultation with the Compliance Officer that the consultant will not serve as a medium for corrupt conduct.

2. A sales agent offers Teekanne support in sales to a retail chain. The agent is a private person who claims to have "very good connections" to the purchasing department at this retail chain. This indicates that there may be a particularly close relationship (for instance through family members or friends). Therefore, the Compliance Officer must be contacted and will carry out a more detailed assessment.

1.2 Payments to employees and representatives of other companies

Teekanne and its employees will not make any payments which may inure to the personal benefit of employees or representatives of other companies, nor will they offer or promise such payments. This also applies to payments intended to be made via third parties (such as advisers, family members etc.).

Personal refund payments to a customer's employees as "consideration" for the awarding of contracts (so-called kickbacks) are especially not permitted. In order to

avoid even the appearance of kickbacks, payments to other companies (in particular customers) may only be made if it is certain that they will actually reach the company rather than its employees or representatives.

Against this background, payments to a customer will only be permitted if the following conditions have been met:

- There is a legitimate reason for such payment, for instance an agreed volume discount. The reasons for such payment must be documented in writing.

- The customer has requested such payment in writing, specifying the reason for such payment, the sum and full bank transfer data which show that the customer's company is the holder of the account.

- The bank to which payment is to be effected is based in the customer's home state.

- The payment request is issued by one of the customer's executives (for instance by the purchasing manager).

- Payments are fully and completely made by means of transfer to the customer's account. Payment in cash is not permitted.

- There are no indications that such payments may not reach the customer's company, but rather one of its employees personally.

The mentioned documents (customer's payment request, including bank transfer information, payment documents) must be stored on file. The required information must be summarised in an e-mail for purposes of documentation, and must be sent to the Compliance Officer, in order to ensure that, if required, proof can be provided of the fact that these were lawful payments rather than kickbacks

Examples:	**1.** A customer's employee offers the prospect of the award of a contract for Teekanne. As "consideration", he requests payment of 3 % of the order value into a certain account. If it cannot be established beyond any doubt that the account is an official company account rather than the purchaser's personal account, such payment must not be effected, as it would at least give rise to the appearance of a kickback. The other specified conditions also must have been met. **2.** A customer requests a volume discount of 5 %, to be refunded at the end of the year. On the company's official letterhead, the customer's representative specifies the account into which the refund is to be effected. The account holder is the company itself rather than an individ-

ual. In this case, the refund may be paid, unless the circumstances of the individual case indicate that this may constitute a kickback.

1.3 Other personal benefits for employees or representatives of other companies

Other personal benefits, such as gifts or invitations, may only be offered, promised or granted to the employees or representatives of other companies if the specific circumstances do not give rise to the impression that the recipient may be expected to provide consideration. Here, in particular the following criteria are decisive:

- Objective of the benefit
- Total value of the benefits granted to one individual
- Nature of the benefit
- Frequency of the granting
- Proximity in time to a business-related decision which the recipient is able to influence and which is of importance for Teekanne
- Recipient's position within his/her company
- Social adequateness of the granting of a benefit (so-called adequacy assessment, see below)

Invitations and gifts are usually permitted if their value is moderate and if they are not granted in a temporal connection to a business-related decision which is important for Teekanne (such as the extension of a procurement contract). Personal benefits would not be permitted if their total value, the proximity in time to a decision which is of importance for Teekanne, or other circumstances give rise to the impression that the recipient may be expected to provide consideration. Here, the recipient's position within his/her company also always has to be taken into consideration.

In order to facilitate classification and evaluation, Teekanne has defined the following value thresholds which provide for a varying intensity of the examination and documentation duties incumbent upon each individual employee in relation to each individual benefit to be granted.

- Benefits with a value of up to € 40.00 per person are always to be classified as being permitted, except if the granting of such benefits leads to unfair preferential treatment in the context of the procurement or sale of goods or commercial services.

- For benefits with a value of between € 40.00 and € 100.00 per person, employees are instructed carry out an adequacy assessment in accordance with the checklist provided below, and shall autonomously decide whether or not the granting of the benefit is permitted. Details of the documentation process and the corresponding template are provided in the document “Documentation/approval of a benefit under the Teekanne Beteiligungs GmbH Anti-Corruption Policy” (available at intranet.

- If a benefit exceeds a value of € 100.00 per person, the employee shall obtain prior approval from the division manager. Details on the approval procedure and the corresponding templates are provided in the document “Documentation/approval of a benefit under the Teekanne Beteiligungs GmbH Anti-Corruption Policy” (available at intranet.

- In exceptional cases, a justified granting of a benefit may also be approved retroactively. In this event, the approval document must be furnished with reasons why prior approval could not be obtained.

Examples:

1. After a business meeting, Teekanne employees invite a customer's employees to a normal business lunch, incl. starters and dessert. Due to fact that the invitation occurs only once, it is in principle not to be assumed that the invited persons will feel obligated to provide consideration; therefore, the invitation is permitted. However, as the three (normal) courses of the meal incl. beverages have a value of approx. € 50 per person, an autonomous adequacy assessment has to be carried out, and the event must be documented to the Compliance Officer in accordance with the documentation process.

2. A customer's purchasing manager mentions that he enjoys going fishing with his kids, but that their angling gear is outworn. A Teekanne employee considers giving the purchasing manager angling gear with a value of approx. € 200 as a Christmas gift. This sum may not be proper, even for a purchasing manager who normally has a higher income than other employees. Furthermore, he is a person who regularly takes decisions which are of importance for Teekanne. These facts may give rise to the impression that consideration is expected for this gift, which means that it would not be permitted. As the € 100 value threshold has been exceeded, approval by the division manager would have to be obtained in this case, in accordance with the approval processes.

3. Instead of the angling gear, Teekanne gives the purchasing manager a bottle of wine with a value of € 30 as a Christmas gift. Christmas gifts for business partners are commonly accepted, the value is not improperly high. Therefore, the gift is permitted, but must be sent to the business address rather than to the private address. As the € 40 value threshold has not been exceeded, it is only necessary to carry out an autonomous adequacy assessment. Documentation is not required.

One component of the decision on the admissibility of granting a benefit, independently from the value of the benefit, is the question as to whether the benefit to be granted is socially adequate.

This adequacy assessment may be conducted using the following checklist, whereby, ultimately, the decision on a final classification should always be made using common sense.

- Can it be ruled out that the benefit will have an impact on the objective entrepreneurial decision or that it may negatively influence free and fair competition?

- Can it be ruled out that personal dependencies may be created by granting the benefit?

- Can it be ruled out that, in the eyes of a neutral third party, the benefit may create the impression of an unjustified benefit?

- Is the benefit transparent, inter alia also in relation to superiors?

- Is the value of the benefit within reasonable and justifiable limits?

- Is the benefit granted out of politeness?

- Is the benefit normal business practice?

- Will the benefit not exceed the donor’s or the recipient’s standard of living?

- Does the benefit not constitute a repeated or regular benefit?

- Has the approval and/or documentation process been adhered to?

Should one of the questions from the checklist not be able to be answered with a clear “Yes”, the benefit must not be granted. In case of uncertainty or doubt, the division manager / Compliance Officer must be involved.

The autonomous review by each employee is always of specific significance! This means that each employee is responsible for autonomously examining whether the granting of a benefit is permitted, using the described rules.

Even invitations or gifts which are permitted - under the above rules - must always be sent to the recipient's business address, rather than to his/her private address. Benefits may never be granted covertly. Personal benefits to a business partner's spouse or family members may only be granted in justified exceptional cases.

As a matter of principle, personal benefits are to be coordinated with the Compliance Officer if there are any doubts regarding their admissibility.

1.4 Stricter rules in relation to public officers

In contrast to the employees or representatives of private companies, public officers may never be granted any personal benefits, even if they are merely of small financial value. Public officers are domestic and foreign civil servants, judges, public employees, soldiers, holders of public offices or elected representatives. However, simple drinks and food may be offered during lengthy official meetings.

Example:	A Teekanne employee requires the services of a public institution in the handling of a transaction (for instance an official permit etc.), and is asked by the holder of the office whether he is willing to pay an extra fee "in order to speed up the process". Such payments with the aim of speeding up the handling of a case at public institutions (so-called "facilitation payments") are not permitted and are classified as corruption in numerous countries, even if there is a claim for the desired official act to be carried out. The only exception is if laws expressly provide for the option of paying an additional fee to the authority in order to speed up processing time (example: When registering a trademark in Germany, it is permitted to speed up the registration of the trademark by paying an additional fee, section 38 of the German trademark act). This means that in all similar cases it is necessary to examine whether such payment requests to official institutions are legitimate by law, so that the Compliance Officer is to be contacted in all cases of doubt. However, payments to public officers personally are always prohibited.

2 Prohibition of passive corruption

Teekanne employees and representatives may not request or accept a promise from present or potential Teekanne business partners for personal benefits, such as invitations or gifts, neither for themselves nor for individuals who are close to them (such as spouses or relatives). Such benefits may only be accepted if it is ensured that they will not give rise to the impression that the person making the invitation or the gift may expect consideration to be provided. Similar to the prohibition of active corruption (see section 1.3), the specific circumstances of each individual case are decisive, in particular the following criteria:

- Objective of the benefit
- Total value of all benefits granted to one individual
- Nature of the benefit
- Frequency of the granting
- Proximity in time to a business-related decision which the recipient is able to influence and which is of importance for Teekanne
- Recipient's position within a company
- Social adequacy of the granting of a benefit (so-called adequacy assessment)

Cash or vouchers which can be exchanged into cash must never be accepted. Gifts and invitations to spouses or relatives may only be accepted in justified exceptional cases.

The above value thresholds (see 1.3) initially also apply when examining the question as to whether it is permitted to accept a benefit. This means that benefits with a value

- of up to € 40.00 per person are permitted in principle;
- of between € 40.00 and € 100.00 per person must be made subject to an adequacy assessment and must be documented to the Compliance Officer;
- of more than € 100.00 per person require prior approval by the division manager, whereby an autonomous adequacy assessment is initially required in such cases as well, and must be documented to the Compliance Officer.

Also to be taken into account is the question as to whether the benefit to be accepted is socially adequate (see checklist for adequacy assessment in section 1.3). The documentation and approval processes and the corresponding templates are provided in the document “Documentation/approval of a benefit under the Teekanne Beteiligungs GmbH Anti-Corruption Policy” (available at intranet), also for the acceptance of benefits.

Even invitations and gifts that are admissible in principle may only be accepted if they are sent to the business address. If they are sent to the private address, they must be presented to the division manager.

Examples:

1. A supplier celebrates a company anniversary and invites a Teekanne employee and his wife. The invitation is to a dinner and dance evening. Provided that this invitation does not include travel or accommodation costs, the invitation has a limited financial value. It is commonly accepted to issue an invitation to the spouse if the event includes dancing. Therefore, the invitation may be accepted. However, in order to ensure transparency, the supervising manager or the Compliance Officer must be notified.

2. A supplier's employee gives a car sat-nav device to a Teekanne employee for his birthday. The programming of the device includes the supplier's company address. The gift, with a value of approx. € 400 is to "make it easier for you to find us". As the device can also be used for private purposes and has an improperly high value, the employee may not accept it, but must present it to his/her supervising manager or the Compliance Officer.

As a matter of principle, the admissibility of a personal benefit has, in case of doubt, to be coordinated in advance with the Compliance Officer.

In this context, the rule that the acceptance of a benefit may in exceptional cases also be approved retroactively, also applies. The details regarding the approval process to be adhered to in such cases as well as the corresponding templates are provided in the document “Documentation/approval of a benefit under the Teekanne Beteiligungs GmbH Anti-Corruption Policy” (available at intranet).

3 “Principal paradigm”

Benefits granted in consideration for an activity associated with the procurement of goods or services are always prohibited if the recipient of the benefit breaches his or her obligations towards his or her employer by accepting such benefits.

This prohibition applies to active as well as passive benefits.

Examples:

1. A Teekanne employee who organises an event offers a voucher to the catering company’s staff if they wear t-shirts with the Teekanne logo during the event rather than their (**contractually required**) uniform. The voucher is accepted and the staff members wear the Teekanne outfit. In doing so, the catering company’s employees breach their obligations towards their employer, which would lead to criminal liability both for the Teekanne employee and the employee of the catering company.

2. A Teekanne delivery driver delivers goods to a customer who has issued an internal instruction to its warehouse staff that only certain suppliers are permitted to make deliveries to the warehouse before 8 a.m. in order to provide these suppliers with a special service. Teekanne is currently not one of those supplies. The Teekanne delivery driver arrives at the warehouse at 7 a.m. and is already behind schedule. In order to be able to make his delivery before 8 a.m., the driver offers the warehouse employee a carton of cigarettes. The customer’s owner/managing director who coincidentally passes by, who had been planning to put Teekanne on the priority list anyway, and who had been eagerly expecting the delivery, tells his warehouse employee to let the Teekanne lorry pass at this time.

In principle, the driver and the warehouse employee would be subject to criminal liability due to the “principal paradigm” if, as had been originally planned, the warehouse employee had let the driver pass in exchange for receiving the cigarettes. However, as the manager gave his prior approval in this case, no criminal sanctions apply

4 Prevention of money laundering

Teekanne is committed to the principles of fair and effective commercial and financial practice.

Therefore, Teekanne complies with all applicable statutory obligations relating to the prevention of money laundering, and takes all measures required in this respect.

The objective of the prevention of money laundering is to prevent activities that are aimed at concealing the existence, origin or designation of assets from illegal transactions in order to make such assets appear to be legitimate and to introduce them into the regular commercial and financial cycle. In Germany and most other countries “laundering money” is a criminal offence.

The term “prevention of money laundering” therefore summarises, inter alia, controlling, preventing, disclosing and reporting all activities associated with money-laundering.

Every Teekanne employee is encouraged to report or submit for review by the Compliance Officer any suspicious financial transactions that may lead to a suspicion of money laundering.

Policy on confidentiality and conflicts of interests

1 Ensuring confidentiality

Teekanne's success in competition decisively depends on its employees' know-how and expertise.

Because of the EU Directive 2016/943 of the European Parliament and of the Council of June 8, 2016 on the protection of confidential know-how and confidential business information against unlawful acquisition, use and disclosure and the new regulation of trade secret protection based thereon, implemented in Germany by the German Trade Secrets Act (GeschGehG), which has been in force since April 26, 2019; implemented in the other EU states by national regulations, all companies in the EU are required to redesign their trade secret protection processes and adapt them to the legal requirements. The implementation of the protection of business secrets as well as regulations for the handling of secret information are carried out in the TEEKANNE Group by internal regulations.

Company and business-related data must be treated confidentially and may only be used for the purpose of fulfilling tasks.Therefore, all employees are obligated to prevent confidential Teekanne expertise or know-how, which are to classified as trade secret, from being publicly disclosed, for instance through discussions in the professional or private context, or through publications in specialist magazines.

Such expertise and know-how may only be disclosed with the expressed approval of the supervising manager. In this context, the supervising manager shall diligently weigh up the reasons in favour of a disclosure and Teekanne's confidentiality interests. In case of doubt, prior consultation with the management will be required.

In case that confidential information is disclosed to third parties, a confidentiality agreement provided by Teekanne must be used and coordinated with the Legal Department for the purpose of adapting it to the facts at hand.

In order to protect the confidential information/data from unauthorized access, state-of-the-art technology should be used for the technical protection of the data.

In the event of a breach of confidentiality measures or unlawful disclosure of secret or confidential information, consequences under labor law must be expected, as well as claims for damages and criminal prosecution.

2 Preventing conflicts of interest

Employees are obligated to prevent potential conflicts between their private interests and Teekanne's interests. Such conflicts of interest may, for instance, occur if

- Teekanne employees or close relations work for one of Teekanne's business partners or competitors or hold a significant interest in such companies

- Teekanne employees or close relations work as consultants or agents for a Teekanne business partner or competitor

In such cases, Teekanne's interests must not be impaired and the mere appearance of an impairment of interests must be avoided. Potential conflicts of interest therefore have to be disclosed to the supervising manager or the Compliance Officer at an early stage, in order to find ways to prevent such conflicts.

Policy on product safety (foodstuffs and machines)

For Teekanne, product safety is the top priority. In order to ensure this, Teekanne has taken comprehensive measures and established suitable processes which shall be summarised here.

1 Product safety foodstuffs

Teekanne regulates the definition and compliance with the processes by means of an active quality management system in accordance with DIN EN ISO 9001.

Whilst the ISO standard regulates processes and procedures, the requirements of the International Food Standards (IFS Food) relate to the safety of foodstuffs. Teekanne has implemented this standard, and can produce a certificate with the result "higher level" (which means an implementation level of more than 95 %).

Teekanne complies with all applicable requirements under food law and labelling law.

2 Product safety machinery

The product safety of the Teepack machines (all Perfecta models, Constanta and Zenobia) is based on the following precautions and procedures:

2.1 Issue of testing and conformity marks

2.1.1 CE mark

With this mark, Teepack confirms that in particular the machinery directive 2006/42/EC with the associated safety regulations is being complied with, and that documentation in accordance with this norm is provided with the appliances. The associated risk analysis and the assessment of the documentation are not carried out by ourselves, but by the professional association Nahrungsmittel und Genuss (BGN) responsible for the machinery.

2.1.2 GS mark

Once the test has been passed, Teepack is awarded the GS mark by the BGN. The scope of testing comprises noise measurements and an electro-magnetic compatibility assessment.

Teepack supplies the machinery in this version to all countries, including countries outside the EU. The desired language of documentation is agreed with the customer; it is not necessarily provided in the local language. Supplies to Russia are furnished with a GOST certificate. If machinery is delivered to the USA, where the regulations deviate, the operating instructions will be adapted accordingly.

2.2 Continuous quality control and in-house acceptance tests of machinery

Teepack runs a quality control system which continuously monitors the quality of the components. This applies to our own components as well as to vendor parts, and also to work carried out outside our premises. For parts manufactured at other locations, Teekanne is additionally provided with test certificates by the suppliers.

In-house acceptance tests for the machinery include a mechanics protocol, an electrics protocol and a protocol on a test run. During assembly of all machines, tests of the mechanical work will be carried out by the responsible foreman at certain stages (for instance compliance with setting dimensions, examination of screw and bolt couplings). These tests are recorded in the mechanics protocol. The electrics protocol tests and documents electrical safety (EMC, short-circuit test, input/output test), all software functions and safety features. In addition to this, an approx. 10 minute test run will be carried out with customer material in order to assess the operation of the machine and as a final inspection of the machine as a whole. All documents will be enclosed with the machine file.

~~2.3~~ Certifications under DIN ISO 9001

Teepack is certified under DIN ISO 9001. This certifies an adequate structure with the associated quality management system within the company, i.e. the flow of information and complaints to the various departments and the instruments for their processing. It includes a procedure for changes requiring approval, and a CIP.

During further developments, the necessity to expand operating instructions is always assessed in order to comply with the requirement of "foreseeable misapplication" pursuant to the new German product safety law.

Policy on equal treatment and respectful collaboration

1. Equal treatment and non-discrimination

Within the work environment, Teekanne is committed to tolerance, fairness and equality of opportunities, regardless, in particular, of social and ethnic origin, colour of the skin, nationality, disabilities, sexual orientation, political and religious beliefs as well as sex and age.

Qualifications and skills are the only aspects according to which our employees are hired and promoted.

2. Collaboration / sexual harassment will not be tolerated

Teekanne will under no circumstances tolerate offensive, indecent or otherwise unwelcome conduct by Teekanne employees at their place of work.

Any conduct that violates the victims' personal dignity or creates an intimidating, hostile or humiliating atmosphere (such as physical, psychological, verbal or any other form of harassment) will be actively countered by Teekanne. Sexual harassment will not be tolerated either. This term in particular covers all types of undesired advances.

Data protection

The opportunities associated with digitalisation are an important component of economic success, but also lead to risks for the protection of privacy and data security.

Effective prevention of such risks is an essential component of the leadership tasks, of IT management and the conduct of each individual within the company.

Teekanne takes this into account by implementing a group-wide data protection organization. The data protection organization is set out in the organizational instruction A 0015 Data Protection for the TEEKANNE Group and has been spread to all TEEKANNE Group companies.
Data protection at TEEKANNE is based on the legal requirements of the DSGVO as well as the applicable national data protection laws and regulations. Therefore, employees are required to observe the right of self-determination with regard to information of the data subject when processing personal data and to behave in a data protection-compliant manner when handling personal data in accordance with the specified legal regulations.

In order to protect personal data from unauthorized access, the state of the art should be ensured for the technical protection of the data.

In case of a breach of the statutory and company data protection requirements, consequences under employment law must be expected, as well as claims for damages and criminal measures if necessary.

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