

**Guideline
on Compliance with Antitrust Legislation
(the “Guideline”)**

1. Purpose

Orion Engineered Carbons GmbH and its associated companies (herein collectively known as “Orion”) undertake to practice fair and open competition. We do not tolerate any business practices that exclude, restrict or distort competition.

2. Aim and scope of the Guideline

The aim of this Guideline is to set out our policy on antitrust-law and competition law for our employees, business partners, downstream industries, dealers and anyone else we do business with. It is intended to help recognize and avoid antitrust risks.

This Guideline cannot cover every contingency. In the event of doubt reference should be made to the Orion legal department, the Compliance Officer or the Compliance Committee.

This policy applies to all employees, consultants and agents working for Orion and all executive bodies of Orion. Unless expressly stated to the contrary any guideline or policy specific to a particular sector or region will apply in addition to this Guideline.

3. Initial situation and basic principle

The basic principle is that all arrangements between competitors and decisions made by associations of undertakings the purpose or consequence of which is to prevent competition are prohibited.

The term “arrangements” cover both formal agreements and decisions as well as any conduct that has the same effect but without formal agreement. For example an understanding with a competitor – even if neither person makes an express statement – would also be covered. These are often called “tacit agreements” and are prohibited.

4. Review of antitrust law

4.1 Horizontal competitive arrangements

Agreements and concerted modes of conduct between competitors at the same level of a supply chain (horizontal relationship) the purpose of which is to restrict or prevent competition are prohibited. These include not only firm contracts but also other agreements with competitors regarding future market behavior (including verbal agreements). Attempts to conclude such arrangements for concrete agreements or future modes of conduct even if unsuccessful are prohibited.

Horizontal competitive arrangements (sometimes also termed "hardcore cartels") include the following modes of conduct in particular:

4.1.1 Agreements on prices and conditions

In no circumstances may prices and/or conditions be agreed with competitors. Agreements on prices and conditions include, but are not limited to,

- setting selling prices and/or conditions;
- setting rebates/discounts/bonuses/premiums;
- setting the extent and timing of price increases;
- setting guide prices;
- setting terms and conditions (such as terms of payment, for instance);
- agreeing on uniform requirements vis-à-vis trading partners such as sales discounts or promotional cost subsidies).

4.1.2 Agreements on splitting up a market with regard to customers, products, areas and sources of supply

Agreements must never be concluded to split up markets, areas, customers, target groups or sources of supply. This includes any agreement with a competitor that it should concentrate on a particular market sector whilst the other competitor operates solely in a neighboring area.

Nor may a split take place in the context of contract tendering. For example, an agreement that a competitor should only submit a token tender or should not tender at all is prohibited.

4.1.3 Arrangements limiting sales and production

Arrangements with competitors to limit production or the sale of products are also prohibited. These include any arrangements which, by securing quantities, sales or market shares, serve as a disincentive for a competitor to take competitive measures such as giving price reductions.

4.1.4 Agreements on supplies, agreements not to supply and boycotts

An arrangement that certain firms should no longer be supplied, that other services should no longer be performed, or that no goods or services should be accepted from certain firms is also forbidden.

4.2 Vertical competitive arrangements

Agreements and concerted modes of conduct between market participants at different levels of a supply chain (such as suppliers and dealers, for example) the purpose or effect of which is to restrict or prevent competition are also prohibited.

These include the following modes of conduct in particular:

4.2.1 Exchange of information

A manufacturer must not cause a trader or other third party to pass on price lists or competitively sensitive information to competitors. This applies both to information in relation to competitors and to information on the business partner's terms and conditions with third parties.

4.2.2 Dealers' selling prices; recommended prices

The exertion of any influence on prices fixed by dealers, especially the setting of resale prices, is forbidden. Nor is the setting of minimum selling prices permissible. Dealers must always remain free to determine their own prices. They must be able to freely determine the selling prices and decide whether and to whom it will grant a discount or any other reductions.

5. Handling information

During any contact of information with competitors steps should be taken to avoid information being exchanged that is liable to create prohibited market transparency. For example you should make sure you do not share information with competitors which would enable them to work out our prices or any forthcoming price increases.

In light of the basic principles stated in paragraph 4 the following constitute vital competitive parameters; in particular:

- prices and price formulae;
- cost elements;
- manufacturers' margins;
- supplier and customer relations;
- planned investments;
- organizational structure;
- products proposed to be introduced.

Nor may proposed price increases or reductions be communicated to competitors in advance. This applies even if it is to be assumed that a competitor will learn of it in some other way.

Not every exchange of information is prohibited, however. Competitors may therefore, for example, exchange information on

- legal and political circumstances and assessment thereof;
- general economic developments, where they are public knowledge;
- company data that is general knowledge or accessible to all and data that is purely historical (such as put-of-date sales figures, for instance).

6. Special rules applicable to trade association activities

In light of the antitrust prohibitions the following rules apply specifically to trade association work and are intended to help avoid breaches of antitrust law:

Before trade association meetings every participant should check the agenda. If there are items on the agenda that appear questionable from an antitrust point of view the participant should raise these reservations with the chairman immediately. If the agenda is circulated before the meeting these issues should be raised with the Chairman before the meeting and before entering the venue where the meeting will

take place.

The same applies if topics of possible relevance to antitrust law should arise during trade association meetings. The participants should take steps to ensure that discussions are halted or at least postponed to enable legal advice to be obtained.

Furthermore, no documentation on confidential matters relating to the company should be disclosed (see paragraph 5).
