

KNAUF **CODE OF CONDUCT**



www.iamknauf.com

Dear employees,

In the past 80 years, Knauf advanced from a family of entrepreneurs to a worldwide leading company in the construction material industry. Reliability, credibility, and integrity are essential prerequisites for the success of our business.

For us, it is a matter of course that we observe the laws and regulation of the countries in which we operate. We also expect our employees to similarly respect and adhere to these laws and rules in the same way.

In order to accommodate the significance of this principle we have set up a code of conduct describing in detail what is important to us in this context and defined what Knauf as employer expects of you. In case of doubt regarding a specific form of conduct in a business context, we recommend that you seek the advice of our Compliance Officers.

The Knauf family and the management of Knauf have approved the Code of Conduct and are highly committed to support all initiatives for its successful implementation.

Please take some time to read the Code of Conduct and use it as a guide in your daily business activities.

We count on you!



Manfred Grundke



Alexander Knauf



Jörg Kampmeyer



Principles

1. Ethical and lawful management

We are obliged to observe the laws and other rules in effect in the countries in which we do business. We expect our employees to similarly observe and respect these laws and rules in the same way. This also applies to the internal guidelines and instructions applicable in the Knauf Group. We also expect our employees to act ethically and fairly in their work environment and perform their tasks with integrity and professionally in their conduct with customers, suppliers and public authorities.

| Our conduct is lawful and fair. |



| We engage in fair competition. |

2. No violations of antitrust laws

We respect the principles and rules of fair competition. We do not tolerate any anti-competitive conduct, such as cartel arrangements, coercive action, or abuse of a dominant market position. All employees are obliged to strictly observe the competition and antitrust laws in force in their countries.



3. No corruption or bribery

We gain new business in a fair manner on account of the quality and prices of our innovative products and services and not because we offer others improper benefits. We tolerate no form of corruption or bribery whatsoever. No employee may (directly or indirectly) offer, promise, grant, or authorise the giving of advantages to public officials in connection with business activity or approve such benefits. Neither cash payments nor any other benefits or values may be granted to influence official decisions or to obtain an improper advantage. The same applies in relation to unjustified benefits to individuals or private sector companies.

| We say "no" to corruption and bribery. |



| We take a cautious approach to gifts. |

4. Gifts and benefits

Employees may only authorise payments if contractual goods are delivered or services performed. Such payment must be reasonable and recorded in accordance with generally accepted accounting principles. No services may be mutually agreed that can be assumed to be wholly or partly intended as bribery payments. All employees are prohibited to directly or indirectly offer, grant, demand, or receive, any gifts or benefits in connection with business activities. This does not apply to occasional invitations and gifts of insignificant financial value and that are in line with the general practices customary on business level. Such invitations and gifts may be accepted only under the condition that no rules or provisions of law are violated and any influence on a business decision can be excluded from the onset.



5. Donations and sponsoring

As part of our social responsibility we support social, cultural, scientific, and sports-related projects and events. Donations and sponsorship funds may only be granted in accordance with the framework of the country's legal system and in compliance with the applicable internal regulations and guidelines. Our companies' Management Board, or their accordingly instructed representatives, alone decide on the granting of such donations and sponsorship funds.

| Our sponsorship activities are reasonable and lawful. |



| We tolerate no form of discrimination. |

6. Fair conditions of employment

We observe the employment and work laws in force in each country. In addition, we are expressly committed to fair employment conditions. Knauf tolerates no discrimination or harassment based on age, disability, origin, gender, race, religion, or sexual orientation. Knauf supports a culture of learning that values and encourages open responses from all people involved. The essential criteria for the employee development are performance and potential. We are committed to an honest and fair dialogue with our employee representatives.



7. Safety at work

We give top priority to the health and safety of our employees at their workplace. Each of the employees is obliged to support us to the best of their abilities in our endeavours to create safe working conditions. Our employees are obliged to observe all applicable rules, regulations, and safety instructions in the companies and wear the required personal protective equipment.

| We protect our employees' health and safety. |



| We are committed to protect the environment. |

8. Environment

The protection of the environment and the preservation of natural resources is a special concern to Knauf. We are not only obliged to observe all environmental laws, standards and other legal requirements in force. We also are proactively working on preventing environmental pollution from our plants all over the world and on improving our efforts in terms of the environment continuously.



9. Records and reports

Records and reports relating to business processes must be complete and accurate. The generally accepted accounting principles must be observed. All data or other records compiled must be complete, correct, up-to-date and compatible with the system at all times. These principles must also be observed in the settlement of travel costs and expenses.

| We record accurately and in good time. |



| We respect and protect company property. |

10. Handling company property

We expect all employees who have been entrusted with assets of whatever kind - whether material or immaterial assets - to treat them with care. Financial means must be used sparingly. We also expect all employees to avoid any damage, loss, and other disadvantages, and to not use company property improperly.



11. Conflicts of interest

Conflicts of interest must be prevented at all times. Employees are prohibited from holding any interest in suppliers, customers, and companies that produce or sell products that compete with the products of the Knauf Group. Any such holdings of family members must be notified to the company without delay. This does not apply to any equity interest below 0.5% of the shares in a listed stock corporation. Furthermore, our employees may not perform any services – of whatever kind – to suppliers, customers or competitors outside the business activities of the Knauf Group without our prior approval. In the case that a member of one of our employee's family performs such services, the company shall be notified immediately. The same shall apply if a member of one of our employee's family performs, or intends to perform, such a service for a company of the Knauf Group.

| We act exclusively in the company's interest. |



| We treat sensitive data confidentially. |

12. Secrecy and data protection

All and any documents and information relating to business processes shall be treated confidentially. Confidential information particularly includes any type of Knauf-typical knowhow, business and company reports, cost overviews, recipes, strategy papers, market assessments, and any other information relating to customers, suppliers, and employees, unless it is already public knowledge. Confidential information may not be made accessible to any third party and shall be protected from unauthorised third party access. These principles also apply to documents and information that any third party has entrusted to Knauf. Confidential information may be disclosed only if required by law or expressly ordered by a court of law or a public authority. If in doubt, the prior approval of the responsible line manager or the management must be obtained.

Employees using IT systems must pay particular attention to data privacy and data protection. Knauf Group's internal rules and guidelines relating to the use of IT systems must be observed.



13. Information and training

Our employees are regularly informed about current topics related to the present Code of Conduct. We regularly offer special training to our employees on specific subjects.

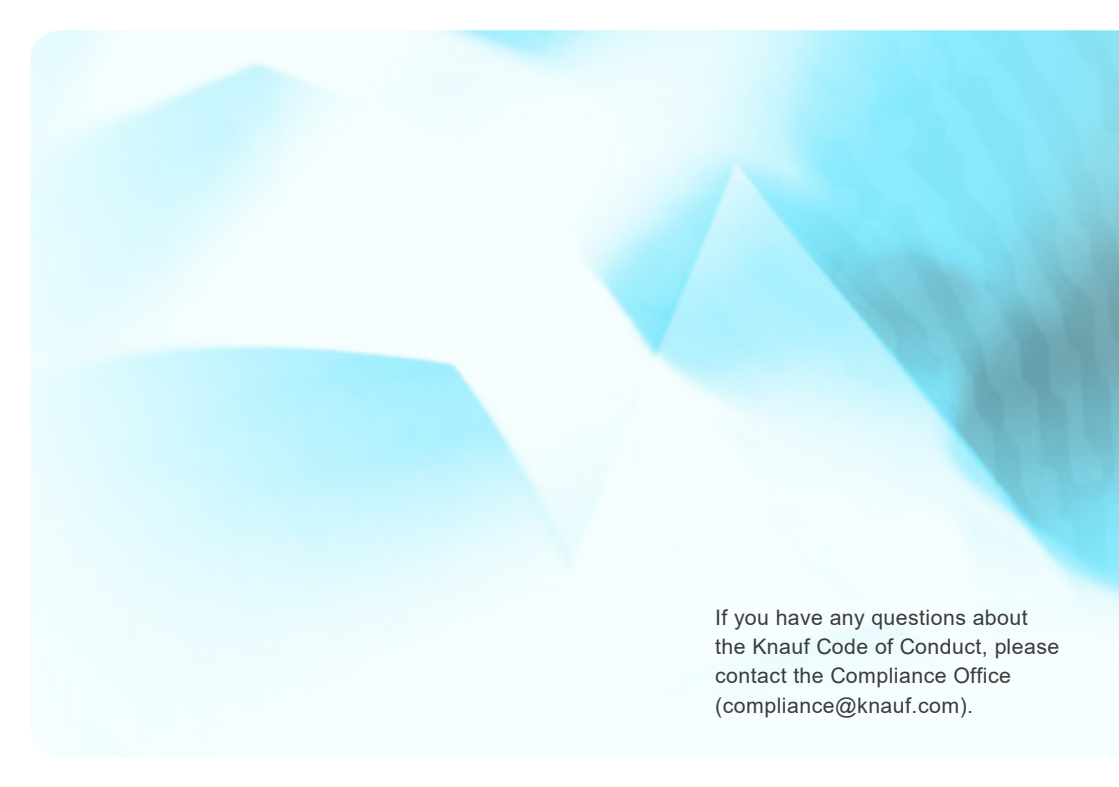
| We inform and train. |



| We assume responsibility. |

14. Reporting irregularities

Every employee is entitled to report any circumstances that give reason to assume that the present Code of Conduct has been breached to his line manager or the Compliance Officer of his company or of the Knauf Group. Such report may also be submitted anonymously. No employee who reports such notification in good faith has to fear any sanctions under employment laws. This is also the case if the report proves unfounded.



If you have any questions about
the Knauf Code of Conduct, please
contact the Compliance Office
(compliance@knauf.com).