



Declaration of Basic Values

Herford, in October 2015



Declaration of Basic Values and Code of Conduct

Preamble

This Declaration of Basic Values and the Code of Conduct bindingly regulate the conduct within the context of conducting the transactions and in daily business for all employees of the companies in the Ahlers Group, including the Executive Board of Ahlers AG and all other domestic and foreign managers. The reputation and success of the Ahlers Group are essentially shaped by the behaviour, actions and conduct of each individual. Inappropriate conduct by even only one employee can cause significant damage to the Ahlers Group. Therefore, each individual is required to pay attention to the reputation of the Ahlers Group with clients, suppliers, business partners, associations, the press etc. Compliance with the laws and regulations of the countries in which the Ahlers Group is active has the highest priority. In addition to this, the internal guidelines must be observed.

I. General Conduct Requirements

1. Principles of conduct

1.1. Law-abiding conduct

Integrity determines actions. Integrity means sincerity and honesty, i.e. we follow the laws and act according to ethical principles. We fulfil our obligations and take personal responsibility for our actions. We treat each other fairly and decently. We trust our colleagues and behave in a trustworthy manner. No one is discriminated against due to his gender, age, disability, nationality, skin colour, religion, world view or sexual orientation. We expect all employees to respect the dignity, privacy and personal rights of individuals in their working environment. Discrimination, harassment and insults will not be tolerated. It is a basic principle that the laws and the legal system of the respective country in which the Ahlers Group is active are complied with. Each employee is responsible for complying with the valid guidelines and legal provisions in the legal system within whose framework he or she acts. Violations of law must be avoided under all circumstances.

1.2. Internal rules of conduct: Employees, responsibility and leadership

The relationships between the employees are based on trust, courtesy and mutual respect. Each employee is required to advocate the fulfilment of the targets of the Ahlers Group, thereby protecting the assets of the Ahlers Group and utilising its resources in a sensible and responsible manner. The decisive criteria for exercising management responsibility are exemplary personal conduct, performance, openness and social skills.

2. Dealing with business partners, third parties etc.

2.1. Principles of business relationships

In business relationships with third parties, all employees must disregard personal interests and exclusively act for the benefit of the Ahlers Group. All conflicts of interest and loyalty must be avoided. Each employee is obligated to immediately notify his or her supervisor about a potential conflict between business and private interests.

If employees have private relationships with third parties with whom they maintain business contact, conflicts of interest and loyalty must be excluded. The supervisor must be informed about this. The duty of information also exist in a case where partners or family members maintain private business relationships with third parties, with which the employee maintains business contact and from which conflicts of interest and loyalty can occur.

Furthermore, employees are not permitted to act on behalf of the Ahlers Group in personal matters. Acting for partners and family members is also regarded as a personal matter. If the business activity affects personal matters, the supervisor must be informed.

2.2. Business relationships with clients

Correctness, honesty, professionalism, transparency and the utmost cooperation characterise the principle of our relationships and communication with our clients.

As a reliable partner, we keep all promises made to the business partner in this context.

The objective of this is to guarantee the business partner a high quality standard with the provision of our services and thus achieve sustainable client satisfaction.

2.3. Business relationships with vendors and suppliers

Vendors and suppliers must not be unfairly favoured or impeded in competing for orders. Each offer shall be evaluated in an unbiased manner. Such criteria shall only be applied, which are related to the objective competitiveness and quality of the services and products.

Employees involved in awarding orders must inform their supervisor of any personal interest that could exist in connection with performing their professional duties.

The inclusion of cashback platforms in business orders is not permitted. Instead, the purchasing conditions should be improved through negotiation with the respective suppliers „via a direct route“.

2.4. Hospitality etc. of clients, promotional gifts

Hospitality must remain within normal limits of business practice. As a rule, hospitality should not exceed EUR 50.00 per person. Exceptions from this, i.e. hospitality above EUR 50.00 within normal limits of business practice, can be justified e.g. with first-time invitations of important clients or invitations of owners of the company.

In a normal case, employees should give promotional gifts to clients with a maximum value of up to EUR 50.00 (e.g. pens, calendars, mass-produced promotional items) and within normal limits of business practice. The respective management boards must be notified about gifts above EUR 50.00, without exception.

Payment of travel and accommodation costs of third parties is only permitted after consultation with the Executive Board.

3. Dealing with benefits and gifts from third parties

3.1. Acceptance of rewards, gifts, money and monetary benefits

Employees are not permitted to accept any rewards, money or monetary benefits from third parties, with whom direct or indirect business contact exists.

One-off gifts with a value of up to EUR 50.00 (e.g. pens, calendars, mass-produced promotional items) and within normal limits of business practice can be accepted.

The respective management board must be notified about the acceptance of gifts above EUR 50.00, without exception. The management board, in turn, must notify the Executive Board.

If the employee becomes aware that his or her partner or a family member has accepted rewards, gifts, money or monetary benefits from a third party, which he or she is in a business relationship, the respective management board must be notified about this. The management board, in turn, must notify the Executive Board.

The details regarding implementation are regulated in the attached „Explanations on the topic of benefits“, which apply to the entire Ahlers Group. Insofar as the respective national peculiarities require deviations, these must be consulted on with the Executive Board of Ahlers AG.

3.2. The demanding of benefits is not permitted under any circumstances.

3.3. Hospitality and travel expense reimbursements of employees

Employees are permitted to accept hospitality to an adequate extent within the context of their professional activity. We regard the value limit of EUR 50.00 per person as being adequate. Hospitality above EUR 50.00 within the normal limits of business practice must remain a very rare exception. However, they can be justified e.g. in case of first-time invitations of managing directors of important suppliers.

The payment of travel and accommodation costs by third parties is only permitted after consultation with the Executive Board and must be exclusively for business purposes.

3.4. Other third-party benefits

Other third-party benefits are exclusively permitted to be accepted by employees for private purposes at the standard market conditions. The acceptance of benefits at special conditions is not permitted. The same applies to partners and family members who accept benefits from third parties, with whom the employee has a business relationship. Exceptions from this are exclusively discounts that are made accessible to all employees and members of the Ahlers Group and have previously been approved by the Executive Board or the management boards.

4. Combating corruption

4.1. Offering and granting benefits

Orders are won in a fair manner through the quality and price of the products and services of the Group of companies and not by offering others inadmissible benefits. No employee may directly or indirectly offer, promise or grant unjustified advantages to public officials in relation to the business activity or approve such advantages. Neither financial payments nor other benefits may be provided in order to influence official decisions or obtain an unjustified advantage. The same applies to unjustified advantages towards persons in the private sector. Any offer, promise, grant or gift must comply with the applicable laws and the internal guidelines and must avoid any appearance of bad faith and inadequacy. This means that no such offer, promise, grant or gift may be made, if it could reasonably be understood as an effort to improperly influence a public official or as a bribe to a business partner, in order to grant business advantages from this for the Ahlers Group.

Furthermore, all employees are prohibited from granting indirect monetary payments or other advantages (e.g. to a consultant, agent, intermediary, business partner or other third party) if the circumstances indicate that all or part of this may be directly or indirectly

- passed on to a public official to influence official action or obtain an unfair advantage, or
- granted to a party in the private sector to obtain an unjustified business advantage.

4.2. Demanding and accepting advantages

No employee may use his or her official capacity to obtain, accept, solicit or be promised advantages. This does not apply to the acceptance of occasional gifts of symbolic value or meals or event invitations to an adequate extent, if the local customs and the internal guidelines of the Ahlers Group are respected in doing so. Any gifts, meals or event invitations over and above this must be refused.

5. Avoiding conflicts of interest

5.1. Sideline work

Sideline work constitutes performing another job with a company outside of the Group.

Insofar as it is not otherwise permitted, an employee may only take up sideline work with a client or supplier of the Ahlers Group or another company which the employee is in contact within the context of his or her activity for the Ahlers Group after being granted prior permission by the personnel department. The personnel department must obtain the consent of the Executive Board prior to granting approval.

The employee is only permitted to take up another paid job after prior written consent is granted by the employer. If the employee has notified the intended job to the employer, specifying the type, location and duration and if objective reasons do not oppose taking up the job, the employer must immediately grant consent. However, the employer can grant its consent temporarily or subject to a right of revocation. The requirement for consent does not apply to taking up charitable, confessional, political, sporting or honorary jobs, insofar as they do not impair the activities on the basis of this employment contract. In all other cases, taking up sideline work must be notified to the responsible personnel department.



5.2. Interests in third companies

Employees who directly or indirectly hold or acquire a stake in a competitor company must disclose this to the personnel department, if this stake gives them the opportunity to exert influence on the management of this company. It can be generally assumed that the possibility of exerting influence on the management exists when a stake exceeds 5% of total capital.

After disclosure of the interest in a third company, the company may take or demand suitable measures for eliminating any conflict of interest.

II. Handling of information

1. Principle

Confidentiality must be maintained with regard to internal matters of the Ahlers Group, confidential business information or company secrets during and after termination of the employment relationship.

2. Handling of the media and analysts

To ensure a uniform appearance of the Ahlers Group towards the public and the capital market, the employees are required to immediately forward enquiries from the media and analysts to the Marketing/ PR department or to the Executive Board for answering.

3. Data protection

All employees are obligated to comply with the data protection regulations and particularly make an active contribution to ensuring that personal data are reliably secured against unauthorised access. Personal data are such from employees and clients whose disclosure may only take place for specified purposes. The Data Protection Leaflet (see Intranet) must be observed. For questions regarding the processing, use and disclosure of data, the Group Data Protection Officer, Mr. Gerd Schröder, should be contacted in case of doubt.

Ariel Biskupek

Telephone: 05221-979 348

ariel.biskupek@ahlers-group.com



4. Insider trading rules

People who have inside information with regard to the Ahlers Group or another company, such as a client, supplier or joint venture partner, whose securities are admitted to trading on a stock exchange or an organised securities market, are not allowed to trade in these companies' securities or in financial instruments, the prices of which depend directly or indirectly on these companies' securities (insider securities).

Insider information is any specific information which is not public knowledge relating to the Ahlers Group or such other issuer of insider securities, which, if it became publicly known, would likely have a significant effect on the stock exchange or market price of the insider security.

In order to avoid even the appearance of a violation of the insider trading rules by the members of the Ahlers Group, these individuals may generally effect no transactions in Ahlers securities in the time from two weeks prior to the end of a quarter or fiscal year until two days subsequent to the publication of quarterly or fiscal year-end results. The same applies to employees of the Group, whose activities or function give them access to financial results or other material information that is not yet public.

III. Environment, safety and health

1. Occupational protection and work safety

The working conditions must be structured by the employees and supervisor of the company such that the health and safety of the employees are protected.

2. Environmental protection

The protection of the environment and conservation of its natural resources are high priorities for the Ahlers Group.



IV. Social responsibility

1. Observing the standards of social responsibility

Ahlers AG and its brands are aware of their social responsibility and attach importance to ethically correct actions. Our companies adhere to the international standards of Social Accountability, which are specified in a Code of Conduct (policy). The principles and standards that are laid down take account of the conventions and standards of the International Labour Organisation (ILO), the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child.

2. Selecting suppliers

In cooperation with the suppliers, a careful selection according to strict criteria must be ensured. When selecting companies, their compliance with standards and principles of social responsibility is taken into account. These standards include, e.g. a certification according to BSCI or SA 8000. Each supplier must commit in writing to follow with the Ahlers AG Code of Conduct and comply with the international social standards. Compliance with the Code of Conduct should be checked by the procurement team at least twice per year according to a predefined catalogue of guidelines. Necessary changes are implemented with the management of the respective production sites.

V. Compliance organisation

1. Confirmation and compliance with the Code of Conduct

The implementation and assurance of compliance with this Declaration of Basic Values and the Code of Conduct is a management task.

The Members of the Executive Board and all members of management will discuss the main principles and rules conveyed by the Basic Values and the Code of Conduct within the context of discussions that they conduct with employees and convince themselves that these are complied with in daily business.

The Members of the Executive Board and all members of management will confirm compliance with the Code of Conduct at each year-end towards their direct supervisor in writing, on behalf of themselves and their area of responsibility. The Members of the Executive Board submit their declaration to the Chairman of the Audit Committee. The members of the management board issue their declaration to the Chairman of the Executive Board.

The Declaration of Basic Values and the Code of Conduct are available on the Intranet. The acknowledgement and compliance are checked annually using a query tool. All employees without Intranet access are provided with the Declaration of Basic Values in printed form, as well as it being provided to all other employees upon request. Employee should be committed to comply with the Basic Values when they are hired.

2. Questions about the Code of Conduct

The Code of Conduct only describes the basic principles of legally and ethically correct conduct. In the event of doubt regarding the application or interpretation of these requirements, these should be consulted on with the respective managing directors, who should consult with the Executive Board.

3. Reporting infringements

Employees are asked to inform their supervisor, the works council members or the respective managing director, the personnel department, the Compliance Officer or the Executive Board immediately, if they become aware of an infringement of the Code of Conduct.

Employees and third parties may also contact Oliver Galling, Attorney-at-law from the GALLING & SANDMANN law firm in Herford on a confidential and anonymous basis, if they observe incorrect business practices in the company:

Oliver Galling, Attorney-at-law
GALLING & SANDMANN law firm
Tel.: +49 5221 27560-00
E-mail: og@galling-sandmann.de

Employees and external parties can also use the [Anonymous Notification Form](#) to report infringements of the company's Basic Values.

This information will be forwarded directly to Mr. Galling, without any opportunity for an Ahlers employee to read the email beforehand. Storage will also not take place at the Ahlers Group.

Oliver Galling, Attorney-at-law, is available to employees of the Ahlers Group in order to report indications of possible infringements of the law or guidelines relating to companies in the Ahlers Group. Third parties (clients, suppliers etc.) can also contact the hotline. This opens up another opportunity to notify the company about legal infringements. Of course, the opportunity remains available to all employees, to inform their supervisor, the personnel department or the Executive Board directly.

4. Dealing with the notification

The notifications that are received by the GALLING & SANDMANN law firm will be passed on from there for further, company-internal review. Upon request by the informant, he or she will receive a commitment that forwarding to Ahlers will take place without disclosing his or her identity. Ahlers will also ensure that no employee is disadvantaged solely because he or she passed on information according to his or her best knowledge.

If the company-internal investigation proves that the received information is true, the employee involved will be faced with the allegations and, if necessary, further measures will be taken depending on the individual case (investigations by internal audit, involvement of the authorities, labour-law sanctions). If the information proves to be insubstantial, the internal investigation is concluded and the information will be treated in compliance with the data protection regulations (deletion of personal data).

GALLING & SANDMANN Attorneys-at-law are exclusively acting on behalf of Ahlers AG. No legal advisory of employees or third parties takes place by GALLING & SANDMANN.

5. Compliance Officer contact

The Compliance Officer of Ahlers AG is Mr. Edgar Stickan. The Compliance Officer monitors the compliance with the Basic Values, as well as internal and external directives and guidelines. In his function as Compliance Officer, Mr. Stickan receives information, cooperates in the processing and remedying of infringements and takes measures to avoid future infringements. The Compliance Officer grants anonymity to the informants upon request.

Edgar Stickan

Telephone: 05221-979 246

edgar.stickan@ahlers-group.com

6. AGG complaints office

The General Equal Treatment Act (AGG) or also the Anti-Discrimination Act prohibits any discrimination on the grounds of race or ethnic origin, gender, religion or world view, disability, age or sexual identity. If an employee personally experiences infringements of the AGG or identifies this with other employees or clients, he or she should report this infringement to the AGG complaints office of the Ahlers Group, Mrs. Heidrun Baumgart. The information and notifications are treated with strict confidentiality. The information is exclusively passed on in an anonymised form.

Heidrun Baumgart

Telephone: 05221-979-338

heidrun.baumgart@ahlers-group.com or baumgart@ahlers-ag.com

7. Consequences of infringements

Regardless of the sanctions foreseen by the law, any infringements of this Code of Conduct can lead to disciplinary measures, sanctions under labour law, including termination of the employment relationship and to further legal steps.

Herford, in October 2015



Herford, in October 2015

Management Board of Ahlers AG

Dr. Stella A. Ahlers

Dr. Karsten Kölsch

Jan Hilger

Works Council Members

Hans-Joachim Thews
(Ahlers Vertrieb GmbH)

Martin Zeller
(Pionier Jeans & Casuals GmbH und
PIONEER Jeans-Bekleidung GmbH)

Karin Funke
(Pionier Berufskleidung GmbH)

Christiane Breder
(Jupiter Bekleidung GmbH)

Roswitha Galle
(Ahlers Zentralverwaltung GmbH)

Appendix

on the declaration of basic values and the code of conduct of the Ahlers Group

„Explanations on the topic of benefits“

Preamble

In their dealings with business partners and competitors as well as government bodies, employees may only accept or grant benefits if the mere impression of an intended or actual influence of the decision-making process as a result of the benefit is excluded. It is absolutely essential to strictly separate the interests of the Ahlers Group from the private interests of the employees.

The explanations below on the acceptance and granting of benefits is designed to help implement this idea. They apply to all employees including the members of the board of Ahlers AG as well as all other managers.

If a benefit is in line with these principles, there may nonetheless be tax implications both on the part of the Ahlers Group and on the part of the employee. In any instances of doubt, both with regard to benefits received and given, must be clarified in advance with the personnel department or the financial accounting department.

The following principles regarding the acceptance and granting of benefits refer to dealings with business partners and competitors as well as public officials.

Benefits include gifts, discounts, hospitality, invitations to events, payment of travel costs and non-market-standard services; whether these are granted directly or indirectly (e.g. to relatives, related associations, organisations or companies) is irrelevant. Business partners include customers, suppliers and service providers as well as third parties with whom such business relationships are to be entered into. Competitors are companies that compete or can compete with companies of the Ahlers Group on individual markets. Public officials include ministry officials, secretaries of state, ministers, mayors, tax officers and members of the local authorities in Germany and abroad. Senior managers (e.g. managing directors) of companies which are majority-owned by the state or private persons who perform public administration tasks can also be regarded as public officials. Any benefits given to public officials that go beyond small gifts must be agreed with the board of Ahlers AG in advance (cf. II. for details); this also applies to cases of doubt regarding their capacity as a public official.

I. Accepting benefits

1. The principle

Employees may only accept benefits if the mere impression that the benefit is granted in return for a certain behaviour is excluded. In all cases of doubt, and in particular in cases where the benefit would be granted close to the time that business decisions are made by the person receiving the benefits that can impact the interests of the person granting the benefit, accepting the benefit requires the express prior permission of the board of the Ahlers Group. For certain types of benefits (e.g. material gifts of low value or hospitality, invitations to specialist conferences) the board may give blanket consent.

2. Benefits may not be demanded

Employees may accept benefits only if they have been granted voluntarily. Demanding benefits is not permitted under any circumstances.

3. Cash gifts and discounts

Employees may neither demand nor accept cash gifts or non-market-standard discounts.

4. Material gifts

Employees may accept material gifts only if these do not exceed either the limits of usual business practice or the personal standard of living of the person giving and the person accepting the gift. The benefit must not in any way be seen as influencing business decisions with which it may be connected. The employee must not grant a gift where its granting may result in the slightest impression that factors are being taken into consideration which are unconnected with the subject matter of the decision. If employees have any doubts or the gift is of a significant value, they must consult their superior or the board of Ahlers AG. One-time or occasional gifts with a value of less than EUR 50.00 are generally not considered to be of significant value.

5. Invitations

Employees may only accept invitations for themselves or a close family member (e.g. in connection with hospitality, events, trips) if this does not exceed either the limits of usual business practice or the personal standard of living of the persons involved. The invitation must not in any way be seen as influencing business decisions with which it may be connected. The employee must not extend an invitation where this may result in the slightest impression that factors are being taken into consideration which are unconnected with the subject matter of the decision.

This means that an employee may only accept an invitation if it serves a justified business purpose, does not have an unreasonably high value, and any hospitality takes place within the scope of normal business practice (e.g. lunch during a meeting or a reception following an event). If employees have any doubts or the invitation is of a significant value, they must consult their superior or the board of Ahlers AG. Invitations with a value of less than EUR 50.00 are generally not considered to be of significant value.

Employees may only attend sporting events, shows and other events as guests if such attendance is proportionate to the normal standard of living of the people involved. What's more, a representative of the host company must be present at the event. If employees have any doubts or the invitation is of a significant value, they must consult their superior or the board of Ahlers AG. Invitations with a value of less than EUR 50.00 are generally not considered to be of significant value.

6. Services

Services of third parties regarding the carrying out of private improvements or improvements at the employee's workplace at no cost or at a price that is not in line with market rates (for instance, third-party services regarding the refurbishment or decoration of business premises or event venues) and go beyond usual business practice must be declined.

II. Granting benefits

1. Basic principle

Employees may only grant benefits if the mere impression that this benefit is granted in return for a certain behaviour is excluded. It must be plausible for the benefit to be intended for a purpose other than the influencing of a business or public authority decision. If a benefit is proposed to be granted close to the time of a business or public authority decision affecting the interests of the Ahlers Group, the possibility of such an influence must be checked and documented with particular care. There must be no appearance that a benefit is being granted to a decision maker for the purpose of influencing forthcoming business or public authority decisions. Benefits must be granted in a transparent way. There must be no appearance of concealment. Benefits may therefore not be sent to the recipient's private address. In all cases of doubt, the express prior approval of the board of Ahlers AG must be obtained. For certain types of benefits (e.g. material gifts of low value, invitations to specialist conferences) the board may give blanket consent.

2. Cash gifts and discounts

Employees may not grant cash gifts or non-market-standard discounts.

3. Donations

Donations are monetary gifts or benefits in kind that are provided for the purpose of supporting non-profit causes and which are given without receiving anything in return from the recipient or a third party. In particular, donations may not be offered or granted in return for the performance of a service by a public official or a decision by a representative of a company. The prior approval of the board of Ahlers AG must be obtained if there is any indication that the recipient of a donation is, in a legal or commercial sense, a public official or a group of persons including at least one public official or a person with a special commitment to the public sector and who has a professional relationship with the Ahlers Group.

4. Sponsoring

Sponsoring is a contractual partnership with an organisation or an event organiser in which certain rights and benefits which promote the communications and marketing goals of the company, in particular its reputation and image and the development of the Ahlers brands, are granted in return for an agreed amount of financial support. When concluding such sponsoring contracts it must be ensured that there is no discrepancy between the payment by the sponsor and the economic purpose of the sponsorship. In particular, sponsoring may not be offered or granted in return for the performance of a service by a public official or a decision by a representative of a company. The prior approval of the board of Ahlers AG must be obtained if there is any indication that the partner of the sponsoring is, in a legal or commercial sense, a public official or a group of persons including at least one public official or a person with a special commitment to the public sector who has a professional relationship with the Ahlers Group.

5. Material gifts

Employees may only give material gifts to third parties who are not public officials as long as they do not go beyond what is regarded as usual business practice, the gift is in proportion to the donor's or recipient's standard of living and is not of an unreasonably high value. When judging the appropriateness of a gift, both the position of the person receiving the gift and the occasion on which the gift is presented should be taken into consideration. The benefit must not in any way be seen as influencing business decisions with which it may be connected. The employee must not grant a benefit where this may result in the slightest impression that factors are being taken into consideration which are unconnected with the subject matter of the decision. If employees have any doubts or the gift is of a significant value, they must consult their superior or the board of Ahlers AG. Gifts with a value of less than EUR 50.00 are generally not considered to be of significant value.

Public officials may only be given simple gifts, even on special occasions such as milestone birthdays or long-service anniversaries. Simple gifts in particular include token presents of very low value (e.g. mass-produced promotional items including pens, calendars, or notepads). Gifts of higher value are permitted only in exceptional cases with a notification to the effect that the approval of the public official's supervisor is presumed. In cases of doubt and if the value of the gift is more than that of a token present, the board of Ahlers AG has to be consulted prior to making the gift.

6. Hospitality

Employees may extend hospitality to third parties as long as the hospitality serves a justified business purpose, is not of an unreasonably high value and takes place within the scope of usual business practice (e.g. lunch during a meeting or a reception following an event). The preferred venue should be located at the headquarters or a site of the company. The professional character of the meeting must not be of minor importance. The hospitality must not in any way be seen as influencing business decisions with which it may be connected. The employee must not provide hospitality where this may result in the slightest impression that factors are being taken into consideration which are unconnected with the subject matter of the decision. If employees have any doubts or the hospitality is of a significant value, they must consult their superior or the board of Ahlers AG. Hospitality with a value of less than EUR 50.00 are generally not considered to be of significant value. When extending hospitality to public officials which exceeds token gifts (e.g. coffee, beverages, sandwiches etc.), employees must first consult the board of Ahlers AG.

7. Invitations to events

a) Basic principles

Invitations to events improve the company's reputation and allow informal discussions with business partners and public representatives to take place. The following principles apply to all event invitations extended by the Ahlers Group:

The invitation must not in any way be seen as influencing business decisions with which it may be connected. The employee must not extend an invitation where this may result in the slightest impression that factors are being taken into consideration which are unconnected with the subject matter of the decision. All invitations must conform to usual business practice and must not exceed the standard of living of the parties involved. In cases of doubt, the board of Ahlers AG must be consulted in advance. In cases where uninvolved third parties might get the impression that these principles may be affected or infringed, the event participants must make an appropriate contribution to the costs. It must be ensured that competent contacts from the Ahlers Group are always available to guests during the event. As a general rule, invitations to events where the company itself is not represented are not permitted. The invitation of public officials must be agreed with the board of Ahlers AG in advance. If necessary, the invitation should be extended with the remark that the approval of the superior of the person invited is presumed.

b) Informational and further training events

Representatives of business partners and competitors may be invited to informational and further training events provided that it is clear that the main purpose of the event is to provide information or training. In the interest of transparency, it must be possible for an uninvolved third party to be able to recognise the purpose, subject and course of the event at all times. The participants, content and course of the event must be documented. The venues must be selected based on objective and logistical criteria rather than on the venue's attractiveness as a tourist destination. Hospitality, events and travel unrelated to business purposes are not permitted. The company bears the cost of the event and where applicable also the hospitality costs during the event. The company may cover any travel and accommodation expenses of the people invited; these must not be of an unreasonably high value and must be proportionate to the participants' standard of living. Participants are not permitted to invite personal companions. Any exceptions must be agreed with the board of Ahlers AG in advance.

c) General social events

General social events include sports events, cultural events, theatre performances and concerts. They also include events for which a number of entry tickets are available because of the company's sponsoring activities. Executives from the fields of politics, industry (e.g. business partners and competitors), the media and culture can be invited to promote an informal exchange of information.

The respective company bears the cost of the event and where applicable also the hospitality costs during the event. As a general rule, travel costs to the event and accommodation costs are borne by the guests. Participants may invite personal companions; the travel costs to the event and the accommodation costs for these companions are to be borne by the guests. In exceptional circumstances, travel and/or accommodation costs for a guest and/or a personal companion may be borne by the company; however this must be agreed with the board of Ahlers AG in advance.

8. Abroad

Exceptions to the above basic principles may be made with regard to countries in which it is customary and courteous to give presents. This is subject to the approval of the board of Ahlers AG in each individual case. Gifts given with the intention of getting a foreign public official to act in a certain way so that the giver or a third party wins a contract or gains an unfair advantage are expressly forbidden.

III. Principles of conduct

Things you must NOT do:

1. Do not let your personal interests interfere with the interests of the Ahlers Group!
2. Do not give cash gifts or non-standard discounts and do not accept these!
3. Do not grant or accept benefits unless the acceptance or granting of such benefits in no way creates an impression that a certain behaviour is expected in return!
4. You must not give or accept significant material gifts or hospitality without first consulting your superior or the board of Ahlers AG.
5. Do not grant public officials any benefits other than token presents or basic hospitality (e.g. coffee, beverages, sandwiches, ballpoint pens, notepads etc.) without first consulting the board of Ahlers AG.

Things you should do:

1. Notify your superior or the board of Ahlers AG if there could be a conflict between your interests and the interests of Ahlers!
2. Be transparent in your dealings with business partners and competitors as well as public officials such that your actions can be understood and checked at any time!
3. With regard to all benefits granted, make sure you observe social adequacy, i.e. the benefit must conform to normal business practice and its value must be appropriate with regard to the normal standard of living of those involved! - Notify your superior or the board of Ahlers AG about any group-internal organisational structures that may promote corruption!

In all cases of doubt talk to your superior or the board of Ahlers AG at an early stage!