

SUPPLIER CODE OF CONDUCT

PREAMBLE

As a leading company in the areas of manufacturing, recycling and recovery of technical fibres, fibre shorts, fibre fillers, fibrils and pulp, Schwarzwälder Textil-Werke Heinrich Kautzmann GmbH ("STW"), including its affiliated companies, is committed to operating at the highest standards re-lating to environmental protection and sustainability, human rights, labor practices and business ethics. STW expects from each of its third party providers of products and/or services ("Supplier") to share this same commitment by fully adopting and complying with the principles and practices set forth in this Supplier Code of Conduct ("Code"). This Code underlies STW's relationship with the Supplier. STW also encourages its Suppliers to require their suppliers to adopt and comply with these same principles and practices.

ENVIRONMENTAL PROTECTION AND SUSTAINABILITY

It is STW corporate policy to lead, promote, and maintain environmentally responsible practices for the benefit and protection of our environment, animal life, customers, employees, and the communities in which we operate. In particular, the energy efficiency of the products and services offered to STW is, in addition to economic aspects, a decisive factor for STW's decision to order products/services and to conclude a contract with the Supplier. STW is committed to working with our Suppliers, customers, and employees to make sure this policy is met at all locations.

STW strives for continual improvement through the development of specific products and pro-grams that minimize the environmental impacts throughout all processes along the supply chain. This will be achieved in particular by:

- Complying with applicable regulations and standards;
- Reviewing environmental objectives and monitoring performance;
- Continuously investigating more environmentally friendly materials and/or developing new products with a lower environmental impact;
- Supporting pollution prevention and minimization programs;
- Focusing on material and energy efficiencies;
- Reducing waste and finding alternative uses to minimize material disposal; and
- Ensuring security of supply to our customers.

Supplier's operations shall be managed in an environmentally responsible, efficient and sustainable manner and shall minimize adverse impact to the environment and the animal life and the population.

In order to adequately observe environmental protection and energy efficiency aspects, the Supplier shall at a minimum comply with all applicable local, provincial and national environmental energy efficiency laws and possess the required permits, licenses and permissions granted by local, provincial and national authorities. The Supplier shall always strive for the best environmental protection and energy standard, insofar as the laws allow for flexibility, decisions at the supplier's discretion or similar.

All products/services provided by Supplier shall be delivered in a way that fully meets and complies with the environmental, quality and safety criteria specified in the relevant agreement between STW and Supplier, in accordance with all applicable local, provincial and national laws in effect at the point of delivery and shall be safe for their intended use.

HUMAN RIGHTS

STW respects human rights at all times and fully complies with them. The Supplier has to respect and comply with human rights in all aspects and at all times. Harassment of or discrimination against any employee in any form, including that based on gender, ethnic origin, sexual orientation, religion, political affiliation, skin color, disability, marital status, pregnancy, union membership, veteran status or age, is not acceptable and shall not be tolerated under any circumstances.

LABOR PRACTICES

Use of exploitative child labor, as defined in the International Labor Organization Convention 182, Article 3 (Worst Forms of Child Labor), shall not be tolerated under any circumstances. Accordingly, Supplier shall observe all applicable laws regarding the employment of minors and shall not employ any young person in a way that restricts their educational opportunities.

No form of forced or compulsory labor shall be used and employees shall be free to leave Supplier's employment after customary notice.

Supplier shall respect and adhere to the right of employees to freedom of association and recognition of employees' rights to collective bargaining, where allowable by law.

The Supplier shall pay reasonable and fair wages, compensations and benefits that fully comply with all applicable local laws relating to minimum wages, overtime hours and legally mandated benefits. All payments shall at least be as high as regulated in the statutory minimum wage provisions and where no wage law exists, the Supplier shall provide wages that meet or exceed the local industry standard or the provisions of collective agreements.

Supplier shall be compliant with local, provincial and national occupational health and safety laws. The Supplier shall possess the required permits, licenses and permissions granted by local, provincial and national authorities.

The Supplier shall have documented health and safety policies and/or procedures and appropriate safety infrastructure and equipment in place.

Workers shall have safe and healthy working conditions that meet or exceed applicable standards and local laws for occupational safety and health.

When on STW sites, Supplier shall fully comply with all applicable company policies and directives.

BUSINESS ETHICS

All business shall be conducted with honesty and integrity and in compliance with all relevant anti-bribery and anti-corruption laws, including the U.S. Foreign Corrupt Practices Act and other countries' laws intended to deter corruption and bribery in commercial relations and among government officials and political candidates.

The Supplier shall not offer, promise, grant, authorize, or otherwise provide any material payment, gift, entertainment or other service or advantage to, or accept from any STW employee, third party, government official or political candidate that is intended to, or appears to influence the way in which the STW employee or Supplier conducts business. Similarly, STW shall not offer, promise, grant, authorize or otherwise provide any material payment, gift, entertainment or other service or advantage to, or accept from Supplier, third party, government official or political candidate that is intended to, or appears to influence the way in which the Supplier conducts business.

The Supplier shall not make any unregulated facilitation payments to government or public officials on behalf of STW to secure or expedite routine government actions.

The Supplier shall notify STW immediately if the Supplier receives any request from any STW employee for any payments or similar benefits described above to be made to themselves, another STW employee or any third party which conflicts with or violates this Code or the applicable law. Notifications required to be made under this paragraph shall be done exclusively by contacting STW's Human Resources department at karriere@stw-faser.de.

The Supplier shall conduct business in full compliance with all antitrust and fair competition laws that govern the jurisdictions in which it does business.

The Supplier shall comply with all applicable import and export laws and regulations as well as all applicable trade controls.

At any time, the Supplier shall avoid the appearance of or actual improprieties or conflicts of interests. The Supplier shall not knowingly deal directly with any STW employee whose spouse, domestic partner or other family member or relative holds a significant financial interest in Supplier.

The Supplier shall honestly, completely and accurately record and report all business information and comply with all applicable laws regarding completion and accuracy. The Supplier shall create, maintain and dispose of business records in full compliance with all applicable legal and regulatory requirements.

The Supplier shall be honest, direct and truthful in discussions with regulatory agency representatives and government officials.

SUPPLIER SELF-MONITORING AND REPORTING

This Code underlies STW's relationship with the Supplier. Fulfillment of these principles and practices shall be considered by STW when qualifying and selecting Supplier.

After placing an order or conclusion of an agreement, STW expects that Supplier shall appropriately monitor its compliance with the principles and practices set forth herein and promptly notify STW of any material inability or failure to do so.

Should any of the requirements set forth in this Code conflict with the applicable local, provincial or national laws of any country or territory in which a Supplier operates, the law shall always take precedence. In such cases, the Supplier shall always inform STW immediately upon receiving this Code or immediately upon discovering such conflict.

The Supplier shall inform STW if it has faced charges or has been subject to legal proceedings within the last five years, related to the areas covered by this Code. If any such charge or proceeding is made or occurs later from the time of handover of this Code, the Supplier shall notify STW immediately upon such occurrence.

Any failure of the Supplier to comply with the requirements set forth in this Code may be considered to be a material breach by STW of the relevant agreement, understanding or transaction between STW and Supplier and STW may terminate such agreement, understanding or transaction with Supplier as a result at its sole discretion.

METHOD OF NOTIFICATION

Notifications provided to STW under this Code shall be made by contacting Supplier's primary STW business contact. With respect to a business ethics concern including but not limited to any violation of anti-bribery or anti-corruption law, Supplier may also contact STW's Human Resource Department at kariere@stw-faser.de.

[Place, Date]

[Signature]

[Company Stamp]