

LD Celulose
Anti-Bribery
and Corruption
Directive





Introduction and Objectives

Trust and fairness characterize the way we deal with our business partners. We do not tolerate bribery or corruption in any form.

Naturally compliant

How we operate our business is just as important as the business itself. The Global Code of Business Conduct is our guide for the way in which we interact with colleagues, suppliers, customers, competitors and the public. It also states that we do not tolerate breaches of rules and laws, but rather comply with our reporting obligations. Managers are responsible for business integrity by setting the appropriate tone from the top. Leadership commitment is the key to establishing a culture of integrity, transparency, openness and compliance.

We also trust our business partners to conduct themselves with integrity and in full accordance with the law.


Integrity is the basis of our business – integrity is more important for us than short-term business success. In case of doubt, we would rather forego business than enter into transactions that conflict with the law or our Anti-Bribery and Corruption Directive.

But as we all know, there is no one rule for every possible situation in which a decision has to be made. How do we behave in those unregulated cases? The answer is: we act with honesty and integrity.

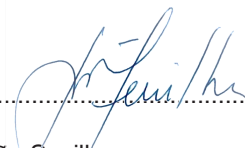
If we find ourselves in an uncertain situation and are unable to find answers, we contact our respective manager or our Compliance experts and seek advice in advance.

Compliance? - If in doubt, consult in advance!

Lenzing, May 28, 2020



Luis Künzel
Chief Executive Officer



João Sevilha
Chief Financial Officer

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Anti-Bribery and Corruption Directives

01

Scope and Application

This Anti-Bribery and Corruption Directive (“ABC Directive”) supplements the Global Code of Business Conduct of Lenzing by providing global minimum standards to ensure that Lenzing’s activities are conducted ethically and with integrity. The goal of this Directive is to ensure that all relevant anti-bribery and corruption regulations are known and observed across the Lenzing Group.

This Anti-Bribery and Corruption Directive applies to all operations and activities in compliance with all applicable anti-corruption laws, including the Austrian Criminal Code, the United Kingdom Bribery Act 2010 and the U.S. Foreign Corrupt Practices Act.

Even more, this Directive helps us to avoid or reduce the costs, risks and damage of involvement in bribery, to promote trust and confidence in business dealings and to maintain our company’s reputation.

This Directive applies to all of us: employees, all members of the Management Board, and managers of the Lenzing Group and any of its subsidiaries which Regarding the general rules are majority owned or controlled (“internal Lenzing person”); as well as applying to those who may be performing services for or on behalf of the Lenzing Group, or on behalf of any Lenzing subsidiary (such as subsidiaries minority owned or controlled, consultants, agents, dealers, contractors, suppliers, and service centers) in whatever jurisdiction they are engaged or are working in (“external Lenzing person”). We are all together Lenzing persons (“we”).

In the case of a conflict between this Directive and any other Lenzing directives or applicable laws and codes, the more restrictive provision applies.

Related ABC Directives Local Guidance Documents for each location applies to all, who have the workplace in the respective country by employment contract.

Further specific requirements, such as handling donations, lobbying, are set in other related Lenzing guidelines or specific directives.



Definitions

02

Compliance refers to the Global and Regional Compliance functions (Global Compliance Officer, Global Compliance Office, Local Compliance Manager).

Public officials are individuals who hold a public office. They are subject to particularly strict rules. They serve the public in their work and should not be open to bribes for the good of all.

Public officials (or government officials) include, for example, employees of national and international organizations (including the United Nations, EU, WHO), members of political parties, candidates for political office, and state-owned companies and non-profit organizations, such as research institutes.

Depending on the country and legislation different definitions exist for public / government officials.

Here is an example: Foreign public official means any person holding a legislative, administrative or judicial office in a foreign country, whether appointed or elected; any person exercising a public function for a foreign country, including for a public agency or public enterprise; and any official or agent of a public international organization.

Foreign country includes all levels and subdivisions of government, from national to local.

ATTENTION: Institutions with a legal connection to public officials which provide services to public officials or government, like consulting, are also considered to be public officials in certain cases.

Gifts are benefits of any kind given to someone as a sign of appreciation or friendship without expecting to receive anything in return. They include “courtesy gifts”, which are small gifts given at culturally recognized occasions (e.g. weddings, funerals) or special times of the year (e.g. Christmas, New Year).


Leisure time events without business character and where the giver of the event is not participating are considered as gifts.

Hospitality/invitations covers accommodation, meals or refreshments in the context of professional, semi-private or private events.

In the context of professional events (e.g. product presentations) they may also include offers to attend cultural and sports events.

They also include participation in cultural events with business partners.

Events with clear business character are professional events during which the business character of the event takes up most of the time. This could be experts' events, conferences, etc.



Events with partial business character are professional events during which the business character of the event does not take up the majority of the time. This could be a conference with a dinner or entertainment program like a visit to the theater or a show, or a factory visit combined with cultural entertainments.

Events without business character are leisure time events which have no business character. This could be a cultural entertainment or a sporting event.

ATTENTION: The business partner has to be present at the event too, otherwise the event is considered to be a gift.

Responsibilities

03

We at Lenzing are all responsible for promoting the ABC Directive and fostering a culture of integrity which makes bribery and corruption unacceptable. We implement this Directive and adopt any necessary business and supervisory procedures, and we all prevent and report bribery and other forms of corruption in connection with Lenzing.

The Group Compliance Officer has the authority to write and update this Directive. The Group Compliance Office is responsible for its implementation, publishing and provision for every internal Lenzing person via LenzingConnect. The respective managers are responsible for the documents relevant to their area to be current, available and accessible, as well as for the notification and/or training of all Lenzing persons.

Acting with integrity in our daily business life is essential for the sustainable business success and reputation of the Lenzing Group. For this reason, all Lenzing persons have the responsibility to act according to this Directive.

This Directive and any supporting procedures and documents shall be reviewed and revised as appropriate on a regular basis by Compliance. This includes ensuring that the provisions of this Directive are kept up-to-date, practical and relevant at all times.



04

Bribery and Corruption

We do not tolerate any form of corruption (including the giving and receiving of bribes in any form) within the organization, and we take the most serious view of any attempt to commit corrupt practices by Lenzing persons.

We ensure that we act appropriately and within the law in our dealings with our business partners and with public officials.

What is bribery and corruption?

Corruption is any abuse of public power, office or resources for personal gain, including making threats.

Bribery is the giving or accepting, offering or demanding of an improper advantage, for example money, gifts or hospitality, in order to influence the recipient's behavior to take or refrain from taking any action in connection with the performance of his or her duties.

Quick Note:

Anti-corruption laws do not only apply to the person who pays the bribe or offers anything of value – they also apply to the people who have taken action in furtherance of the same. For example, anti-corruption laws could apply to anyone who:

- ▶ approves or authorizes the payment;
- ▶ creates or accepts false invoices;
- ▶ relays email instructions to pay or accept a bribe or kickback;
- ▶ covers up an illegal payment;
- ▶ knowingly cooperates in the payment of a bribe; or
- ▶ suspects an illegal payment or kickback but turns a “blind eye” to it.

Facilitation payments:

A facilitation payment is typically a cash payment (although it can include anything of value) offered, promised or made to a public official or to a third party to encourage or induce them to execute a routine official function or routine business function, or to do so in a more timely manner.

Quick Note:

- Facilitation payments are often involved in obtaining
- ▶ non-discretionary permits,
 - ▶ licenses or other official documents,
 - ▶ expedited lawful customs clearances,
 - ▶ the issuance of entry or exit visas,
 - ▶ police protection,
 - ▶ services and actions that are wholly unconnected to the award of new business or the continuation of prior business.

Ban on Bribery - In dealing with business partners, customers, suppliers, the authorities and other public officials, any agreement or contract used for bribery or kickbacks is strictly prohibited.

We must not offer, promise or prospect services, gifts, hospitalities, invitations, other benefits or anything else of value, if they can be understood as an effort to inappropriately influence a public official or a business partner.

If there is an advantage in reciprocity for accelerating or ensuring an official act to which the payer has legal or other entitlement, this is illegal and there is a ban on making such “facilitation payments”.


We do not make facilitation payments to a public official with the purpose of expediting or securing the performance of a routine governmental action. It is not a breach of this Directive if not paying would endanger the personal health of employees or close relatives (“extortion payment”). In such cases the responsible Lenzing Board Member has to be informed, who will then define what action to take. In addition, Compliance has to be informed..

ADVICE AND FURTHER INFORMATION

To avoid any uncertainty about whether we are allowed to accept or give a gift, an invitation to a business meal or any other benefit, we look for advice in advance. Please see therefore the information channels in the chapter “Information and Reporting Channels”.

Please check the precise and detailed information in the sections “Gifts & Hospitality” and “Information and Reporting Channels”.

Ban on Corruptibility / Bribery - Our business decisions are made exclusively according to objective criteria like price and quality – personal interests are put aside. When we make business decisions, we cannot allow ourselves to be influenced by business associates that offer or promise us improper benefits. We want to avoid even the suspicion that our business decisions have been influenced.



We will not accept such benefits if they are offered to us. We also do not request our suppliers or business partners to grant us any improper advantages.

We do not accept any personal discounts from our business partners or our competitors that are granted to us privately.

A position of employment, whether permanent or temporary, paid or unpaid (e.g. an internship) is considered a “thing of value” under applicable bribery and corruption laws. We do not offer or accept for us, or for our relatives, anything of value of that kind with the scope to influence decisions, to receive improper benefits or to gain other advantages.

ADVICE AND FURTHER INFORMATION

To avoid any uncertainty about whether we are allowed to accept or give a gift, an invitation to a business meal or any other benefit, we look for advice in advance. Please see therefore the information channels in the chapter “Information and Reporting Channels”.

Please check the precise and detailed information in the sections “Gifts & Hospitality” and “Information and Reporting Channels”.

Ban on Bribing through Third Parties - We are not permitted to grant indirect financial or other advantages to a business partner, consultant, agent or any other third party. It is also forbidden to approve an advantage of this nature, if circumstances indicate that they are to be wholly or partially used, directly or indirectly, to induce a public official or a person in the private sector to commit an illicit act or omission or to influence a public official.

We may be held responsible for the conduct of any third party who performs services for or on behalf of the Lenzing Group or of any Lenzing affiliate or subsidiary and engages in bribery. For this reason, we require such third parties to conduct their business in accordance with this Directive and the Lenzing Global Code of Business Conduct.

During the process of selecting business partners, we conduct checks of potential business partners prior to contract conclusion or renewal. In this Compliance Partner Check we take reasonable steps to ensure that all third parties with whom we contract either agree to adhere to this Directive or have their own anti-bribery and corruption policies and procedures, which are considered to be consistent with the principles underpinning this Directive and the Lenzing Global Code of Business Conduct.

DOCUMENTS AND RESPONSIBILITIES

Please check the precise and detailed information about the Compliance Partner Check and documentation commitment defined by your Local Compliance Manager in LenzingConnect.

Gifts and Hospitality

05

Giving and accepting gifts and extending and accepting invitations to business meals or events are a part of our everyday business life. However, we adhere to precise guidelines for conduct in order to avoid the perception of bribery or corruptibility.

For this reason, our gifts, hospitalities and invitations are modest, reasonable, proportionate and infrequent, so far as any individual recipient is concerned.

We never demand gifts, invitations or hospitality.

We never promise, offer or provide gifts, hospitality and invitations with the intent of causing the recipient to do something favoring the Lenzing Group or Lenzing people personally, to reward such behavior or to refrain from doing something disadvantaging the Lenzing Group

Monetary gifts¹ are in general not allowed. We do not offer gifts in the form of cash or cash equivalents.

We treat hospitality or invitations without the context of professional events like a gift. For more detailed information about events, please consult the respective Local Guideline Document of your location.

DOCUMENTS AND RESPONSIBILITIES

We register gifts and hospitality in order to be transparent. Please see therefore the sections on “Limits and Thresholds on Gifts and Hospitality” and “Compliance Register Tool”.

ADVICE AND FURTHER INFORMATION

To avoid any uncertainty about whether we are allowed to accept or give a gift, an invitation to a business meal or any other benefit, we look for advice in advance. Please see therefore the information channels in the chapter “Information and Reporting Channels”.

Quick Note:

Before giving / accepting a gift or providing / receiving hospitality or invitation to / from anyone, consider whether the reputation of the Lenzing Group, of yourself or of the recipient is likely to be damaged if news of the gift, hospitality or invitation were to appear on the front page of a newspaper. If this would embarrass the Lenzing Group, the recipient or yourself, do not proceed.

¹For example: cash, money transfers, interest-free or low-interest loans, vouchers, complimentary use of credit cards.

Giving gifts to Public Officials - We give modest gifts that are appropriate, customary, and reasonable in value by local standards to a public official only if they are lawful under all applicable laws and codes, and are

- ▶ directly related to the promotion and presentation of Lenzing, of Lenzing Products and services, or
- ▶ given as a token of regard to a public official in connection with a recognized gift-giving holiday or event.

Monetary gifts² are in general not allowed. We do not offer gifts in the form of cash or cash equivalents.

We do not provide gifts to spouses or family members of government officials. We do not give gifts as a part of a pattern of frequent gift-giving.

Nevertheless, there may be some local exceptions, as described in the Local Compliance Guidance Documents on LenzingConnect.

DOCUMENTS AND RESPONSIBILITIES

We register given or received gifts from or to public officials in order to be transparent. Please see therefore the sections on “Limits and Thresholds on Gifts and Hospitality” and “Compliance Register Tool”. Please check the detailed information about the local gifts standards and documentation commitment defined by your Local Compliance Manager in LenzingConnect.

ADVICE AND FURTHER INFORMATION

To avoid any uncertainty whether we are allowed to give a gift or any other benefit to a public official, we look for advice in advance. Please see therefore the information channels in the chapter “Information and Reporting Channels”.

Hospitality to Public Officials - We offer reasonable hospitality of public officials, which may include meals or similar offers only if it is lawful under applicable laws and codes, and if it is

- ▶ directly related to the promotion and presentation of Lenzing, the promotion of Lenzing Products, or
- ▶ to the execution or performance of a contract with a government or government agency. This would include occasional and appropriate business lunches and dinners.

Lavish, excessive or solicited hospitality, or hospitality which is so frequent as to be considered inappropriate hospitality of public officials, is never permitted.

²For example: cash, money transfers, interest-free or low-interest loans, vouchers, complimentary use of credit cards.

DOCUMENTS AND RESPONSIBILITIES

We never cover the costs of travel and accommodation by the Lenzing Group or Lenzing persons without registration and approval within the Compliance Register Tool and superintendent's approval of the public official.

We also register all given or received hospitality from or to public officials.

ADVICE AND FURTHER INFORMATION

To avoid any uncertainty whether we are allowed to offer or give an invitation to a business meal, event or any other benefit to a public official, we look for advice in advance. Please see therefore the information channels in the chapter "Information and Reporting Channels".

Please check the precise and detailed information about the local hospitality standards and documentation commitment defined by your Local Compliance Manager in LenzingConnect.

Giving Gifts to Business Partners - We do not provide gifts if there is any kind of connection between giving the gift and a decision to be made by the business partner. Monetary gifts are prohibited. As branding reinforces the business purpose of the gift and the corporate identity of the donor, we prefer to give Lenzing Group-branded items.

Note: Product samples serve a business purpose and do not fall into the gift's category.

ADVICE AND FURTHER INFORMATION

To avoid any uncertainty whether we are allowed to give a gift or any other benefit to a public official, we look for advice in advance. Please see therefore the information channels in the chapter "Information and Reporting Channels".

Please check the precise and detailed information about the local gift standards and documentation commitment defined by your Local Compliance Manager in the Intranet.

Hospitality to Business Partners - We can invite business partners to events with a clear business character (e.g. training courses, company or product presentations) including appropriate catering.

If there is any kind of connection between the invitation and a decision to be made by the business partner, we never invite the business partner without registration and approval using the Compliance Register Tool.

We can invite business partners to events that do not have a clear business character (e.g. sponsoring, marketing or sales events) or to events without any business character, but only if the non-business part of the event is appropriate, with attention to the effect that it will have on public perception.

We only invite accompanying persons if it would not be appropriate to appear at the event unaccompanied (e.g. ballroom dancing).

³For example: cash, money transfers, interest-free or low-interest loans, vouchers, complimentary use of credit cards.

DOCUMENTS AND RESPONSIBILITIES

We document and archive events and guest lists in the department organizing the event.

We never cover the costs of travel and accommodation of Business Partners by the Lenzing Group or Lenzing Persons. Exceptions regarding travel and accommodation costs must be approved by the respective Vice President or for the Group by the responsible Board Member. In addition, Compliance has to be informed.

ADVICE AND FURTHER INFORMATION

To avoid any uncertainty whether we are allowed to offer or give an invitation to a business meal, event or any other benefit to a business partner, we look for advice in advance. Please see therefore the information channels in the chapter "Information and Reporting Channels".

Please check the precise and detailed information about the local hospitality standards defined by your Local Compliance Manager in LenzingConnect.

Acceptance of Gifts and Hospitality by us as Lenzing Persons

We as Lenzing persons are professionals and are professional in our business. Therefore, no gifts or hospitalities are required to perform as Lenzing persons. We as Lenzing persons may accept modest gifts and invitations if it can be ruled out that they are not suitable or are intended to improperly influence a decision.

Gifts sent to the home address of the recipient must be rejected. Furthermore, we must inform the relevant manager and document the relevant information about any gifts and advantage (for example a housekeeping service offered by a business partner) sent to the home address.

We do not have the authority to request or accept direct or indirect improper advantages, or a promise thereof, from any individual or entity for ourselves or for a third party in return for giving unfair preference in the procurement of goods or commercial or other services.

DOCUMENTS AND RESPONSIBILITIES

In order to be transparent, we register gifts and hospitality in the Compliance Register Tool. Please see therefore the section on "Limits and Thresholds on Gifts and Hospitality".

ADVICE AND FURTHER INFORMATION

To avoid any uncertainty whether we are allowed to accept gifts or other values, or any other benefit, we look for advice in advance. Please see therefore the information channels in the chapter "Information and Reporting Channels".

Please check the precise and detailed information about the local gift standards defined by your Local Compliance Manager in LenzingConnect.

Limits and Thresholds on Gifts and Hospitality - Regarding the general rules in this Directive for giving and receiving gifts and hospitality, it is important to handle gifts and hospitality in an appropriate and transparent manner in order to protect us and our company. Therefore, every Local Compliance Manager defines a Local Compliance Guidance Document, published in LenzingConnect. This Local Compliance Guidance Document respects as a minimum the categories for such limits as set out in Annex 1.

The appropriateness of these local limits has to be determined, implemented, communicated and trained by the Local Compliance Manager for the relevant locations, and should be reviewed on a regular basis.

DOCUMENTS AND RESPONSIBILITIES

We register our given and received gifts, hospitality and other advantages using the Compliance Register Tool in order to ensure transparency. Through the Compliance Register Tool the gifts are typically approved by your respective manager, the respective Vice President, and in some cases by the respective Board Member. Please register your gifts and hospitality according to your Local Compliance Guidance Document.

ADVICE AND FURTHER INFORMATION

To avoid any uncertainty whether we are allowed to offer or give an invitation to a business meal, event or any other benefit to a public official, we look for advice in advance.

Please see therefore the information channels in the chapter “Information and Reporting Channels”.

Quick Note:

Gifts and hospitality should be considered in light of the following criteria:

- ▶ **Proportionality:** The value of the gift/hospitality is proportionate to the business engagement, occasion and seniority of the individuals involved, and is reasonable in that context: a 3rd party would also deem that gift/hospitality to be appropriate.
- ▶ **Intent:** The intent of giving the gifts/hospitality must not be likely to influence the recipient's objectivity, and the timing must not be viewed as inappropriate.
- ▶ **Transparency:** The gifts/hospitality must be given and received in an open manner.
- ▶ **Frequency:** Where multiple gifts/hospitality are exchanged between the same individuals, consideration is given to its frequency and acceptability, particularly when viewed in a wider context.

Management Consulting

06

Management consulting contracts are inherently exposed to an increased bribery risk. Therefore the following rules and procedures are implemented to protect us as Lenzing persons.

What is Management consulting?

An external company or an external individual is commissioned by a company of the Lenzing Group to provide an analysis of a problem pertaining to specific circumstances and proposals, and to then offer management solutions.

Approval and Documentation of Management Consulting

DOCUMENTS AND RESPONSIBILITIES

Before entering into a managing consulting contract, we check the following:

- ▶ The Compliance Partner Check was successful (see chapter: "Ban on Bribing through Third Parties")
- ▶ The selection of the mandated company and the optimization of the price/performance ratio conform to the Conditions for Purchasing.
- ▶ The scope of work or the services under the contract has to be clearly defined.
- ▶ Approval of responsible Lenzing Board Member has been given for any of these contracts.
- ▶ The department requesting the consulting services needs to make sure that the provided services are documented.

Fraudulent Practices

07

What is a “Fraudulent Practice”?

A “Fraudulent Practice” is any action or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial benefit or to avoid an obligation.

An action, omission, or misrepresentation will be regarded as made recklessly if it is made with reckless indifference as to whether it is true or false. Mere inaccuracy in such information, committed through simple negligence, is not enough to constitute a “Fraudulent Practice” for purposes of this Agreement.

Fraudulent Practices are intended to cover actions or omissions that are directed to or against a World Bank Group entity or an entity of the IDB Group. It also covers Fraudulent Practices directed to or against a World Bank Group member country in connection with the award or implementation of a government contract or concession in a project financed by the World Bank Group. Frauds on other third parties are not condoned but are not specifically sanctioned in IFC, MIGA, PRG or IDB operations. Similarly, other illegal behavior is not condoned, but will not be considered as a Fraudulent Practice for purposes of this Agreement.

Coercive Practices

08

What is a “Coercive Practice”?

A “Coercive Practice” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party.

Coercive Practices are actions undertaken for the purpose of bid rigging or in connection with public procurement or government contracting or in furtherance of a Corrupt Practice or a Fraudulent Practice.

Coercive Practices are threatened or actual illegal actions such as personal injury or abduction, damage to property, or injury to legally recognizable interests, in order to obtain an undue advantage or to avoid an obligation. It is not intended to cover hard bargaining, the exercise of legal or contractual remedies or litigation.

Collusive Practices

09

What is a “Collusive Practice”?

A “Collusive Practice” is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party.

Collusive Practices are actions undertaken for the purpose of bid rigging or in connection with public procurement or government contracting or in furtherance of a Corrupt Practice or a Fraudulent Practice.

Obstructive Practices

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What is an “Obstructive Practice”?

An “Obstructive Practice” is (i) deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making of false statements to investigators, in order to materially impede a World Bank Group or IDB Group investigation into allegations of a corrupt, fraudulent, coercive or collusive practice, and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or (ii) acts intended to materially impede the exercise of the Senior Lenders’ access to contractually required information in connection with a World Bank Group or IDB Group investigation into allegations of a corrupt, fraudulent, coercive or collusive practice.

Any action legally or otherwise properly taken by a party to maintain or preserve its regulatory, legal or constitutional rights such as the attorney-client privilege, regardless of whether such action had the effect of impeding an investigation, does not constitute an Obstructive Practice.

A person should not be liable for actions taken by unrelated third parties unless the first party participated in the prohibited act in question.

Accounting and Recordkeeping Requirements

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Documentation and transparency are our best weapons against corruption and bribery.

We maintain books and records which accurately and fairly reflect all transactions and disposition of assets.

We do not make any false entry in any of Lenzing's books and records, nor shall any of us be a party to the creation of any false or misleading documents that conceal, facilitate, or mischaracterize the disbursement of Lenzing funds. No unrecorded fund or secret asset shall be created or maintained.

We record properly in the books all lawful payments and gifts authorized under this Directive.

Please do:

- ▶ Ensure all transactions are properly authorized.
- ▶ Provide consistently accurate and complete information or explanation for a transaction.
- ▶ Get necessary supporting documentation for approval of invoices (e.g. timesheets, etc.).

Please do not:

- ▶ Maintain any "off the books" accounts.
- ▶ Mischaracterize any transaction.
- ▶ Authorize payment without description of the services provided.

Voice your concerns

Information provided by honest and upright employees is one of the most effective ways of exposing misconduct in the company.

If you have reason to suspect non-compliance with this Directive, you have a duty to raise your concern in accordance with the reporting provisions found in this Directive.

Should you learn of breaches of this Directive or suspect any such breach, you have the opportunity to report promptly. Timely reporting of breaches of rules can protect the company from more serious consequences.

You can rest assured that such a report in good faith will have no negative consequences (disciplinary or retaliatory measures) for you whatsoever.

DOCUMENTS AND RESPONSIBILITIES

When you have personally noticed a breach of the rules, or suspect any such, please contact one of the following responsible persons:

- ▶ your respective manager
- ▶ your respective Local Compliance Manager
- ▶ the Group Compliance Officer

Moreover, there is the option to make reports regarding particularly serious breaches or, if you wish to remain anonymous, via the electronic whistleblower hotline system “tell us”

(www.bkms-system.net/lenzing).

Consequences of Breaches - Misconduct and violations of anti-corruption laws and internal ethical requirements can have serious consequences, not only for the individual but also for the company as a whole.

Any failure to comply with this Directive may result in disciplinary actions up to and including dismissal. Any failure to comply with this Directive by those performing services on behalf of the Lenzing Group may result in the termination of the engagement and other appropriate actions. We will also, where appropriate and permitted by law, report such matters to relevant law enforcement and regulatory authorities.

⁴Or acceptance of a breach, including a failure to report a breach.

Rollout of this Directive

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This Directive has been approved by the Lenzing Management Board dated 2020-05-28 and is binding. This Directive, including all translated versions, is published for all internal Lenzing persons in LenzingConnect and is in addition distributed in the respective trainings. For external Lenzing persons the Directive is distributed by email, or during the course of the Compliance Partner Check procedure conducted by the respective manager.

Group Compliance Office is responsible for the documentation of the rollout of this Directive.

A signed hard copy of the English version Directive (original version) is stored at the Group Compliance Office..

Training

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This Directive was announced to all internal Lenzing persons, and it can be continuously and easily accessed in LenzingConnect. Trainings are important instruments for increasing awareness for all of us: to this end, the Compliance Office designs training programs together with the Local Compliance Managers, which are compulsory for all internal Lenzing persons. The respective managers are responsible for the implementation of the training. The training method differs due to the varying roles of responsibility between different target groups.

For external Lenzing persons this Directive was announced by the respective manager by email or is part of the business contract.

Information and Reporting Channels

Information and reporting channels help us to avoid uncertainty and ensure transparency.

Information and Escalation - To avoid any uncertainty when it comes to issues concerning anti-bribery and anti-corruption, it is our duty to inform ourselves in advance.

In order to discharge this obligation, you have different information sources and contact persons at your disposal:

1. Your respective manager
2. Your respective Local Compliance Manager: Please see here the list of Local Compliance Manager on LenzingConnect
3. Group Compliance: Please see here the list of Local Compliance Manager on LenzingConnect compliance@lenzing.com
4. Group Compliance Officer: Please see here the list of Local Compliance Manager on LenzingConnect


For inquiries concerning escalation, please use the same contact persons (please see section “Voice your Concerns”)

Consult the content on LenzingConnect as well. Here you can find general information about:

- ▶ Our Compliance Management System, including contact persons
- ▶ Our Global Code of Business Conduct
- ▶ This Directive
- ▶ The respective Local Guidance Documents for this Directive
- ▶ Link to the Gift/Hospitality Register Tool
- ▶ Link to the electronic whistleblower hotline system “tell us”
- ▶ etc.

We as Lenzing persons are responsible for our decisions and conduct. Sometimes, however, we may be unsure what to do or how to act. Such gray zone situations are normal in business life and are the reason why Compliance is here for us. Are you uncertain about how to act, document, proceed or approve something? Do not hesitate to contact Compliance, in advance, during or following a decision.

Consult in advance!



Reporting and Documentation Channels - Please see the detailed information about the local standards and documentation obligations for gifts and hospitality as defined by your Local Compliance Manager in LenzingConnect.

Compliance Register Tool

DOCUMENTS AND RESPONSIBILITIES

We register all of the gifts, hospitality and other advantages from a certain amount of value (please see respective Local Compliance Guidance Document) we give or receive using the Compliance Register Tool to ensure transparency. You can find the Lenzing Group's Compliance Register Tool on LenzingConnect.

Irrespective of the value, it is not allowed to offer, promise, give, or receive hospitality to or from public officials without seeking prior approval using this Compliance Register Tool.

Using this Compliance Register Tool the gifts and hospitality are usually only documented, while some are approved by your respective manager, and in some cases by the Board. The approval chain, limits and restrictions are defined in this ABC Directive or in the Local Compliance Document of your location.

Please pay attention to the anti-bribery rules of your business partner, who could have lower thresholds.

ADVICE AND FURTHER INFORMATION

To avoid any uncertainty whether we are allowed to accept or give a gift, an invitation to a business meal or any other benefit, we look for advice in advance.

Please see therefore the information channels in the chapter "Information and Reporting Channels".

Quick Note:

Before giving/accepting a gift or providing/receiving hospitality or an invitation to/from anyone, consider whether the reputation of the Lenzing Group, of yourself or the recipient is likely to be damaged if news of the gift, hospitality or invitation were to appear on the front page of a newspaper. If this would embarrass the Lenzing Group, the recipient or yourself, do not proceed.

Annex 1: Guideline for Local Compliance Guidance Documents on Limits/Thresholds for Gifts and Hospitality

In addition to this ABC Directive, our Local Compliance Guidance Documents need to properly reflect the anti-corruption principles and requirements set forth in this Directive.

They need to cover in particular the following elements, in accordance with applicable laws and codes:

- ▶ Limits on hospitality provided to/received from public officials and business partners;
- ▶ Limits on cost of gifts/benefits provided to/received from public officials and business partners.

This should also include the prohibition (and the respective exceptions) of any payments/benefits received in the form of cash or cash equivalents (gift vouchers, online coupons, concert or event tickets and etc.) in order to improperly obtain or retain business or give unfair preference.

Categories and Thresholds - Our Local Compliance Guidance Documents include at a minimum the categories and local limits/thresholds. Such thresholds/limits should be defined locally by the Local Compliance Managers. When defining and calculating local thresholds/limits, the following aspects are taken into consideration:

- ▶ Applicable laws and codes which might set out detailed limits on gifts and hospitality provided to certain recipients;
- ▶ Reasonableness in terms of value by local social standards and cost of living; and
- ▶ Any potentially tax-related aspects which may arise for the recipient and the provider.

The Local Compliance Guidance Documents include guidelines for the limits for, at a minimum, the categories gift, meals and other hospitality. The appropriateness of these local limits has to be determined, implemented, communicated and trained by the Local Compliance Managers and should be reviewed regularly. Every Local Compliance Guidance Document has been approved by the Global Compliance Office and is published in LenzingConnect.

In addition, our Local Compliance Guidance Documents include some checklists in order to support Compliance procedures in the locations:

- ▶ Partner Compliance Checklist
- ▶ etc.

Our Compliance Register Tool has integrated the limits and thresholds of our Locals Compliance Guidance Documents in order to give us the possibility to register and approve gifts and hospitalities while respecting local customs.

Annex 2: Acknowledgement for Business Partners

I have read and understand the Lenzing Anti-Bribery and Corruption Directive as well as the responsibility to comply with same.

I understand I can and should contact Lenzing Compliance with any questions regarding the Lenzing Anti-Bribery and Corruption Directive.

I understand I may submit alleged violations of the Lenzing Anti-Bribery and Corruption Directive to the Lenzing electronic whistleblower hotline system “tell us” and will cooperate with any investigation that may result.

Business Partner Signature

Date

Business Partner Printed Name and Title