

Code of
Conduct

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ABOUT THIS DOCUMENT

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Thomas Spitzenpfeil
CFO Zumtobel Group

Andreas J. Ludwig
CEO Zumtobel Group

I INTRODUCTION

The Zumtobel Group has created this Code of Conduct in order to establish global standards of conduct that apply to all Zumtobel Group employees.

The Code of Conduct is based on two sources: the “Partnering Against Corruption Initiative” of the World Economic Forum, which the Zumtobel Group signed in September 2004; and our own Corporate Values.

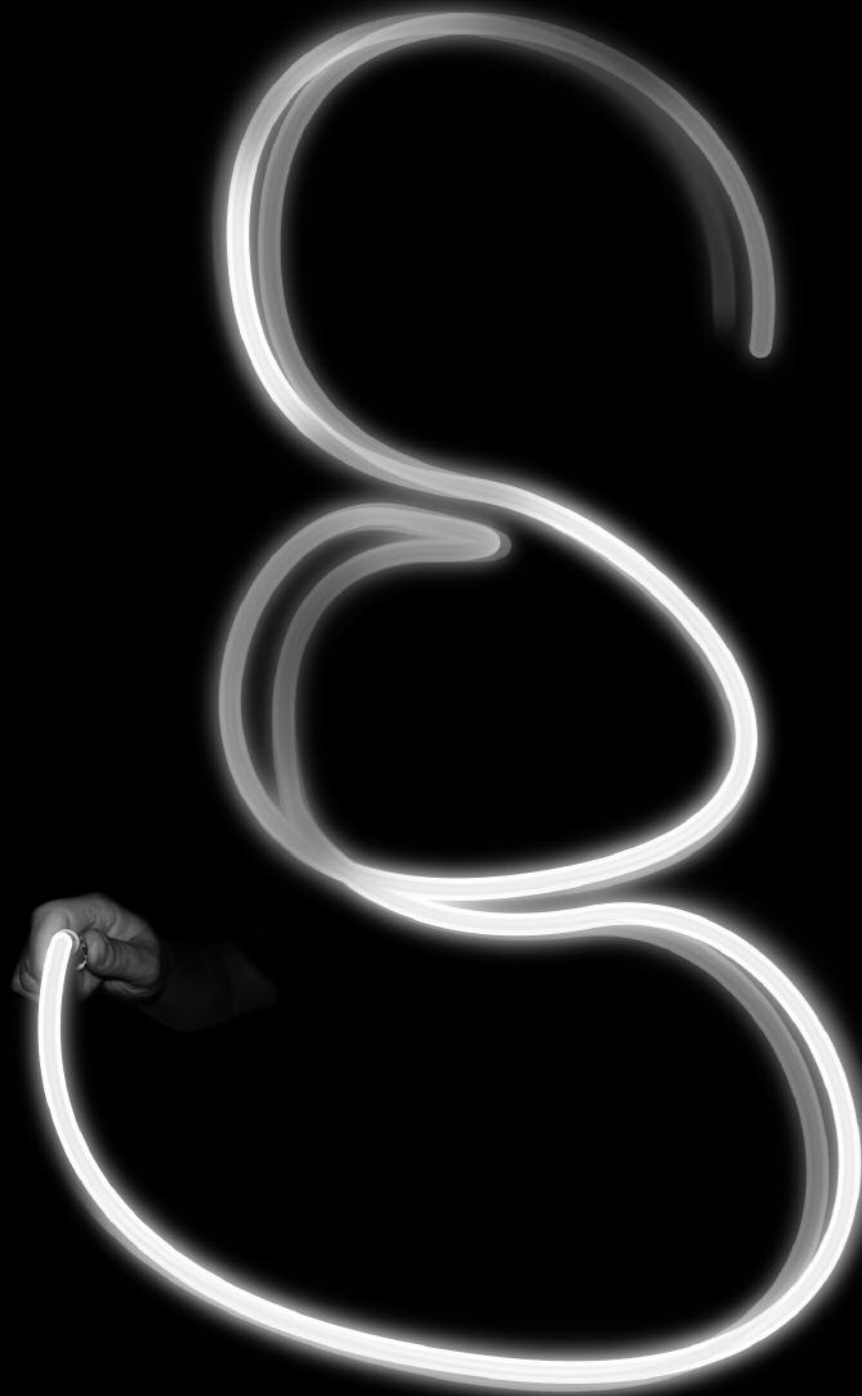
By maintaining the highest ethical standards we lay the foundations for sustained progress in the Zumtobel Group’s competitiveness and market position.

Our Corporate Values and this Code of Conduct help us to make the right decisions and to act in a fair, trustworthy and impartial manner at all times, towards both our internal colleagues and our external partners.

Thank you for your commitment to living out the principles of the Code of Conduct and for setting an example by making them an integral part of your day-to-day work in the Zumtobel Group.

Andreas J. Ludwig
Chief Executive Officer
Zumtobel Group

Thomas Spitzenpfeil
Chief Financial Officer
Zumtobel Group



2 GENERAL PRINCIPLES

2.1 SCOPE AND APPLICATION

The Zumtobel Group Code of Conduct (hereinafter "Code of Conduct") applies to everybody belonging to the Zumtobel Group including

- managers
- employees
- contract workers
- temporary staff
- etc.

The Zumtobel Group includes all Group subsidiaries and affiliates in which the Zumtobel Group directly or indirectly holds more than 50% of the shares or otherwise controls the business activities.

Moreover, the Zumtobel Group will also make external third parties (such as suppliers, development partners, joint ventures, etc.) aware of the provisions of the Code of Conduct which apply to them, in the expectation that they will also fulfil these requirements in the appropriate manner.

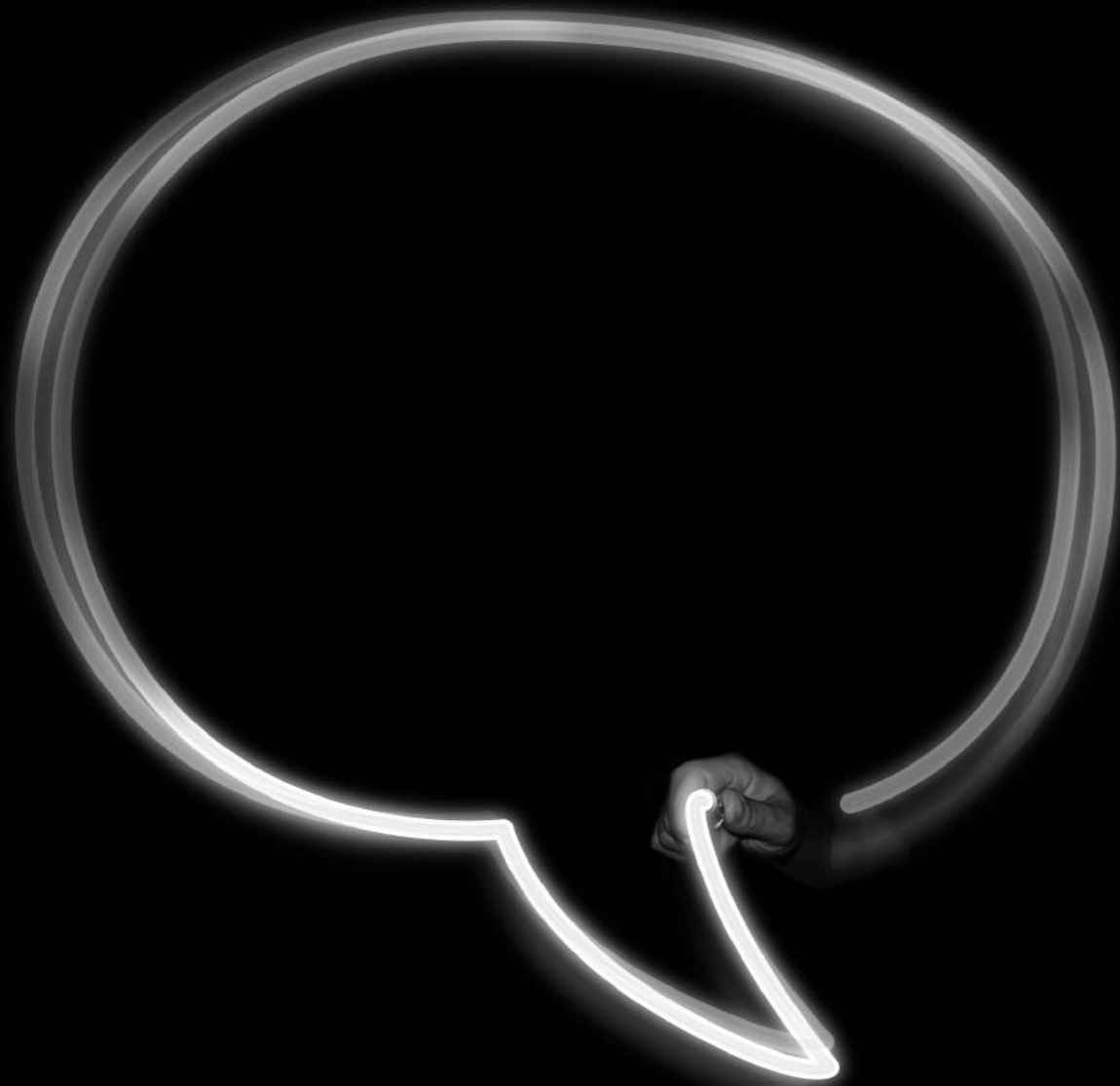
If the Zumtobel Group discovers that one of its business partners has contravened these provisions, such partners will be requested to amend their conduct accordingly. Should they fail to do so within an appropriate time span, the Management of the Zumtobel Group reserves the right to take appropriate measures, which may include legal proceedings or the termination of the business relationship.

2.2 RESPONSIBILITY OF ALL ZUMTOBEL GROUP EMPLOYEES

Zumtobel Group employees must at all times observe and comply with all applicable international, national and local legislation and regulations (e.g. business law, tax law, competition law, etc.) as well as all existing internal policies and regulations, including the present Code of Conduct. The Management of the Zumtobel Group is responsible for communicating these policies and regulations to its employees.

All employees are required to report any contravention – verifiable or suspected – of the law, the Code of Conduct or other internal policies or regulations. More detailed information is provided in Section 11, Reporting breaches of conduct.

If employees do not observe the laws, the Code of Conduct or other internal policies and regulations, the Zumtobel Group reserves the right to take disciplinary action. This may include warnings, dismissal, proceedings under civil/criminal law, and claims for damages or other forms of compensation.



3 COMMUNICATIONS

3.1 BASIC PRINCIPLES

The positioning of the strong brands and image of the Zumtobel Group in both international and regional markets is strongly influenced by our capability to issue consistent, fair and professional communications to external third parties and the media.

In their dealings with external third parties, all Zumtobel Group employees should consistently respect the principles of **openness, honesty, transparency** and **fairness**. In the process, it should always be clear that the employees concerned are proud to be "ambassadors" of the Zumtobel Group and its strong brands.

As a matter of principle, all information released to external third parties must have been expressly approved for publication. More detailed information is provided in Section 5, Confidentiality and protection of corporate property.

3.2 COMMUNICATIONS WITH CUSTOMERS

For the Zumtobel Group, being honest and upright in all communications with its customers is one of its most important duties. In its market approach, the Zumtobel Group competes not only through its products and services but also through a clear commitment to honest, fair and open dealings with its customers.

This also means that Zumtobel Group employees do not deliberately make any false statements towards customers e.g. in respect of the quality, characteristics or availability of products or services.

3.3 COMMUNICATIONS WITH SUPPLIERS

The Zumtobel Group is a fair partner to its suppliers. All purchasing decisions are based exclusively on verifiable factors, such as quality, price, service and reliability, and are not influenced by personal interests on the part of employees.

The Zumtobel Group communicates its expectations and requirements of suppliers in an open, fair and honest manner. Active collaboration is essential if suppliers are to meet the Zumtobel Group's exacting requirements. If, in this respect, confidential information (e.g. product specifications, production procedures, quality aspects, etc.) is exchanged, this must be subject to the prior conclusion of a **nondisclosure/confidentiality agreement**. More detailed information is provided in Section 5, Confidentiality and protection of corporate property.

3.4 COMMUNICATIONS WITH THE AUTHORITIES

Communications between the Zumtobel Group and the authorities are open, honest and proactive. The aim is to create an atmosphere of mutual trust in our dealings with the authorities.

As a matter of principle, contact with the authorities should be handled by local management and/or authorised employees (e.g. routine enquiries, safety regulations, enquiries regarding current projects, etc.).

Enquiries from authorities which may influence or be of relevance to the entire Zumtobel Group, or more than one country or region, must be passed on to the management of the respective Division for appraisal and/or processing. In dealing with these enquiries, management will coordinate its activities with the Divisions concerned and, in the case of subjects with a public relations impact, with Corporate Communications as well.

As communications with the authorities can be a delicate matter in certain circumstances, in case of doubt please involve your supervisor or the Ethics Officer.

3.5 COMMUNICATIONS WITH THE MEDIA

Enquiries from the media regarding brands, products or projects must be passed on to the Brand PR Manager responsible.

All other inquiries from the media, and from the business and financial media in particular, must be passed directly to Corporate Communications in order to ensure coordinated and consistent dealings with the media across the entire Zumtobel Group. In response to such enquiries, the name of the person enquiring and their company or publication, their contact data and the reason for their enquiry must be noted, and they must be informed that Corporate Communications will be in touch with them directly.

In order to ensure rapid and direct responses to enquiries from local media, Corporate Communications has set up a network of contacts at all Zumtobel Group locations. These persons are responsible for dealing with such enquiries in line with the statements approved by Corporate Communications.

3.6 COMMUNICATIONS WITH COMPETITORS

Reliable information about the Zumtobel Group's competitors is both necessary and valuable in understanding market requirements and adapting the products and services of the Zumtobel Group accordingly.

However, the procurement and communication of such information must always be in line with the ethical principles of the Zumtobel Group (openness, honesty, transparency and fair treatment of competitors) and with the applicable national and international legislation.

3.7 COMMUNICATIONS WITHIN THE ZUMTOBEL GROUP

Zumtobel Group employees should respect the principles of openness, honesty, transparency and fairness not only in their external communications but also, and to the same extent, in their communications with one another.

For example, it is unfair to spread rumours or gossip about other employees and such behaviour is not acceptable.

In addition, all employees are expected to pass on necessary and useful information to their colleagues **proactively**.



4 CORRUPTION

4.1 BASIC PRINCIPLES

Bribery, the giving or accepting of undue advantage, and other forms of corruption, along with the damage caused by such misconduct worldwide, are a serious issue in today's legal, economic and political environment.

For this reason, in September 2004 the Zumtobel Group made a clear **commitment to introducing anti-corruption regulations for all business dealings, transactions and processes in all Zumtobel Group companies worldwide.**

As an active participant in the World Economic Forum's Partnering Against Corruption Initiative (PACI) the Zumtobel Group's goal and duty is to actively combat the various forms of corruption in international and national business dealings.

The following provisions govern transactions or situations involving Zumtobel Group employees or external third parties acting on behalf of the Zumtobel Group. The Zumtobel Group cannot, however, accept any responsibility or liability whatsoever for corrupt conduct on the part of external third parties (e.g. suppliers, customers, etc.).

4.2 BRIBERY

For the purposes of this Code of Conduct, the Zumtobel Group understands as bribery the

- offering
 - promising
 - giving
 - demanding, or
 - accepting
- of financial or other advantage to or from
- public officials
 - politicians, political parties and/or their representatives, or
 - other external third parties

in order to obtain or retain business or to secure any other improper advantage in the conduct of business.

The Zumtobel Group expressly prohibits its employees from engaging any form of bribery, regardless of the value or type of benefit involved (cash, benefits in kind, etc.).

Employees who fail to observe this prohibition will face strict disciplinary measures and/or civil/criminal proceedings.

If Zumtobel Group employees are subjected to attempted bribery or suspect an attempt at securing inappropriate influence by an external third party, they should contact their supervisor or the Ethics Officer immediately.

4.3 FACILITATION PAYMENTS

In contrast to bribery, “facilitation payments” are made in order to expedite the performance of legal and routine activities by public officials (e.g. customs procedures, the routine issuing of entry documents at airports, etc.). The sums involved are generally very small (a few Euro).

In some countries such facilitation payments to officials are standard practice. Nonetheless they are generally illegal – and in any case they contravene the ethical principles by which the Zumtobel Group’s activities are governed. **For this reason, in the Zumtobel Group no facilitation payments are made.**

If Zumtobel Group employees are requested to make facilitation payments, they should in all cases inform their supervisor or the Ethics Officer – after the fact, if no other option is available. The aim in this case is to make such practices transparent and verifiable.

4.4 GIFTS, HOSPITALITY, ESTABLISHING BUSINESS RELATIONSHIPS

The Zumtobel Group prohibits the offering or receipt of gifts, hospitality or other benefits, if the aim of these offerings is to influence business transactions in an improper and unethical way, or even if they could merely create an impression of such improper influence.

As part of the Zumtobel Group’s commitment to maintaining good relationships with its business partners, employees may accept or present occasional **modest** gifts or hospitality (e.g. invitation to a business meal, standard promotional gifts such as pens, calendars, etc.), provided these:

- are legal
- are standard practice in the relevant country or sector and remain within the bounds of good taste
- are made in connection with a business relationship and in good faith
- do not intend – or even give the impression of intending – to exert an improper influence on business decisions
- would not present the Zumtobel Group in a negative, reprehensible or embarrassing light if they were made public.

Gifts in the form of cash or its equivalents (e.g. cheques, bank transfers, etc.) may **in no case** be offered or accepted, even if the sums involved are small.

The principles outlined in this paragraph also apply when establishing new business relationships.

4.5 CHARITY DONATIONS

Donations to charitable institutions must be approved by the Zumtobel Group Executive Board if any of the following apply:

- the sum donated is greater than EUR 5,000
- the donation is made to globally active organisations, e.g. UNICEF, Amnesty International, Médecins Sans Frontières, etc.
- the donation relates to major (global) disasters (e.g. earthquakes, floods or similar) or other events which may be of relevance to the Zumtobel Group as a whole.

All other charitable donations should be handled within the framework of the relevant budget and the relevant policies and regulations.

4.6 SPONSORSHIP

The Zumtobel Group pursues a very active policy of arts sponsorship which is to be implemented within the framework of Group strategy, the relevant policies and regulations, and approved marketing and communications budgets. The following points should always be observed:

- the sponsorship contribution should not exercise any influence over future decisions taken by the recipient (e.g. the awarding of contracts)
- all sponsorship contributions should be verifiable and fully documented.

In addition to arts sponsorship, the Zumtobel Group also provides special support for the creation of training and employment opportunities for people with disabilities. Financial or other contributions donated or provided in this area should be handled in exactly the same way as sponsorship of the arts.

Any other sponsorships, e.g. of sports teams, schools, sporting or other events, must receive prior written approval from the management of the relevant Division or the Executive Board of the Zumtobel Group.

4.7 POLITICAL DONATIONS

Donations or other payments to political parties, whether they are made directly or indirectly, are **prohibited**.

Employees are free to engage in private political activities provided:

- these private political activities are legal
- all private political activities take place outside working hours
- no resources belonging to the Zumtobel Group are used for these private political activities
- the private political activities have no negative impact of any kind on the Zumtobel Group.

4.8 MONEY LAUNDERING

People and organisations involved in criminal activities (such as drug dealing, bribery, fraud, extortion, etc.) often attempt to “launder” the proceeds of these activities in order to conceal them from the authorities or disguise them as legitimate income. In most countries of the world money laundering is prohibited by law.

The Zumtobel Group is committed to full compliance with all applicable legislation against money laundering. For this reason, the Zumtobel Group only enters into business relationships with reputable customers or other business partners who are exclusively engaged in legitimate businesses and whose funds derive from legal sources.

Consequently, all Zumtobel Group Divisions must ensure that they do not accept any revenues which have any connection with money laundering activities. In cases of doubt, a careful investigation must be conducted (in accordance with the principles of due diligence – see Glossary) in order to gather as much information as possible about the relevant business partner.

If there is any suspicion or indication that a business partner is engaged in money laundering or other illegal activities, the Ethics Officer must be contacted immediately.

4.9 RELATIONS WITH THE AUTHORITIES

In most countries around the world there is strict legislation governing the acceptance of gifts or bribes by the authorities.

Employees of the Zumtobel Group may not promise, offer or give to public officials any cash payments or similar with the intention of securing preferential treatment or exercising improper influence on official decisions.



5 CONFIDENTIALITY AND PROTECTION OF CORPORATE PROPERTY

5.1 BASIC PRINCIPLES

Indiscreet use or misuse or destruction of corporate information can entail serious losses for the Zumtobel Group. For this reason, Zumtobel Group employees are required to treat with particular care all corporate information to which they have access during their employment with the Group.

The term “corporate information” refers to all financial data, contracts, correspondence, technical data, etc., which belong to the Zumtobel Group, regardless of the form or medium in which they are processed, transmitted or stored.

In general terms, Zumtobel Group employees are responsible for ensuring that:

- corporate information is always handled in accordance with the applicable legislation and with internal policies and regulations
- corporate information is used only for its intended internal purpose, and any other use (publication, for example) is previously approved by their supervisor
- no false or misleading entries are made in financial and accounting data, accounts, technical information, etc.
- no corporate information is destroyed before the prescribed retention period has elapsed or while legal disputes or investigations are pending.

5.2 CLASSIFICATION OF CORPORATE INFORMATION

Except for corporate information which is expressly labelled as “public”, **all** corporate information is to be regarded as internal and confidential. This information is intended solely for internal use within the Zumtobel Group and may not therefore be communicated to external third parties without express permission.

The originators of corporate information or their supervisors are responsible for classifying the information according to its level of confidentiality (e.g. by printing, stamp, hand-written note, the use of confidentiality labels in the e-mail system, etc.).

Corporate information labelled as “confidential” must be treated with special care. For example, such information may not be kept freely accessible in the workplace.

In exceptional cases, when corporate information labelled as confidential is to be communicated to external third parties, a nondisclosure/confidentiality agreement must always be concluded – after securing the necessary permission from the originator or proprietor of the information – **before** any confidential information leaves the Zumtobel Group. The General Counsel must be consulted regarding the formulation of the nondisclosure/confidentiality agreement.

5.3 INSIDER INFORMATION

Zumtobel Group employees with access to key insider information (information about the Zumtobel Group that is not in the public domain and may have significant influence on investors' decisions) are placed in a position of special trust within the company.

The use of such insider information for private trading in securities or for other private purposes is illegal and will be subject to disciplinary action.

Employees must observe the policies and regulations on insider information issued by the Zumtobel Group.

5.4 CORPORATE PROPERTY

All Zumtobel Group employees are responsible for protecting corporate property and using the resources that are provided for them in the appropriate manner. Company resources may not be used for private purposes unless express permission to do so has been given.

Hardware, software and information owned by the company are integral to the Zumtobel Group's commercial activities. For this reason, all employees are responsible for protecting these resources from:

- damage or destruction
- theft
- computer damage caused by viruses, worms, trojans and similar malware
- unauthorised or fraudulent alteration
- unauthorised access
- inappropriate use or publication.

Corporate property may not be removed from the company location without express permission.

5.5 E-MAIL, INTRANET AND INTERNET

The active use of e-mail, the Internet and the intranet is indispensable for efficient business communications. Nonetheless external communications links (e-mail, Internet) bring with them many risks and can have serious detrimental effects for the Zumtobel Group when used inappropriately.

In order to minimise these risks it is essential that the relevant internal policies and regulations governing e-mail, the Internet and the intranet are observed in full. Contravention of these policies and regulations will result in disciplinary measures as described in Section 2.2, according to the severity of the infringement.

Employees should ensure in particular that:

- all IT systems are used for company business only
- they use only the IT equipment provided and authorised by the Zumtobel Group
- all files from third parties are immediately screened for viruses and other malware
- they do not download, copy or send any material that is illegal, libellous, discriminatory, party-political or pornographic, or any material that could be perceived as offensive
- they do not give external third parties access to corporate information which has not been authorised for publication.

In order to avoid damage to the Zumtobel Group's reputation, all e-mail and Internet activities within the Zumtobel Group are recorded – in accordance with the current legislation – and automatically searched by computer programs for prohibited content.



6 SOCIAL RESPONSIBILITY AND ENVIRONMENTAL PROTECTION

6.1 BASIC PRINCIPLES

It is very important for the Zumtobel Group that all its employees are treated in a fair and respectful manner. The Zumtobel Group and its employees also treat others in the same way.

The Zumtobel Group offers all its employees equal employment opportunities. All personnel decisions are based on performance, qualifications and similar criteria, whether the decisions involved relate to recruitment, training, remuneration or promotion.

6.2 WORKING CONDITIONS

The Zumtobel Group is committed to providing employment and working conditions in line with the recommendations issued by the International Labour Organisation (ILO) – which means that it will not tolerate child labour and undertakes, for example, to provide safe and hygienic working conditions for its employees.

The Zumtobel Group will not tolerate any working conditions which contravene international legislation and regulations. The same standards are expected of the Zumtobel Group's business partners.

6.3 MISUSE OF ALCOHOL AND DRUGS

Alcohol and other drugs can severely impair employees' ability to think clearly and carry out their tasks effectively and efficiently. They reduce productivity, and – more important still – they can endanger Zumtobel Group employees and their working environment.

All Zumtobel Group employees are therefore strictly prohibited from misusing drugs, alcohol and other intoxicating substances during working hours.

6.4 SEXUAL HARASSMENT

Sexual harassment can take a wide variety of forms, including for example explicit sexual advances, humiliating comments, jokes, offensive language or lewd gestures. Such behaviour may be interpreted as sexual harassment even when it was not intended as such.

The Zumtobel Group forbids sexual harassment in any form.

Employees who feel they are being subjected to sexual harassment can contact the relevant person or department within the Zumtobel Group (see Section 11) at any time. In doing so they can be sure that

- their report will be investigated carefully and in the strictest confidence
- neither the refusal of sexual advances nor the reporting of sexual harassment will have any negative influence on the employment situation, evaluation or income of the person making the report, providing this report was not made with malicious intent.

If any reprisals are made by employees or on their behalf because of such a report, the relevant person or department should be notified immediately so that such misconduct can be brought to an end immediately and conclusively.

6.5 DISCRIMINATION

Within the Zumtobel Group human rights are regarded as fundamental values which are universally respected and observed.

The Zumtobel Group Corporate Culture acknowledges and celebrates the fact that every human being is unique and valuable and should be respected for their individual abilities.

The Zumtobel Group will therefore not tolerate any kind of discrimination, whether it relates to:

- age
- disability
- marital status
- gender
- culture
- national or ethnic origin
- political opinion (in accordance with the UN Convention on Human Rights)
- race
- religion
- sexual orientation, or
- social class.

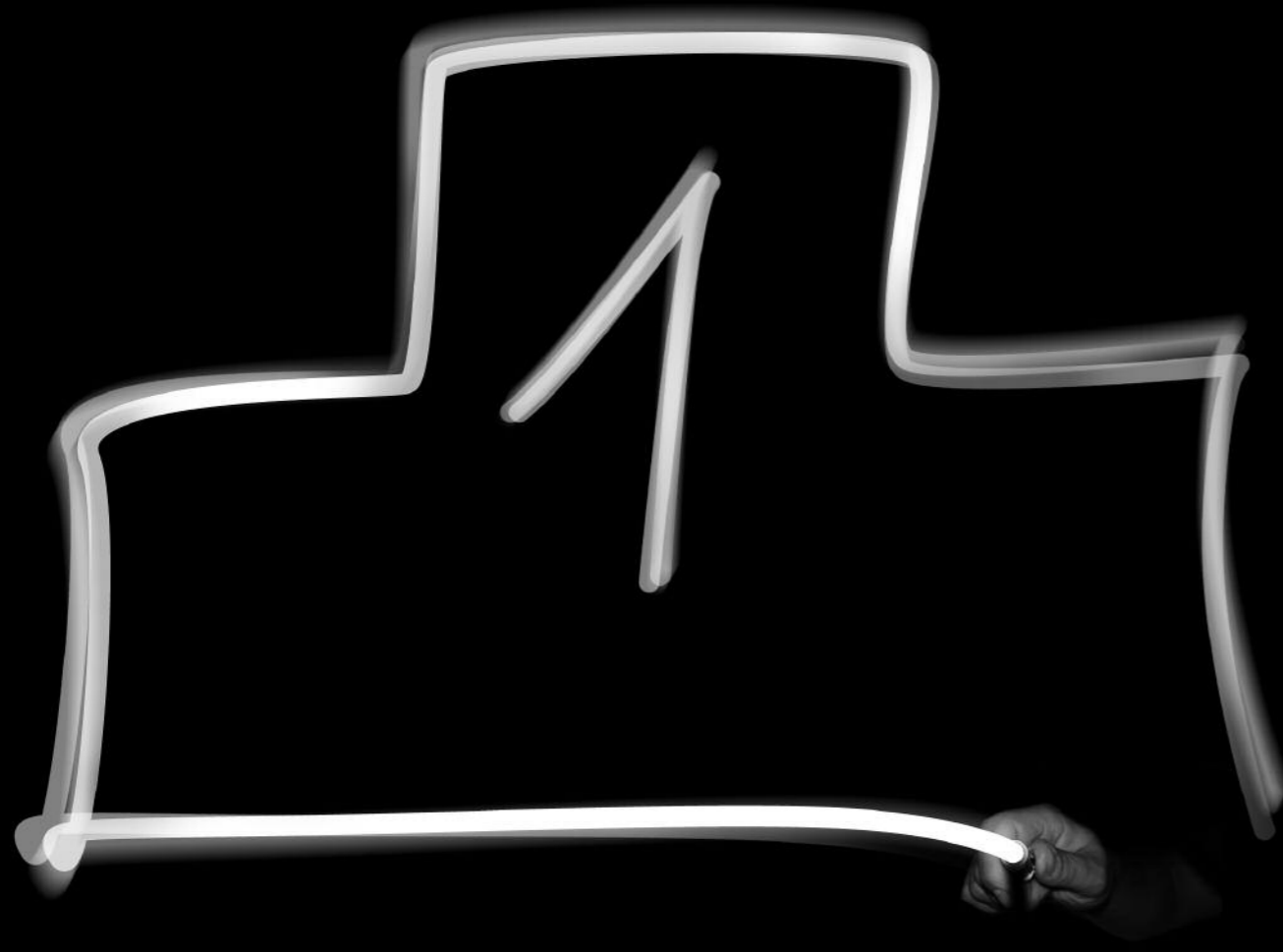
This principle applies equally to all business relationships with external third parties, for example customers, suppliers, consultants, dealers and other business partners of the Zumtobel Group, including its competitors.

6.6 ENVIRONMENT, HEALTH AND SAFETY

The Zumtobel Group is committed to the sensitive and sustainable treatment of resources, energy and waste and has drawn up environmental and health and safety policies accordingly. These policies comply with – and in some cases exceed – the requirements of international and national legislation and regulations.

All employees are required to observe these policies for their own protection and the protection of the environment.

Information about the Zumtobel Group's current environmental, health and safety policies can be found on the intranet.



7 RULES OF COMPETITION

7.1 BASIC PRINCIPLES

The Zumtobel Group believes that transparent and fair behaviour in the market promotes the interests of the company, its shareholders and its employees and ensures the sustained competitiveness of the Zumtobel Group.

Contraventions of international and national competition rules can have serious consequences both for the Zumtobel Group and for the employees involved. These consequences can include high fines, civil legal action, and claims for damages from customers, competitors, etc.

The Zumtobel Group behaves fairly towards all external third parties, which includes observance of the following principles:

- business transactions with customers are always based on correct and factually accurate statements regarding quality, availability and the characteristics of products and/or services
- purchasing decisions are based exclusively on the quality and price of the products and/or services on the market as well as the service quality of the supplier
- customers or suppliers who are also competitors are treated fairly and without discrimination
- the Zumtobel Group will not enter into any agreements with competitors regarding its customers or suppliers
- no negative or derogatory comments will be made about competitors.

It is not possible to cover here all the competition rules relating to dealings with customers, suppliers and competitors in the market. Given the complex nature of the subject and the potential negative impacts of misdemeanours and contraventions, if any doubt exists it is vital that the General Counsel or the Ethics Officer should always be contacted as early as possible.

7.2 UNFAIR COMPETITION

Current legislation prohibits competitive measures involving unfair practices, in particular:

- deception (misleading information regarding commercial circumstances such as product composition, origin, method of manufacture, price calculation, etc.)
- misuse of trade/quality marks (e.g. printing the CEE mark on a product which has not been tested, use of protected third-party trademarks, etc.)
- actions which contravene proper commercial conduct, e.g. boycotting, discrimination, breach of contract, breach of trust, etc.

7.3 BEHAVIOUR TOWARDS CUSTOMERS

Anti-competitive agreements or arrangements with distributors, dealers, manufacturers or other customers can be illegal, particularly if the customer concerned is active in the retail trade. The following activities are forbidden in particular:

- preventing a customer from setting their own sales prices and other conditions of sale (although it is permitted to indicate non-binding recommended retail prices)
- concluding agreements with customers governing retail prices
- making an agreement with a customer about the Zumtobel Group's behaviour regarding retail sales prices of other customers of the Zumtobel Group
- imposing restrictions on customers regarding their sales methods
- offering customers a product or service only on condition that the customer also acquires another product or service which is unrelated materially or in the custom of the trade ("tie-in" transactions)
- agreeing with the customer that particular products or services are to be exclusively sourced from the Zumtobel Group or not sourced from particular competitors, except if such a competitive clause is limited to 5 years.

Mandatory model contracts and checklists for setting up commercial relationships with customers who wish to become Zumtobel Group distributors or agents may be obtained from the General Counsel.

In the case of the termination of a business relationship with a retailer of Zumtobel Group products the General Counsel should be contacted in order to prevent potential legal disputes (exception: termination by mutual consent). Possible contract terminations may not be discussed with another customer in any circumstances.

The Zumtobel Group is not obliged to offer all customers identical prices or terms and conditions. Variations are justified in particular if cost savings (production, sales, dispatch, etc.) or strong competitive pressures are involved.

It is important, however, in this respect to observe the Zumtobel Group's internal regulations regarding pricing, discounting and terms of sale in every case. Where the Zumtobel Group holds a dominant market position this should never be abused.

7.4 BEHAVIOUR TOWARDS SUPPLIERS

The Zumtobel Group does not make any agreements with a supplier under the terms of which business dealings are only concluded on condition that the supplier purchases products or services from the Zumtobel Group.

7.5 BEHAVIOUR TOWARDS COMPETITORS

The Zumtobel Group does not engage in any anti-competitive practices – in particular relating to prices, conditions, production quantities, the allocation of customers or sales territories, etc. – either orally or in writing or by implied intent. The same applies to agreements with competitors not to conduct business dealings with a particular customer or supplier (boycott, refusal to supply).

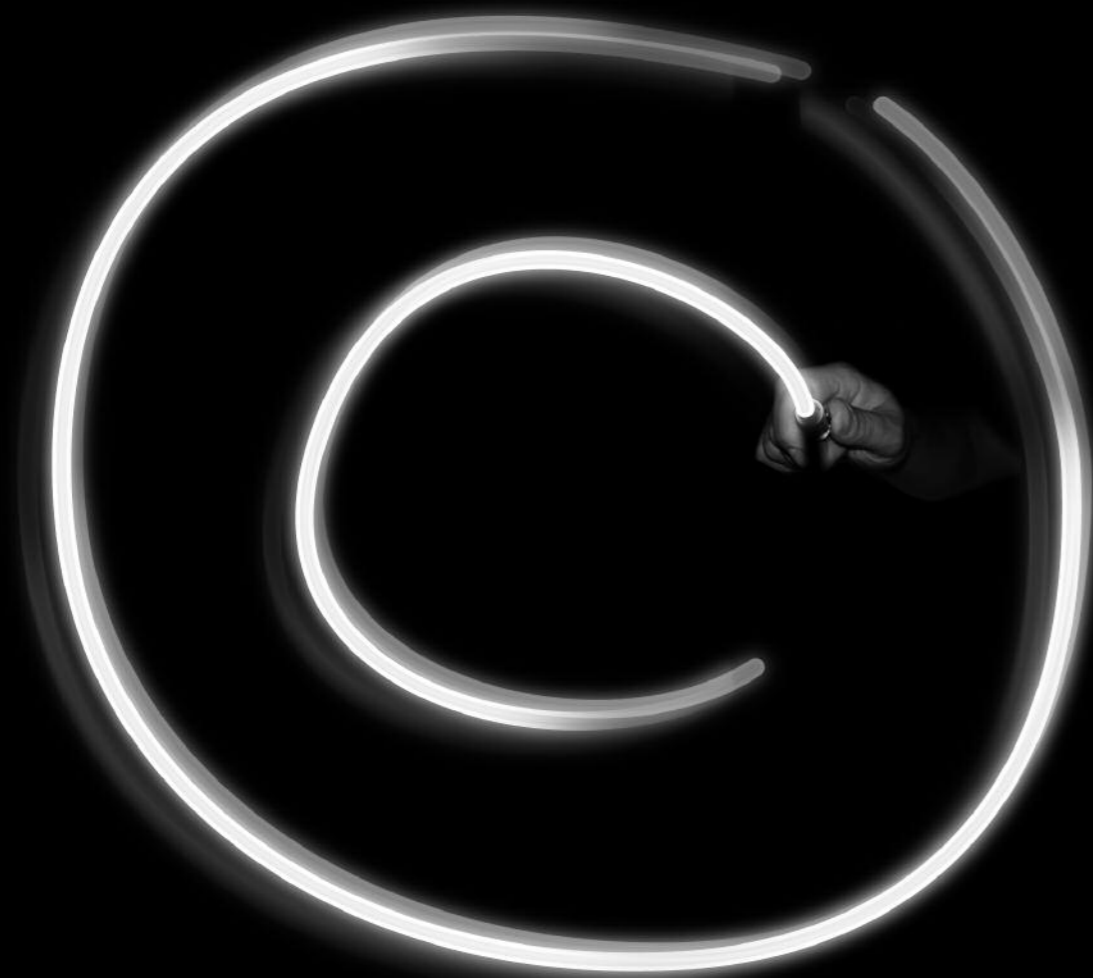
In addition the Zumtobel Group does not engage in setting maximum or minimum prices and does not share information regarding future prices with its competitors. In general, Zumtobel Group employees should not discuss internal matters in their contact with competitors, such matters including for example:

- prices and terms of sale
- costs
- inventories
- production plans
- market overviews
- other confidential or protected information (see also Section 5, Confidentiality and protection of corporate property).

Contracts relating to the creation of joint ventures and inter-company collaborations (cooperation agreements) can restrict competition if they are concluded with competitors or potential competitors. Joint ventures, cooperation agreements and mergers often have impacts outside the country in which they take place and their admissibility under different legal systems must therefore be checked.

For these reasons all planned joint ventures, cooperation agreements and mergers must be discussed with the General Counsel at the earliest possible stage.

The Zumtobel Group generally avoids comparative advertising, which is only permitted under very specific conditions. Any comparisons with competitors' products or services must always be objective, fair, complete and factually accurate. The data and information used must be checked carefully in every case.



8 PROTECTION OF INTELLECTUAL PROPERTY

The intellectual property of the Zumtobel Group arises, for example, as the result of:

- inventions
- scientific or technical research
- product development
- the development of new technologies
- internally produced computer software
- etc.

This intellectual property is protected, as appropriate, by registering or applying for:

- trademarks
 - patents, or
 - designs
- or by issuing exclusive or non-exclusive licenses.

All Zumtobel Group employees are required to actively protect the Zumtobel Group's intellectual property and to prevent the improper transfer of know-how to competitors or other unauthorized external third parties.

In concrete terms they should ensure:

- that no information about new products is released before patent applications have been filed or the decision has been made not to file a patent application
- that protected information is not discussed with customers, suppliers or competitors
- that nondisclosure/confidentiality agreements are signed, e.g. before the start of negotiations with potential cooperation partners – see also Section 5, Confidentiality and protection of corporate property.

Because this is such a complex area, the Zumtobel Group has set up Central Intellectual Property Management (CIPM) as a point of reference and resource for the whole Group on questions relating to intellectual property, including licensing. The CIPM's contact details can be found on the intranet.

In the event of any suspicion of a misuse of the Zumtobel Group's intellectual property rights (e.g. product copies, illegal use of protected designs, etc.), the General Counsel and the CIPM should be informed immediately. Whenever possible, appropriate evidence should be secured immediately e.g. in the form of photos, sample products, further information about the (suspected) offender (company name, production site, dealers, etc.) and so on.

As well as protecting its own intellectual property the Zumtobel Group also respects the intellectual property of others. The improper use of third party intellectual property can have very damaging consequences both for the Zumtobel Group and for the employees involved (including civil proceedings, fines, etc.) and will not be tolerated in any circumstances. For this reason the Zumtobel Group regularly carries out "freedom to operate" tests relating to the technologies, patents, designs, etc. in use. The tests are carried out by specially trained employees and are designed to ascertain whether any third-party copyrights exist.

9 CONFLICT OF INTERESTS

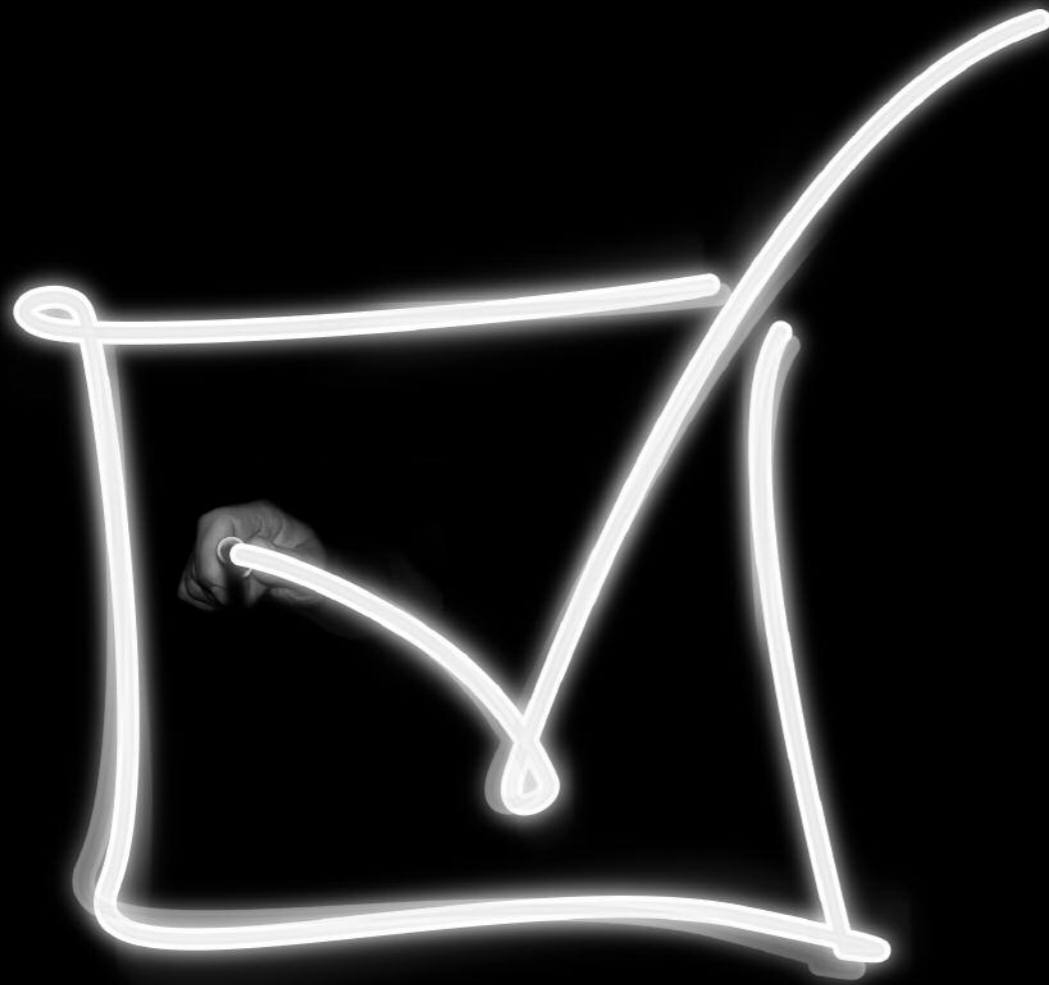
All Zumtobel Group employees must avoid situations in which their personal interests come into conflict, or could come into conflict, with the interests of the Zumtobel Group.

Examples of possible conflicts of interests include:

- undertaking activities outside the Zumtobel Group which could negatively impact working performance within the Zumtobel Group
- owning significant shareholdings in companies which have a commercial relationship with the Zumtobel Group; this excludes shareholdings of less than 3% of market capitalisation (e.g. in a small private share portfolio); in this case it is immaterial whether this is a personal investment or an investment held by a close relative (see below)
- transactions with companies or private individuals where the company owner or the direct trading partner is a close relative
- acceptance of gifts, hospitality, etc.

Close relatives under the terms of this section are: spouses, parents, children or other people who live in the same household as the employees of the Zumtobel Group.

All Zumtobel Group employees are obliged to declare existing or potential conflicts of interest (in writing to their supervisor; for recording in their personnel records).



10 COMPLIANCE WITH THE CODE OF CONDUCT

10.1 BASIC PRINCIPLES

It is the responsibility of all Zumtobel Group employees to comply with the law, with the Group's internal policies and regulations, and with the provisions of the Code of Conduct. This is of crucial importance for the sustained success of the Zumtobel Group and therefore also applies in situations where compliance is not easy.

In situations where neither the Code of Conduct, nor the Group's internal policies and regulations, provide precise guidance on conduct, Zumtobel Group employees should ask themselves the following questions:

- Is the proposed action legal?
- Is the situation transparent and fully verifiable?
- Would I act in the same way in the presence of my supervisor, the top management of the Zumtobel Group or my colleagues?
- Would I be unhappy if my action was reported in the media?

If doubts about the correct conduct persist after these questions have been considered in depth you should consult the following persons:

- your supervisor or
- other Zumtobel Group managers or
- the Zumtobel Group Ethics Officer.

10.2 ETHICS OFFICER

The Zumtobel Group's Ethics Officer is responsible for:

- the administration of the Code of Conduct (including updates, intranet platform, etc.)
- answering questions on the interpretation of the Code of Conduct in relation to everyday work
- reporting to the Zumtobel Group Executive Board on Group-wide compliance with the Code of Conduct.

Please contact the Ethics Officer if:

- you are unsure how to behave in a particular business situation
- you believe that the Code of Conduct conflicts with local laws or internal policies and regulations
- you have a suggestion for improving the Code of Conduct.

Contact information for the Ethics Officer is available on the intranet and on local notice boards, and can also be obtained from local HR departments.



II REPORTING BREACHES OF CONDUCT

It may happen that Zumtobel Group employees discover or suspect contraventions of the Code of Conduct, of other internal policies and regulations, or of the law. Such breaches of conduct can have serious detrimental consequences for the commercial activities and/or the reputation of the Zumtobel Group and cannot be tolerated.

If Zumtobel Group employees discover or suspect such contraventions they are required to report this immediately. The following options are open to them:

- informing their supervisor
- informing other Zumtobel Group managers
- informing one of the Zumtobel Group's Human Resources departments
- informing the works council
- informing the Ethics Officer.

In addition to these internal contacts, the Zumtobel Group has also contracted an external, independent service provider with whom we have set up the **Zumtobel Group Ethics Line**. This service is designed for receiving reports of demonstrable or suspected breaches of conduct.

All reports made via the **Zumtobel Group Ethics Line** will be handled in confidence and investigated thoroughly, following a standard procedure. To simplify the investigation process, it is preferable for the employees making the report to identify themselves. However, it is also possible to submit reports in complete anonymity.

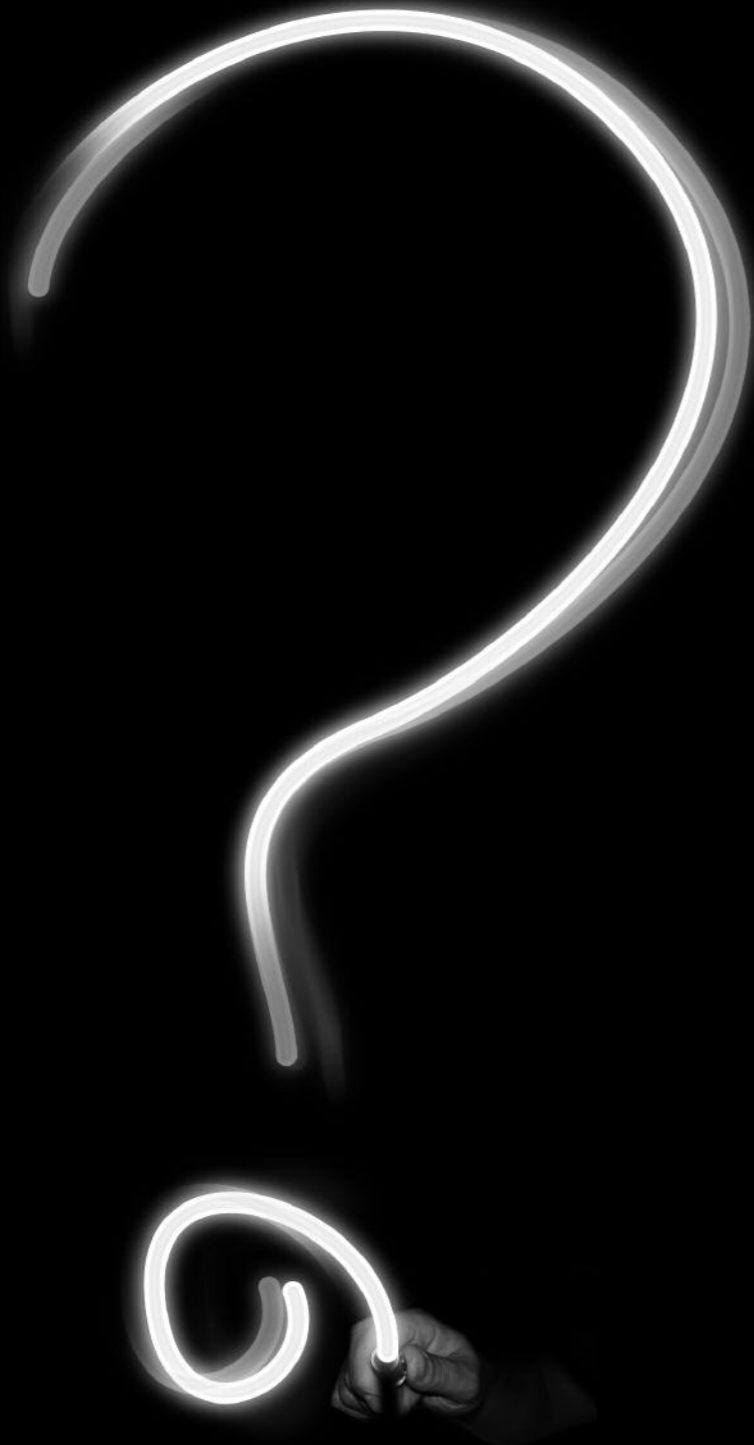
More detailed information about the process of making a report to the **Zumtobel Group Ethics Line** can be found in the **Ethics Line** brochures and process descriptions. You can obtain this information:

- on the intranet
- from your local HR department
- from the Ethics Officer.

In order to promote open communications based on trust, the Zumtobel Group hereby declares that employees who report demonstrable or suspected violations of the law, the Code of Conduct or other internal policies and regulations, will not incur any negative consequences of any kinds as a result of making the report.

The same also applies to persons who contribute important information to the investigation of such a breach of conduct.

The Zumtobel Group nonetheless expressly reserves the right to take disciplinary action against employees who knowingly make false accusations.



12 GLOSSARY

ETHICS OFFICER

The Zumtobel Group's Ethics Officer is responsible for:

- the administration of the Code of Conduct (including updates, intranet platform, etc.)
- answering questions on the interpretation of the Code of Conduct in relation to everyday work
- reporting to the Zumtobel Group Executive Board on Group-wide compliance with the Code of Conduct.

DUE DILIGENCE

Due diligence is the term used to describe the process of investigating the details of a potential investment. Full due diligence procedures are mainly carried out in company acquisitions (and similar transactions) when they will include a comprehensive risk analysis, analysis of strengths and weaknesses, and company valuation.

Where it is not possible to examine internal company information, existing market knowledge should be supplemented with extremely close scrutiny of all the freely available information on the relevant market, including for example annual reports and financial statements, information from financial institutions, banks, insurance companies and the authorities (e.g. details from the commercial register), etc.

EXTERNAL THIRD PARTIES

All parties which have contact or relations with the Zumtobel Group but do not belong to the Group, e.g. customers, suppliers, competitors, agents, authorities, banks, lawyers, designers, the media, etc.

GENERAL COUNSEL

The manager in charge of the Zumtobel Group's legal affairs, working within the Corporate Tax & Legal department of Zumtobel AG, Dornbirn.

ZUMTOBEL GROUP ETHICS LINE

The Ethics Line is available 24/7 for the reporting of suspected or actual misdemeanours – anonymously, if required.

The Ethics Line is operated by an external service provider which is completely independent of the Zumtobel Group.

All reports made via the Ethics Line are investigated by the Zumtobel Group's Ethics Officer.

ZUMTOBEL GROUP

All businesses, companies and branches directly or indirectly controlled by Zumtobel AG, Dornbirn.

