

## The Villeroy & Boch group Code of Conduct

### BUSINESS INTEGRITY

Dear colleague,

Dear business partner,

Our customers appreciate us for our ceramics competence and our outstanding quality. However, a key factor that has made Villeroy & Boch one of the oldest and best-known brands in Europe - and which has proven to be the cornerstone of our corporate success - is integrity.

We take integrity to mean honesty, openness, fairness, a sense of responsibility, and loyalty. And integrity means that we live by our fundamental values, even when they meet resistance. To do that, we have to be bold enough to say “no” when the need arises, and to make the right decisions for our company, always with an eye to our responsibilities. For us, integrity provides the foundations for cooperation in a spirit of partnership and trust. It is the guarantor of successful business relations and sustainable development. That is why integrity stands at the very centre of our international business activities.

The Villeroy & Boch group’s code of conduct therefore provides guidance for all those working on behalf of the group. Its principles apply to every member of the management board, as they do to all management staff and to every single employee. And we also expect our business partners to respect those principles.

Should you have any doubts or questions relating to this matter, please feel free to contact our Compliance Team ([compliance@villeroy-boch.com](mailto:compliance@villeroy-boch.com) / Hotline: +49 68 64 81 28 21), our Compliance Officers or the staff responsible for compliance on a local level. You will also find further information on our Compliance Management System on our website under “Compliance”.

We can, after all, only put our fundamental values into practice if all those involved make a joint effort to do so.

Many thanks for your commitment!

Best regards,



Gabi Schupp  
Chairwoman of the  
Executive Board and  
Director Dining & Lifestyle



Dr. Peter Domma  
Chief Digital Officer



Esther Jehle  
Chief HR Officer



Georg Lörz  
Chief Operations Officer  
Bath & Wellness



Dr. Markus Warncke  
Chief Financial Officer



## The Villeroy & Boch group Code of Conduct

### BUSINESS INTEGRITY

#### 1. We treat each other with respect.

As an internationally operating group with production facilities and sales companies in many countries around the world, we are fully committed to supporting human rights, as enshrined in the United Nations' Universal Declaration of Human Rights. We utterly condemn all violations of human rights.

We treat each other with respect. We expect every single member of our staff to be treated fairly. In selecting both our staff and our business partners, we do not discriminate on the grounds of race, colour, age, sex, sexual orientation, disability, religion or, indeed, of any other factor identified in law. We seek to create a working and business environment that is imbued with a spirit of mutual trust and partnership. We can only achieve this goal if we honour the personality of every single individual, if we respect other cultures and their customs, and if we show appreciation for each other.

#### 2. We act in accordance with the law.

We respect the law and the ethical-moral principles it encodes. We comply with all applicable laws. For us, no business transaction is so important that it could justify violating those laws. If we are in doubt, we seek clarification and consult our legal affairs department for advice.

We are committed to upholding the values of free and fair competition. We make our commercial decisions on the basis of the facts, and without any form of discrimination. We attend to all legislation concerning anti-trust and competition issues. We avoid all involvement in illegal agreements and practices that violate the principle of free competition, especially with regard to prices, volumes, markets, territories and customers. Instead, we operate in accordance with the stipulations set out in our compliance policies.

We reject all forms of corruption. We rely above all on the quality of our products to convince customers in the marketplace. That is why we do not grant inappropriate advantages to public officials or to our business partners – and we do not accept such favours. Again, we operate in accordance with our compliance policies.

We avoid money laundering. We do not accept money that comes from criminal activity, or where there is any suspicion of such activity.



In general, we oppose any form of economic crime. And we do not solicit illegal activities on the part of our business partners or other individuals.

3. We protect our corporate interests.

In all business decisions, the interests of our company take priority. This means:

We observe all our internal guidelines and directives. After all, they are necessary to structure our common endeavours within the company and to guarantee continuity and comparability in our operational processes.

We avoid conflicts of interest because we attach far greater importance to the interests our company than we do to our own personal motives. Where there is any risk of a personal conflict of interest, or any suggestion that a conflict might arise between professional and private concerns, we disclose this immediately.

We ensure that no confidential information or company and business secrets are made available to unauthorized persons either within or outside the company.

As a publicly traded company, we take steps to avoid all violations of the regulations governing the capital markets. In particular, we safeguard the confidentiality of important company information that is not yet in the public domain, i.e. we do not pass such information on without explicit authorization, even to family members or to close friends, and we do not use such information in our private investment activities.

We protect our company's property. Whether we are an employee, a member of the management staff, a shareholder or a business partner: We treat all items that belong to the company or to a third party with due care and attention, and we do not remove such items from our place of work without permission. The same applies to intellectual property.

4. We demand fair working conditions - and we provide them.

We ensure that we provide fair working conditions. It is important to us that all our staff are employed in accordance with applicable labour market legislation and that they receive fair pay.

We actively encourage our employees to engage in training and further training programs wherever this is possible within the company.

We do not tolerate the illegal employment of children or young people, and we reject forced labour, both within our own company and in our supply chains.

We respect the right of staff to join employee representation bodies and trade unions. We are firmly convinced that the work done in employee representation committees - all the way through to equal participation in Villeroy & Boch AG's supervisory board - is a valuable instrument in reconciling the interests of the management and staff, and in avoiding industrial disputes.

We want to make sure that all our employees feel safe at their place of work. To ensure this, we take all appropriate and legally prescribed precautionary measures. We therefore guarantee occupational health and safety, and extensive preventive healthcare measures, at every workplace. And we expect the same from our business partners.

5. We protect the environment.

As a manufacturing company that operates around the globe, we have the responsibility to protect the environment. We use natural resources sparingly and seek to operate on a sustainable basis.

For that reason, we have set up a central environmental and energy management system. Its key objectives are to improve our energy and resource efficiency, to save resources by optimizing the production process, to reduce waste water contamination and, above all, to reduce our emissions of CO<sub>2</sub> and other gases.

6. We foster our business relations in a spirit of fairness and integrity.

Our goal is to establish and maintain sustainable business relations that are conducted in a spirit of trust and partnership. We aim to succeed in fruitful collaboration with our business partners and customers, and are determined to do so with a keen sense of what is decent. That is why we take such care in selecting our business partners and customers. We expect from our business partners that they also comply with the standards set out in this code of conduct. We actively call upon them to commit themselves to our code of conduct, or to demonstrate that they follow their own principles of conduct that are at least as demanding as our own.

We insist that our suppliers also commit their own suppliers in turn to comply with a code of conduct. That code must be at least as demanding as our existing code of conduct for suppliers, guaranteeing a gap-free system of compliance throughout the supply chain and thus the entire value-added process.

We reserve the right to audit compliance with this code of conduct on the part of subcontractors and suppliers at any time and without prior notification, or to have that compliance audited by an independent third party. Checks on the premises of subcontractors

and suppliers are carried out – where necessary – in consultation with those parties and within the framework of the applicable legislation.

Where any violation of the applicable legislation or the regulations stipulated in the code of conduct is established, we must be informed without delay. Violations of the applicable legislation or the regulations stipulated in the code of conduct will be considered as a serious violation of the contractual obligations. Should our business partner or his/her subcontractors infringe against applicable legislation or this code of conduct, and should he refuse to pursue and implement measures for improving his performance within a reasonable delay set by Villeroy & Boch, we reserve the right to terminate the business relations for cause.

#### 7. We report violations.

We report violations of our code of conduct because they impinge upon our fundamental values. All information provided to us is handled in confidence. We will protect whistleblowers who act in accordance with their conscience to bring issues of concern and in relation to this policy to management for consideration. No one need fear disciplinary measures or consequences for their career when they report a violation. In almost all cases, seeking advice at an early stage can avoid violations of the law.

If you have any questions, or would like to report a possible violation, please use one of the following channels:

- You can contact your line manager, your Compliance Officer or the Compliance Department directly by e-mail at [Compliance@villeroy-boch.com](mailto:Compliance@villeroy-boch.com) or at [whistleblowing@villeroy-boch.com](mailto:whistleblowing@villeroy-boch.com), or by telephone on +49 68 64 81 28 21.
- As a member of staff, you can use our whistleblowing system in the intranet, which you will find under Compliance (link to the whistleblower system).
- You can contact our ombudsman. He is an external lawyer. He is mandated by Villeroy & Boch to receive and transmit reports. He will not disclose the whistleblower's identity to Villeroy & Boch unless the whistleblower instructs him otherwise. The contact details can be found on the website of the Villeroy & Boch Group under the link: Investor Relations/Corporate Governance/Compliance (<https://www.villeroyboch-group.com/en/investor-relations/corporate-governance/compliance.html>)



**Villeroy & Boch**

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I confirm that I have received and read the Code of Conduct for Villeroy & Boch Group.

Further I confirm that I will observe this Code of Conduct in my business relation with Villeroy & Boch, and that I will obligate my employees likewise.

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Place, Date

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Company

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Signature of duly authorized person(s)

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First and family name(s) in block letters

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Title(s)/Position(s) in the Company