

## Annex: Scope and internal organization for compliance

The Code is applicable worldwide to all employees, directors and officers of the Franke Group and its subsidiaries. The term "Franke Group" incorporates also its subsidiaries. Each employee, director and officer of the Franke Group is responsible for ensuring that his/her conduct and the conduct of anyone reporting to the employee fully comply with applicable laws and this Code. The Code forms an integral part of your employment contract. By means of ongoing monitoring, the executive managers have to safeguard compliance this Code, its implementation in the company practice and are expected to inform all employees of the Franke Group about this Code. The penalties for violating laws and regulations or resulting reputation damages, even when they involve a good faith mistake, are often severe. For this reason we all must be extremely vigilant in how we conduct ourselves and perform our jobs. Misconduct or violations of this Code will by no means be tolerated and may lead to disciplinary action, up to and including termination of employment or legal proceedings depending on the severity of the infringement. It is a breach of this Code to fail to report a Severe Violation or a suspected Severe Violation that employees know about or to refuse to cooperate with the investigation of a suspected violation.

The Franke Group has appointed a Group Compliance Officer (the "GCO") and incorporated a Compliance Management System Directive for supervising compliance with the principles laid down in this Code.

### How to report misconduct?

Employees who speak up when they have a compliance concern are doing the right thing. They are acting in line with our Franke Group values and principles. We are aware that our Code of Conduct and internal policies cannot describe all possible everyday working situations. Whenever you are in doubt about correct business behavior, seek advice. Do not avoid a conflict - because only this helps us to retain our good reputation and achieve our goals.

Various options are available to receive advice. The Local Compliance Officer (the "LCO") or the line manager is your first contact point for any questions this Code. Solutions should be sought on the local level whenever possible.

Following the Franke Group culture of trust, our employees, directors and officers

- (i) are expected to notify violations (or potential violations) of the applicable laws and regulations as well as of the Code of Conduct and the directives and,
- (ii) have to report Severe Violations, either openly and directly to their line managers, team leaders, the local senior management, HR business partners, LCOs, the GCO or the Franke Group Legal & Compliance Department (the Contact Points) or anonymously through the integrity line [SpeakUp@Franke](mailto:SpeakUp@Franke).

**SpeakUp@Franke**, our integrity line, is particularly provided to report Severe Violations or sensitive issues if a communication to your line manager or the supervisor is not appropriate. It ensures you to report a concern in a **confidential and anonymous** manner to the Group Compliance Officer at the Franke Group. The tool is available 24h/7days. [SpeakUp@Franke](mailto:SpeakUp@Franke) can be accessed by web or telephone. Dial-in phone numbers and web addresses are available in the Franke Intranet: [frankegroup.sharepoint.com / Policies & Integrity](https://frankegroup.sharepoint.com/Policies%20&%20Integrity)

### **What should be reported?**

Franke maintains a policy of non-retaliation and ensures that no adverse work-related consequences will result from reporting in good faith a potential violation of the Code. An employee, director or officer who reports a potential misconduct in good faith shall be protected against possible threats and retaliation, if he/she follows the following three criteria:

1. He/she has reason to believe that the information concerned shows or tends to show one or more of the following Severe Violations:
  - that a criminal offence has been committed, is being committed or is likely to be committed;
  - that a person has failed, is failing or is likely to fail to comply with any legal obligation in an area of zero tolerance (e.g. antitrust or anti-bribery law) to which that person is subject;
  - in a matter that has the potential to lead to significant financial or reputational damages for Franke (e.g. that the health or safety of an individual has been, is being or is likely to be endangered; unfair discrimination as contemplated in an unfair discrimination act); or
  - any matter referred to above has been, is being or is likely to be deliberately concealed.
2. In good faith means that the Messengers may not be motivated by improper or bad motives such as personal gain and the employee must not only make the disclosure in good faith but must also substantially believe the disclosure to be true. The disclosure need not be proven to be true, but the employee must have reason to believe the facts are true.
3. The Messenger follows the correct procedure in making the disclosure as set out in the chapter above (How to Report).

### **What to do if you are not sure how to proceed?**

Doing the right thing requires you to know what the right thing actually is. Our Code of Conduct conducts minimal standards we have voluntarily committed to. In situations where you are not sure how to proceed, stop and ask yourself the following questions:

- Are my actions legal?
- Are my actions in the best interest of the company?
- Would I consent to a publication of my action in a newspaper/media?

Every employee, director and officer of the Franke Group is first and foremost loyal to the Franke Group and its companies! Loyalty to your supervisors, your colleagues, your subordinates and your family members or friends takes second place.

If you have doubts or if your response to one or more of these questions is **no**, you should contact your Local Compliance Officer or your line manager.