

**0. Introduction**

**0.1 Content** The following describes and explains the ethical standards of frischli Milchwerke GmbH and their application.

**0.2 Why?** The corporate objectives of frischli Milchwerke GmbH ought to be met by the employees within the scope of their own fields of activity.

frischli is committed to the model of a social market economy. To frischli, the market economy model provides the greatest efficiency in steering supply and demand, requirements and the production of scarce factors.

Functioning markets depend on the following basic setting:

Social restrictions of this market function are necessary because the outcome of efficiency in market distribution is not always (socially) fair.

In order to steer the nature and the mode of functioning of the market a political framework is required. Moreover, external effects have to be internalised.

A functioning market embodies a high informative status for both sides of the market.

Ethical standards set by the company for itself and its staff are another restrictive element.

Within the bounds of this setting, the market works with efficiency.

This setting calls for standards that

- are as simply structured as possible and
- that leave the market an adequate scope for manoeuvre

Within these boundaries thus defined, we are willing to meet our commitments.

**1. Human Rights**

Within its own sphere of responsibility, frischli backs and guarantees compliance with the internationally recognised human rights. Our commitment is based on the European Convention on Human Rights.

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2. **Working Standards**

<b>Freedom of association</b>	frischli respects the right of its employees to associate pursuant to the respectively valid laws and regulations.
<b>Forced labour</b>	frischli rejects each and every form of forced labour.
<b>Child labour</b>	frischli abides by the rules of the United Nations governing human rights and child rights.  In particular, frischli undertakes to abide by the Minimum Age Convention and the Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour.
<b>Violence and harassment</b>	Violence at the workplace including threats, threatening behaviour, intimidation, physical attacks and suchlike will not be tolerated.  Any form of sexual harassment, whether by soliciting sexual favours or other undesirable sexual contact will not be tolerated.
<b>Discrimination</b>	frischli undertakes to combat each and every form of discrimination in accordance with the respective regulations and laws.  This particularly applies to the discrimination of employees on the grounds of gender, race, disablement, ethnic or cultural origins, religion or outlook, age or sexual bias.
<b>Hierarchical authority</b>	Hierarchical authority is to be exercised for the purpose of engaging in relationships. The various managers bear specific responsibility in this respect.
<b>Occupational health and safety</b>	frischli guarantees occupational health and safety at the workplace subject to national regulations. In its own sphere of engagement, frischli gives its support to measures aimed at improving the working environment.

3. **Environment**

<b>Environmental protection</b>	Environmental protection is a focal part of corporate development by which we seek to maintain the competitiveness of our company and at the same time stand by our responsibilities towards society.  Our company undertakes to act responsibly and with care in handling natural resources. We will force the development and the application of
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environmentally compatible technologies in all areas of our company and specifically in our products.

Compliance with high environmental standards based on the respective legal regulations and the requirements of ISO 14000 constitutes an integral part of our corporate policy governing environmental protection.

We expect our staff to engage in their respective working environments towards sustaining the natural resources in the company.

**4. Competition**

**Competition protection**

frischli enacts its business activities in compliance with and subject to due respect for the laws governing fair and free competition.

frischli rejects each and every action that leads to restriction of fair and free competition.

This outlook admits the procurement of freely accessible information regarding volumes and prices on the market.

**Corruption**

In our contacts with business partners (customers, suppliers) and state institutions, the interests of the company and the private interests of employees are strictly segregated for all parties.

Actions and (purchase) decisions shall be taken free from any off-topic considerations and personal interests.

**Bribery Officials Business partners**

Personal privileges equivalent to money may be neither offered, promised, granted nor approved in return for preferential treatment in business relations.

**Acceptance of personal privileges**

Likewise no personal privileges of value may be requested or accepted by employees in their contacts with business partners.

**Hospitality Gifts**

Third-party bribery and the acceptance of personal privileges shall on principle not include gifts and invitations, which are extended in the course of regular business-related hospitality, normal conventions and as expression of courtesy.

**5. Other**

**Laws**

We abide by the law. Within the scope of the possibilities available to us, we check compliance with the law.

**Compliance with contracts**

Contracts are agreements reached by at least two parties. Contracts are diligently satisfied. Contracts are meant to embody that which one intends and is able to honour.

Contracts are to be abided by.

<b>Confidentiality</b>	<p>All employees of frischli undertake to respect operational and business-related secrets.</p> <p>Classified information and confidential documents may not be forwarded to third parties or otherwise rendered accessible to others, unless prior permission to do so has been granted or the information is available anyway in the public domain.</p>
<b>Unauthorised access</b>	<p>Any unauthorised access to internal information may be detrimental to the company.</p> <p>For this reason, we take all necessary precautions to ensure that our in-house data and information is protected during data transmission and storage as well as in its compilation, administration and safekeeping.</p>
<b>Conflict of interests</b>	<p>The employees of frischli undertake to segregate their private interests from those of the company and at all times to act in loyalty towards frischli, averting any form of conflict of interests. Conflicting interests may, for example, evolve in the following situations:</p> <ul style="list-style-type: none"><li>– the private interests of a member of staff are contradictory to those of frischli</li><li>– an employee engages in contracts with a close relative</li><li>– an employee engages as freelance consultant for suppliers, customers or competitors.</li></ul>
<b>Careful handling of resources</b>	<p>We expect every employee to treat company property responsibly and thriftily, in particular operational resources, such as equipment, goods, office material etc., and to only ever use it for company-related purposes.</p>
<b>Fraud and theft</b>	<p>The purloin of any frischli property is not permitted under any circumstances whatsoever and will at any rate have serious consequences.</p>
<b>Public declarations</b>	<p>Declarations or information about the company will only be made by persons authorised to do so. Non-authorised persons will always refer media enquiries or enquiries from other persons outside the company to Management.</p>
<b>Business partners</b>	<p>These standards apply to our company and also to relations with business partners.</p> <p>If we suspect that our business partners are failing to comply with our ethical standards, we will take measures to ensure that this is remedied and that our business partners also abide by our code of ethics.</p>

**6. Implemen-  
 tation**

- Awareness** We ensure that all our employees are familiar with this code of ethics and we expect their compliance with it.
- Management is accessible to all employees in an advisory and supportive capacity in the interests of compliance with this ethical code.
- Support** We rely on the support of all employees in compliance with the code of ethics and encourage employees to give notification of any breaches.
- On principle notifications of this nature are to be made to the manager of the respective employee or to the personnel department of the respective company.
- Each employee shall also be able to address Management directly.
- Reaction to breaches** We will eliminate any breaches as swiftly as possible and as far as necessary pursue the matter by all means available.
- Conflicting standards** In the event of conflicting standards, these must be addressed in all clarity.
- We seek to learn from such conflicts of standards in the interests of improving our standards and developing ways to ensure better compliance and implementation of them.
- Freedom from detriment suppliers** We ensure that no employee suffers any detriment from providing information of such breaches.
- frischli will duly inform its direct suppliers of these ethical principles and nurture compliance with them as far as possible, requesting its suppliers to also abide by this code.
- Compliance Officer** The appointed Compliance Officer in respect of this code of ethics will be the Management Spokesman.
- The responsibilities of the Compliance Officer cover the development of these standards, the recording and elimination of breaches, documentation, and as necessary, the individual compliance audits checking the adherence to and functionality of the standards, as well as the presentation of the system.