



# Ethics and Code of Conduct

Zentis North America

March 2014

# Ethics and Code of Conduct

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Zentis Sweet Ovations Holding, LLC, and its subsidiaries (hereafter referred to as “Zentis North America”) as well as its parent, Zentis GmbH & Co. KG, Aachen, are dynamic organizations that can be described as: Looking to the future! Dedicated! Sustainable! Team-orientated! Innovative! Strong!

We are a modern family owned business. We do not look to turn a quick profit; instead we are focused on the future and sustainable long term growth. This goal has helped us over the course of many years to develop into an internationally successful company. We are committed to our traditions and our core business values. We are moving forward into the future without forgetting our roots and where we came from.

We produce our products under demanding Zentis North America standards. We are aware of our obligations not only to the Food Safety and Quality Control requirements of our industry and applicable governmental regulations, but we are also inherently aware of our social and environmental responsibilities.

All of this leads to our Zentis North America products meeting the demanding quality standards which serve both us and our customers very well. This way of doing business is at the same time both a purpose and a commitment on our part and it’s a goal all our employees strive to meet every day.

Zentis North America intends for the company’s philosophy and the principles derived from it to be of the highest priority for its employees. We want to ensure that the core philosophy of our business is maintained and is not to be placed in danger. For this reason we have developed a Code of Conduct (hereafter also referred to as “Code”) that highlights the corporate culture and encourages and provides proactive compliance with Zentis North America’ principles. The Code of Conduct provides the framework for dealing with the daily challenges that an employee might face while working for Zentis North America. It is a requirement for all employees to follow the Code.

## **1. Ethical values and responsible behavior**

Zentis North America is committed to both individuals and businesses regarding the requirement of employees acting in ways that reflect ethical values and responsible behavior. The Ethics and Code of Conduct sets out our key principles and provides a guideline for employees in dealing with our customers, business partners and colleagues. The following principles and values (see below) form the yardstick by which we measure our behavior and they are the basis for all the instructions and guidelines you will find in Zentis North America.

### **Honesty and Integrity**

We are guided by our values and principles and not by external threats and enticements. We make business decisions on the basis of guidelines, strategies, facts and analysis and not on the basis of irrational feelings, prejudice or other irrelevant factors.

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We recognize that our reputation depends on our actions and not only on our words. Therefore, regardless of all circumstances, we act in an ethical manner as required by this Ethics and Code of Conduct. We do not tolerate or condone any of the following behaviors: dishonesty, fraud, bribery, corruption, forgery, false statements or any other similar behaviors.

We earn the trust of our customers, business partners and colleagues through honest and trustworthy behavior.

## **Respect**

We respect the privacy rights, the incontestable right to personal dignity and the uniqueness of each individual as well as all other cultures. We are fair, open and understanding with each other, with our customers and with our business partners.

We strive to create a motivating work environment free from discrimination for all our employees and partners and respect diversity and human dignity.

We, therefore, respect the opinion of others as well as differences in their cultural background, gender, national origin, age, sexual orientation, race, color, creed, ancestry, marital status, veteran status, citizenship status, physical abilities, religion or any other basis prohibited by law .

We are aware that an open and nonjudgmental cooperation with our colleagues and partners of different cultural origins and traits adds to the success of our corporation and promotes and enriches our way of thinking.

We reject all forms of human exploitation such as child labor, wage and hour violations and/or inhumane treatment. We challenge ourselves to perform our work in accordance with these principles regarding respect for others and we expect such principles to also be part of our partners' business practices.

## **Responsibility**

As a company operating internationally, we are committed to good governance and sustainable management. A respectful relationship with nature, the protection of natural resources, food safety and quality are all natural business considerations for us.

We recognize that our business activities affect the natural environment in different ways. We want to minimize any negative impact on the environment through continuous improvement of our processes, minimizing risks and decreasing the energy consumption required. Our stated goal is the resource saving development, manufacture and marketing of our products.

## **Quality and Engagement**

Our commitment to quality is central to our business. To achieve our demanding Zentis North America quality standards, we are constantly working on improving our production processes and procedures for

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the benefit of our customers. The goal of our efforts is to provide quality and freshness that exceed the usual market standards.

We work with enthusiasm and commitment for our customers, our company and our products.

Our knowledge of the global and local needs of our customers and the demands of the market determine our actions. The focus of our business process, projects and activities is always the customer. We know that we are judged by our ethical, social and environmental performance as well as the quality of our products. We shall continue to seek outstanding performance in all of these areas to continue to hold the confidence of our customers.

## **2. Code of Conduct**

National legal and corporate responsibility is the foundation that is being built upon to sustain economic success in the long term. Laws and regulations on the one hand and internal rules and regulations on the other hand - together these are the guidelines that Zentis North America employees are obliged to follow to help maintain businesses success and see continued sustainable growth.

This Code's goal is to promote and protect the corporation's cultural identity as well as to be legally compliant. It is in our best interest to not simply be legally compliant but in addition we have to protect the good reputation of the company. Any breaches of applicable laws, be they criminal or civil, cause damage to Zentis North America's reputation. Any possible misconduct must, therefore, be prevented.

Laws and norms of behavior change over the course of time. For this reason, it is necessary to periodically update this document and adapt it to new circumstances as needed.

### **2.1 Competition and Antitrust**

Zentis North America is committed to fair competition. Zentis North America will compete vigorously and fairly in the marketplace. We are always required to follow applicable laws and regulations. This includes antitrust laws as well as the internal standards that we have created which Zentis North America intends to apply in all of its business activities.

Zentis North America will not participate in preventing or restricting competition in the marketplace in violation of antitrust laws. Zentis North America does not enter into unlawful agreements with competitors, suppliers and/or any other parties, including, but not limited to price fixing, illegal market sharing (bid-rigging, allocating markets or customers with competitors), monopolization or other forms of antitrust violation.

### **2.2 Confidentiality and Data Protection**

A violation of data protection principles can cause considerable damage for Zentis North America.

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All employees are obligated to maintain strict confidentiality with regard to all of Zentis North America's confidential processes, formulations, trade secrets, know-how and other confidential business information. This obligation does not end when leaving the company. Both laws (including State Trade Secrets Acts) and employee confidentiality agreements support this ongoing obligation.

Customers and suppliers must be confident that their data will be handled with care by us. They have confidence in our company, which would be destroyed if a breach was detected due to employee error and/or dishonesty.

Customer and supplier data must therefore be stored only in the context of the necessary operational and business uses and be used solely for agreed upon purposes.

We attach the same level of privacy to our employees' data. During the processing of personal data, we therefore turn to the same level of protection that is provided for our customers' data to ensure there are no unauthorized access and processing of your personal data.

## **2.3 Conflict of Interest**

Zentis North America works to avoid any conflict of interests between any employee and the company. To this end, outside activities, investments and the use of corporate property are permitted only in accordance with the following requirements:

Any offer of employment, compensation for services or investment opportunities granted to Zentis North America employees by business partners or competitors must be disclosed to, and approved by, the CEO prior to acceptance by the employee.

The use of company property for private purposes is not generally permitted. Any exceptions to this rule must be approved in writing by the CEO.

## **2.4 Criminal Acts and Consequences**

Zentis North America strictly avoids engaging in any form of criminal activity. Any criminal acts must be avoided at all times. If any Zentis North America employee is uncertain of whether certain conduct may be criminal activity, they must notify the CEO beforehand in order to enable a determination to be made as to whether the proposed conduct is permissible.

## **2.5 Food Safety and Quality Principles**

In keeping with our tradition of excellence, Zentis North America is committed to producing food products of the highest quality that meet or exceed the food safety and quality laws and regulations in all of the jurisdictions in which we do business. We must always remember that we are producing food for consumption and therefore must ensure precise compliance with applicable food safety and quality laws and regulations as well as with company standards. In the U.S., the governing requirements are set forth in the Federal Food, Drug, and Cosmetic Act and in the U.S. Food and Drug Administration

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regulations. The core principles of food safety and quality described briefly in this Code, however, are common to all jurisdictions in which we operate.

The violation of food safety and quality laws can lead to illness or harm to our ultimate consumers and to serious criminal or civil penalties against the company and individual employees. Additionally, food safety or quality problems can cause significant harm to the company's reputation and to our relationships with our customers.

We therefore maintain a culture of compliance that prioritizes adherence to food safety and quality laws and company standards and procedures.

## 2.6 Environmental Protection

As a company in the food industry, the protection of the environment and its resources for today's generation and for future generations is a fundamental concern to Zentis North America. Zentis North America and its employees thus work constantly to reduce the environmental impact in the development, production and marketing of their products without wasting resources.

## 3. Summary

We always follow all applicable laws and regulations and all internally adopted rules and codes.

We always act lawfully and thus contribute to a sustained increase of confidence in the integrity of our company.

Both we and our friends/relatives will not accept and/or grant any undue advantages be they for business partners or for public officials.

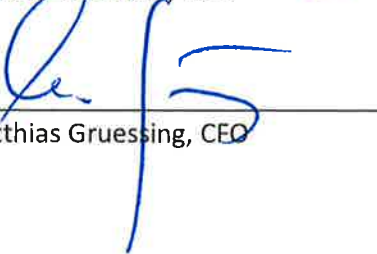
We do not participate in anticompetitive agreements or understandings with our competitors, customers or suppliers or engage in other conduct that would violate antitrust laws.

Plymouth, Indiana, U.S.A. March 31, 2014



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Norbert Weichele, CEO



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Matthias Gruessing, CEO