

CODE OF CONDUCT



2021 Edition

(Approved by the Vestergaard Board of Directors)
- Supersedes any previous version -

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MESSAGE FROM OUR CHIEF COMPLIANCE OFFICER

Dear Colleagues,

Thank you for taking the time to read our Code of Conduct (the “Code”). This Code is a critical part of our ethics and compliance program, as well as our commitment to good corporate citizenship.

In today's fast-paced, global marketplace, our long-term success is based on our integrity. Our customers and business partners count on us to adhere to the highest standards of business ethics and compliance. Whatever your role, your conduct and judgment reflect on our reputation and are critical to our success.

The Code will help you understand what it means to work within a compliant framework and how to work in an ethical manner. It will also help you recognize potential non-compliant situations with internal policies and external applicable laws.

The basic principles by which we try to conduct our business are simple: We should (1) comply with all applicable laws and regulations, (2) follow our internal policies and procedures, and (3) adhere to the highest ethical standards. These principles are at the heart of our Code.

Review the Code periodically to have these principles in mind, to be able to recognize legal and ethical issues as they arise in the business, respond appropriately to them, and perform your job with the utmost integrity.

If you have questions about the areas covered in the Code, talk to your supervisor or the Chief Compliance Officer. Remember that it is always better to ask first, so that problems can be avoided later.

Thank you.

Nicolas Schornoz

VESTERGAARD PRINCIPLES

Vestergaard continuously strives to do business with social responsibility and integrity. These values have been and will continue to be its core guiding principles.

The Code fully embraces the United Nations (UN) Global Compact framework and Principles.

Vestergaard has a continuous monitoring and evaluation system. An Internal Compliance Council is appointed by the Board of Vestergaard and has the overall responsibility for such monitoring and reporting as well as the authority to implement new initiatives within the scope of the Code.

Vestergaard employees and contracted personnel shall be trained in and adhere to the Code. As part of the training, employees and contracted personnel are encouraged to ask questions to and seek clarification from their supervisor or the Chief Compliance Officer whenever in doubt.

Vestergaard also expects its business partners such as suppliers, consultants, service providers, agents, distributors, contract manufacturers, and other third parties in general to uphold **similar standards** to the ones outlined in this Code, and aspires to do business only with third parties who have therefore a reputation for integrity.

While it is not possible to cover any given situation which may cause a violation of the principles outlined in the Code or the legislation in the countries where Vestergaard conducts business, each person must use common sense to assess and identify non-compliance activities or behaviours.

THE UN GLOBAL COMPACT

Corporate sustainability starts with a company's value system and a principles-based approach to do business. This means operating in ways that, at a minimum, meet fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption. Responsible businesses enact the same values and principles wherever they have a presence, and know that good practices in one area do not offset harm in another.

By incorporating the Ten Principles of the UN Global Compact (described below) into strategies, implementing policies and procedures, and establishing a culture of integrity, companies are not only upholding their basic responsibilities to people and planet, but also setting the stage for long-term success.

The Ten Principles of the UN Global Compact are derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the UN Convention against Corruption. Below is a description of the Ten Principles grouped by Area.

Area	Principle	Description
Human Rights	Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights.
	Principle 2	Make sure that they are not complicit in human rights abuses.
Labour	Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
	Principle 4	Elimination of all forms of forced and compulsory labour.
	Principle 5	Effective abolition of child labour.
	Principle 6	Elimination of discrimination in respect of employment and occupation.
Environment	Principle 7	Businesses should support a precautionary approach to environmental challenges.
	Principle 8	Undertake initiatives to promote greater environmental responsibility.
	Principle 9	Encourage the development and diffusion of environmentally friendly technologies.
Anti-Corruption	Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.

COMPLYING WITH THE CODE

Employees and contracted personnel

The Vestergaard Code of Conduct applies primarily to:

- Disease Control Textiles Sàrl, Vestergaard Frandsen Holding SA, and Vestergaard Sàrl;
- Any company controlled, directly or indirectly by Vestergaard Sàrl;
(all above companies referred collectively as “the Company” or “Vestergaard”)
- All employees working in Vestergaard and all Vestergaard board members; and
- Contracted personnel working for Vestergaard.

Business Partners

The Vestergaard Code of Conduct also applies to:

- Suppliers, consultants, service providers, agents, distributors, contract manufacturers, and other third parties in general, who have agreed and signed a contract with Vestergaard.

In addition, we expect that our business partners respect and adhere to the following principles:

- Communicate our ethical standards at least to their first-tier suppliers.
- Follow regular Compliance training.
- Operate in accordance with country-specific legal labour requirements regarding freedom of association and collective bargaining, minimum age for child labour, no forced or involuntary employment, maximum working hours, and minimum wage level.
- Obtain and keep up-to-date required permits, licenses, and registrations to operate in accordance with applicable local laws.

Employees and contracted personnel need to fully adhere to the Code.

Business partners need to adopt similar standards to the ones in the Code.

Vestergaard must always do business only with reputable third parties.

DOING BUSINESS WITH INTEGRITY

Fair Dealing



Act in a transparent manner

Comply with laws and regulations

We have business dealings of many kinds with organizations and individuals all over the world. In conducting our business, we expect our employees to act in a manner that is not misleading or deceptive when dealing with customers, suppliers, competitors, government officials and other third parties. You should never take unfair advantage of anyone through manipulation, concealment or abuse of privileged information, and you should promptly correct anything that seems to be misunderstood.

We expect our employees to comply with both the letter and the spirit of all laws, rules and regulations where we conduct business. A failure by any employee to comply with these laws and regulations, the Code or any other company policy may result in disciplinary action, up to and including termination of employment. If you have any questions about whether a particular action is appropriate, please consult your supervisor or the Chief Compliance Officer.

Anti-Competitive Conduct



Compete fairly in the marketplace

"Antitrust" and "competition" laws are intended to promote competition in the marketplace for the benefit of consumers. These laws target the following anti-competitive practices:

- Agreements between competitors (a) to set prices or terms; (b) to allocate markets, customers or territories; or (c) to not do business with ("boycott") certain suppliers or customers;
- Agreements between manufacturers and distributors that the distributors may sell only in certain territories or to certain types of customers;
- Agreements between suppliers and customers to (a) set resale prices; (b) require a customer to buy all of its requirements from one supplier; or (c) "tie" a customer's purchase of a desirable product / service to the purchase of a less desirable product / service; and
- Certain predatory practices by companies with monopoly power in their markets.

Sanctions and Trade Embargoes



Do not do business with sanctioned countries, organizations, or individuals

Governments use economic sanctions and trade embargoes for reasons of foreign policy and national security. The targets of sanctions or embargoes may be (1) foreign countries, (2) political organizations, or (3) particular foreign individuals and entities, such as narcotics traffickers or terrorists.

The sanctions generally involve the freezing or blocking of assets of these countries, organizations or individuals, barring trade or certain types of commercial transactions, or a combination of these actions.

Our company is required to comply fully with all sanctions and trade-embargo programs where we do business (such as the ones imposed by the Department of Treasury's Office of Foreign Assets Control - OFAC). The penalties for noncompliance with these programs can be steep.

You should be on alert whenever you are involved in dealings with foreign parties. If you have any questions whether a transaction involving our company complies with all applicable sanctions and trade-embargo programs, contact your supervisor or the Chief Compliance Officer immediately.

CREATING THE RIGHT WORKPLACE

Preventing Discrimination and Harassment



Respect diversity

Hire and promote based on objective criteria

Most of us now live and work among people of differing cultural backgrounds, lifestyles and world views. Respect for diversity and the uniqueness of everyone is a fundamental part of (a) maintaining a respectful and productive work environment, and (b) serving a diverse customer base.

We hire and promote people on the basis of their qualifications, performance and abilities. We make sure that all employees and applicants for employment have equal opportunities for success.

Discriminating against or harassing a co-worker based on any of the following characteristics may be against the law: race, colour, religion, sex, national origin, age, pregnancy, citizenship, disability, marital or familial status, sexual orientation, military or veteran status, size, gender identity, physical appearance, HIV status, ancestry, genetic predisposition, union membership, social origin, family responsibilities or other legally protected characteristics.

Workplace Violence



Do not use or tolerate violence, harassment, or other similar behaviors

We are committed to maintaining a work environment that is free from violence, threats, harassment, intimidation and other disruptive behaviour. Although this kind of conduct is not pervasive here, no company is immune.

Violence, threats, harassment, intimidation and other disruptive behaviour in our workplace will not be tolerated; that is, all reports of incidents will be taken seriously and will be dealt with appropriately. Such behaviour can include oral or written statements, gestures or expressions that communicate a direct or indirect threat of physical harm. Individuals who commit such acts may be removed from the premises and may be subject to disciplinary action, criminal penalties, or both.

We need your cooperation to maintain a safe working environment. Don't ignore violent, threatening, harassing, intimidating or other disruptive behaviour. If you observe or experience such behaviour by anyone on our premises, whether he or she is an employee or not, report it immediately to a supervisor. Threats or assaults that require immediate attention should be reported to the police.

Environment, Health, and Safety



Contribute to a safe and sustainable environment in compliance with laws

Maintaining a safe and sustainable environment both inside and outside the workplace is vital to the health and well-being of us all. Hazardous chemicals, for example, may not only be harmful to those who mishandle them, but also to those affected by them due to improper disposal or handling.

We strive to provide a safe working environment for our employees and to meet or exceed the standards of all applicable laws and regulations governing workplace safety, health and the environment. You should be familiar with our emergency-preparedness plans in order to carry out your responsibilities and assist in implementing the necessary emergency response.

You should never be asked to do something that is either harmful to your health or the health of another person, or that is against applicable environmental laws. If you are asked to do something of this nature, do not comply and report it immediately.

We continuously seek to reduce the environmental impact of our operations, and regard good health as a basic human right. We ensure that our employees fully understand the impact of diseases and conditions we seek to prevent. Employees and their close families located in areas with higher risks of infectious diseases are provided with relevant preventive health care.

Drugs and Alcohol Abuse



Maintain a drugs and alcohol free workplace

Drugs and alcohol abuse in the workplace has significant negative effects. Almost 40% of industrial fatalities and 50% of work-related injuries are linked to drug and alcohol impairment. Drug and alcohol abuse also reduces productivity and is detrimental to the workplace atmosphere.

We are committed to protecting the health and well-being of all our employees by providing a safe and drug-free environment. We require our employees to be free of any measurable amounts of illegal drugs or alcohol in the workplace. Employees are not permitted to drink alcoholic beverages during work hours or on our premises, except at business meals or when served at events that we sponsor.

If you suspect that a co-worker has a substance-abuse problem, don't look the other way or cover for your co-worker if he or she has attendance problems. Report the matter to your supervisor or Human Resources. Rest assured that our ultimate goal is deterrence and rehabilitation, rather than punishment.

AVOIDING CORRUPTION AND IMPROPER ADVANTAGES

Bribery and Kickbacks



Do not give or accept anything of value in exchange of securing a business or favorable treatment

Employees may not give anything of value to a customer or supplier as an inducement to obtain business or favourable treatment. Nor may employees give anything of value to public officials as an inducement to have a law or regulation enacted or defeated, or for the award of business.

Likewise, employees may not accept anything of value either for themselves or for others in return for favourable treatment from customers or suppliers. All contacts and dealings with customers and suppliers must be conducted so as to avoid even the appearance of impropriety.

Vestergaard does not tolerate corruption, extortion or bribery. Extortion and bribery are forms of corruption.

Corruption is the abuse of entrusted power for personal gain;

Extortion is a criminal offense of obtaining money, property, or services from an individual or institution, through coercion; and

Bribery is the act of giving or receiving something of value in exchange for some kind of influence or action in return, that the recipient would otherwise not alter.

Global Anti-Corruption Laws

The U.S. Foreign Corrupt Practices Act (FCPA), UK Bribery Act and other anti-corruption laws prohibit various types of "corrupt payments" - that is, payments, offers or promises intended to secure an improper business advantage. Because violations of these laws can lead to substantial penalties, you should consult with your supervisor and / or the Chief Compliance Officer regarding any questionable payments or activities.

Facilitating Payments

Facilitating payments are typically small, unofficial payments made to public or government officials to secure or expedite a routine administrative task that the person or company making the payment is entitled to. These type of payments are in general not allowed. We must always apply an attitude of firm resistance to requests for such payments. However, we should never refuse to make a payment in a situation of threat of, or fear of, violence or loss of freedom.

Conflicts of Interest



***Do business with
objectivity***

***Disclose unfair or
unethical situations***

A conflict of interest is a situation in which you have a personal or private interest that interferes with (or appears to interfere with) your ability to do your job fairly and ethically. Our policy regarding conflicts of interest is simple:

Don't compete with our company, and never let business dealings on behalf of the company be influenced (or appear to be influenced) by personal or family interests.

Conflict-of-interest issues typically arise in these settings:

- Holding a position or having an interest in a competitor, supplier, customer or partner;
- Participating in activities that compete with our company;
- Allowing family or personal relationships to influence your business judgment; and
- Taking corporate opportunities for your own personal gain.

Employees, contracted personnel, and business partners in general, should disclose any conflicts of interest, and, as a consequence, we may refuse to engage into a business where such conflicts could arise. If in doubt, you are encouraged to talk to your supervisor or the Chief Compliance Officer.

Gifts and Entertainment



Do not accept or provide gifts and entertainment as a normal way to conduct business

Gifts and Entertainment are some kind of business courtesy - whether money or some other thing of value - provided to or received from third parties (customers, suppliers, business partners, government officials, etc.). Gifts and entertainment are in general not allowed. However, business coffees, lunches, and dinners can be offered to or received from third parties, and comply with the Code as long as:

- They are business related and consistent with locally accepted business practice;
- They are not offered or received for the purpose of obtaining an improper advantage;
- They could not be perceived as a bribe, do not make the recipient feel obligated, or make it difficult for the recipient to make a fair decision;
- They are occasional, and not offered or received on a regular basis to or from the same people;
- They are reasonable in value considering the jurisdiction or country where they are offered or received; and
- Purpose and names of participants in business lunches and dinners are clearly mentioned in the expense reports or credit card statements to be approved as per current policies.

Employees must exercise the utmost care when giving or receiving accepted-by-the-Code business-related gifts and entertainment. Consider that any type of business courtesy, gift or entertainment, is unacceptable if it could compromise your business judgment or improperly influence customers, suppliers, business partners or government officials.

Keep in mind that certain business courtesies, such as cash, checks, gift certificates or equivalents, are never acceptable. If you have any doubt about whether a particular gift and entertainment is appropriate, consult your supervisor or the Chief Compliance Officer. It is your responsibility to voluntarily disclose and report to your supervisor or the Chief Compliance Officer any kind of gifts and entertainment that do not comply with the above guidelines.

Political Activity



Do not make political contributions

The right to make political contributions and lobby government officials is heavily regulated. Both our company and you as an employee are subject to complex rules, including rules specifying the amount of, and way in which, contributions may be made.

In our company, contributions (monetary or in kind) to political organizations or their representatives are not allowed under any circumstances.

The rules regarding political activity can be summarized as follows:

- We recognize your right to vote and be politically active on your own behalf, on your own time and using your own resources;
- Only our designated representatives may speak on the company's behalf about politics and related matters;
- Never use our company's funds or resources for political activities, even if those funds are reimbursed; and
- You should never feel pressured to make a political contribution or to vote in a certain way by anyone working for us or on our behalf.

Donations and Samples



Donations and samples need to be approved in advance and comply with laws

Donations (monetary or in kind) and samples are allowed as long as they are in accordance with applicable laws and regulations, follow the spirit of the Code, and are in accordance with our internal policies.

Donations are typically made in relation to company events and sponsorships, while samples are usually used to secure a future sale. Donations and samples need to be approved in advance (before they are made or even promised to third parties), as per the Delegation of Authority Policy.

PROTECTING COMPANY ASSETS

Information Security



Handle company data in compliance with internal and external regulations

We have information that is confidential and valuable to our company, some of which qualifies for special legal protection as trade secrets. In addition, we are subject to laws and regulations requiring that we meet strict confidentiality standards for certain types of personal information that we handle.

You must follow our policies regarding information security and data privacy, which require:

- Storing paper documents in secure spaces, such as locked file cabinets;
- Never leaving computer terminals unattended when confidential information is on the screen;
- Using a strong (hard-to-crack) password for access to our computer network and not sharing your password with others, including co-workers; and
- Safeguarding mobile devices that contain sensitive personal data, such as laptops, tablets and mobile phones.

Company Assets



Do not use company assets for personal benefit

Employees have an obligation to protect our company's assets and ensure their efficient use. Theft, loss, misuse, carelessness and waste have a direct impact on our profitability. Thus, we strictly prohibit the use of company time, employees, supplies, equipment, tools, buildings and other assets for personal benefit without prior authorization.

Among our most important assets is our electronic-communication systems, which include a secure network, email, Internet access, instant-messaging, voicemail, etc. We may monitor these e-communication systems without permission from employees. Employees who use their workplace computers for personal activities should not expect that their activities will remain private. Indeed, employees should not have an expectation of privacy in anything they create, store, send or receive on our e-communication systems.

Improper use of our assets by employees can lead to issues of workplace discrimination and harassment, copyright infringement, insider trading, antitrust violations, the loss of trade secrets, and other legal problems for the company. It can also lead to discipline — and possibly termination — of the employee(s) involved.

Business Records



Keep company data in accordance with internal and external regulations

Our business records are among the company's most important and valuable assets. Business records include essentially everything that you produce as an employee, regardless of its format. A business record may be in the form of paper, electronic data, email, or voicemail. Letters, memoranda and contracts are obviously business records, as are things such as a desk calendar, an appointment book or an expense record.

We are required by law to maintain certain types of business records, usually for a specified period of time. The failure to keep these records for these minimum periods could subject us to penalties, fines or other sanctions or could put us at a serious disadvantage in court.

If you are unsure how our policies apply to any records you work with, please seek guidance from your supervisor.

DISCLOSING COMPANY INFORMATION

Accurate Accounting



All business transactions need to be recorded and accounted for in the company's books

We require our employees to accurately and completely record all payments and transactions in our company's books and records. Accurate accounting is fundamental to sound business practices. Remember:

- Our financial reports are reviewed by banks, board of directors, and our auditors, and inaccuracies or omissions could be extremely damaging;
- We rely on accurate financial reports for developing essential business strategies;
- Always follow established accounting procedures to ensure information is complete, accurate and understandable;
- Any attempt to misrepresent, conceal, omit or mislead could be considered fraud for which there are severe criminal penalties; and
- Anyone who reviews our financial records has an obligation to scrutinize them and report suspected irregularities.

IMPLEMENTING, TRAINING, AND MONITORING

Implementing

The Vestergaard Board of Directors shall appoint an ***Internal Compliance Council*** who has the following overall responsibilities:

- Implementation of the Code;
- Maintenance of the Code principles in the organization;
- Ensure that relevant contract clauses are incorporated in agreements entered into by Vestergaard, and that such clauses are updated if and when required; and
- Continue adherence to and follow up of the UN Global Compact Principles, and monitor of any internal and external developments.

Training

Vestergaard employees and contracted personnel shall receive specific training on the Code on a regular basis and shall therefore know and act in accordance with the Code when acting on behalf of Vestergaard.

First time participants shall receive complete training in all relevant aspects, whereas subsequent sessions may be tailored to only the parts which are more relevant to each job function. Personnel with particular exposure to bribery related issues and risks shall receive specific compliance objectives and training.

Acknowledge of training participation (whether physical or through online compliance systems) is mandatory. Follow-up of individual training shall be done when required. Proper records of training areas, dates, and participant names shall be maintained under the authority of the Chief Compliance Officer.

Monitoring

The Internal Compliance Council shall appoint a Chief Compliance Officer who directly reports into the Internal Compliance Council, and who has the following overall responsibilities:

- Execution of the implementation of the Code;
- Monitor the compliance activities to ensure the maintenance of the Code principles in the organization;
- Report (quarterly or as required) to the Board on the status of the implementation of the Code and maintenance of its principles.

The Internal Compliance Council and the Chief Compliance Officer shall continuously define and implement appropriate controls. They shall maintain and monitor a business transaction self-assessment through pre-defined reporting formats by senior management.

Under the authority of the Chief Compliance Officer, Internal Audit & Compliance performs, from time to time, audits of Vestergaard's records to ensure the correct implementation of the Code.

SPEAKING UP

Reporting Violations

All employees have a responsibility to understand and follow our company's policies, procedures and applicable laws. Violations may lead to disciplinary action, up to and including termination of employment.

Likewise, employees are required to report violations that they observe or learn of. Employees who have knowledge of wrongdoing but fail to report it may also be subject to disciplinary action.

We will treat the information reported confidentially to the extent possible, consistent with our obligation to investigate.

We will not retaliate against an employee who makes a good-faith report of a suspected violation or irregularity. The protection from retaliation does not, however, preclude legitimate disciplinary action justified by an employee's misconduct or poor performance.

In our company, any suspected or actual violation, including complaints received, must be promptly reported by employees through one of the following channels:

- The supervisor;
- The Chief Compliance Officer or any other member of the Internal Compliance Council; or
- The third-party whistle-blower hotline.

Whistle-blower Line

The Vestergaard third-party whistle-blower system is operated by the external services provider called Fulcrum, and may be contacted through the following means:

- A hotline at +1 213-596-1916 answered from 8.00 a.m. to 6.00 p.m. Pacific time by professional personnel. Outside these hours by an automated voice mail system.
- A web-based form located at www.fulcrum.com/vestergaard.htm
- E-mail sent to whistle@fulcrum.com.
- Fax sent to Fulcrum Inquiry, whistle-blower department, at +1 213-891-1300.
- Correspondence by U.S. mail to Fulcrum Financial Inquiry LLP, 707 Wilshire Blvd., Suite 2050 Los Angeles, CA 90017.

**“DOING GOOD
IS GOOD BUSINESS”**

VESTERGAARD[®] 
IMPACTING PEOPLE

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