

# Compliance Directive

## Code of Conduct of TAKTOMAT GmbH

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## Introduction: Corporate Social Responsibility

Companies have a duty of responsibility to their employees, customers and business partners, as well as to society and the environment. This means that corporate decisions and actions must be taken into account regarding economic, technological as well as social and ecological concerns.

For this reason, TAKTOMAT GmbH's code of conduct defines standards which we base our **business ethics** on and which may be interpreted as TAKTOMAT's commitment to **social responsibility**:

In the following sections, TAKTOMAT speaks firstly in favour of always acting in accordance with valid laws and provisions (1) as well as adhering to human rights and employee rights (2). Secondly, TAKTOMAT GmbH's code of conduct contains clear regulations regarding cooperation with business partners (3), conduct in respect of competitors (4), foreign trade and export controls (5), dealing with information and other assets (6), environmental protection (7) as well as adhering to the code of conduct of TAKTOMAT GmbH (8).

The standards listed in these areas reflect the value culture actively "lived" at TAKTOMAT. Their purpose is to guarantee basic ethical values such as respect, honesty, fairness and justice. TAKTOMAT expects that all its employees as well as main suppliers act responsibly in accordance with the standards listed below and respect valid laws and basic ethical values everywhere at all times.

## 1. Principles: Honest and compliant management of transactions

- TAKTOMAT always acts in accordance with applicable legislative regulations and provisions.
- TAKTOMAT employees must observe all the laws and provisions that are relevant in their working environment pertaining to the countries in which TAKTOMAT operates, as well as the internal instructions and directives communicated to them.
- Employees are obliged to conduct themselves in their working environment in an honest and fair manner, with propriety, honesty and integrity and to avoid all conflicts between private and business interests. Furthermore, they should also take care to ensure in their private lives that they do not damage TAKTOMAT's good reputation.

## 2. Human and employee rights

TAKTOMAT itself undertakes to adhere to the fundamental **employee rights** of the respective applicable national legislation and to recognise the **core labour standards of the International Labour Organization (ILO)** and the **International Charter of Human Rights of the United Nations** while taking into account the laws and legal forms that apply in the various countries and locations. It also expects its suppliers to do the same.

- **Forced labour/ child labour:** TAKTOMAT opposes outright all forms of forced labour, child labour or human trafficking and also expects its suppliers not to participate in any such activity in any form.  
The age limit for the approved employment is not below the compulsory school age and in no circumstances under 15 years (or 14 years provided this is allowed by the national law in compliance with the ILO Convention 138). TAKTOMAT ensures that young employees will not be exposed to any situations which are dangerous, unsafe or a health risk. TAKTOMAT respects the rights of children and young people. Any exploitation of children and young people will not be tolerated.  
In general, the personal mobility of each employee must not be restricted by any regulation. Employees are free to choose to leave the premises/company in accordance with applicable law. The employer may not ask the employees to deposit any money or identification papers.
- **Working hours/ remuneration:** TAKTOMAT commits to comply with the applicable legal regulations regarding working hours, paid vacation, and statutory holidays. TAKTOMAT also respects the right to fair compensation, which is based on employees' performance and the respective job market, and never falls below the applicable legal minimum standards.
- **Dealing with others:** Any form of mental or physical violence, bullying behaviour, verbal or physical or sexual assault or harassment will be strongly condemned by TAKTOMAT and not tolerated. TAKTOMAT advocates fair, respectful and partner-like interactions with each other.

- **Non-discrimination/ non-harassment/ open learning culture/ development in accordance with performance and potential:** TAKTOMAT will not tolerate any form of discrimination or harassment in the working environment, be it on the basis of age, disability, origin, gender, political stance or trade union activity, race, religion or sexual orientation. TAKTOMAT promotes a learning culture that openly values the responses of all participating parties and actively encourages this. Performance and potential are the key criteria for developing employees. For this reason, TAKTOMAT supports equal opportunities and equal treatment of employees.
- **Gender equality and women's rights:** TAKTOMAT advocates for equal opportunities and equal treatment and supports the adherence to women's rights. The company aligns itself with the international principles and guidelines of the UN Convention on the Elimination of All Forms of Discrimination against Women. TAKTOMAT promotes balanced gender equality and equal rights to parental leave. Women and men receive equal remuneration for equal work. Additionally, TAKTOMAT actively strives for increased representation of women within the organization.
- **Health protection and occupational safety:** Adhering to health protection and occupational safety legislation is of the utmost importance to TAKTOMAT. For this reason, TAKTOMAT requires that both itself and its suppliers have an appropriate occupational safety management system in place to prevent accidents and occupational illnesses as effectively as possible.  
To also fulfil in this regard the company' responsibility in respect of employees and business partners to provide a healthy and safe working environment, the use of illegal substances (drugs) as well as the consumption of alcohol is strictly forbidden in the company. In addition, it is not permissible for employees to be under the influence of these substances while at work. For reasons relating to safety and to protect non-smokers, smoking in the workplace is also not allowed at TAKTOMAT. Outdoor smoking areas are however provided for smokers.
- **Freedom of association and right to collective bargaining:** TAKTOMAT respects freedom of association and the right to collective bargaining to regulate the general working conditions in the company. TAKTOMAT GmbH respects the right of employees to establish a works council and to join trade unions of their choice, as well as the right of employees to refrain from these activities.
- **Ethical Recruitment:** TAKTOMAT advocates for fair hiring practices and equal opportunities in the workplace. TAKTOMAT is committed to fostering a work environment that prioritizes collaboration, diversity, inclusion, and trust. All employees and job applicants are treated with respect and dignity, and discrimination is strictly prohibited. Recruitment, hiring, career development, promotion, disciplinary actions, and other employment terms are conducted irrespective of protected characteristics such as ethnic origin, gender, gender identity or expression, skin colour, beliefs, religious affiliation, nationality, sexual orientation, marital status, age, disability, or any other legally protected categories.

### 3. Cooperation with business partners

- **Confidential information/ protection of customer-related data/ information/ information requests from authorities:** Protecting customer-related data, in particular the strict keeping of secrets and adhering to the relevant data protection provisions are essential bases for retaining our customers' trust. Confidential information and business documents must be

protected in a suitable manner from access by third parties and colleagues who are not involved in the particular transaction, irrespective of whether this information relates to customers, the group or our employees themselves. Should someone without the appropriate authorisation attempt to obtain confidential information, the employee concerned must notify the board of management immediately. TAKTOMAT cooperates with all responsible public bodies and supervisory authorities. All related communication may only be conducted via the responsible departments.

- **Customer information and advice:** No employee of TAKTOMAT may take measures or issue statements that could mislead our customers. Customers should be given access in a suitable manner to any information that is required for a sound decision to be made. The specific information or consultancy that is required depends on the service, the product, the level of knowledge of the involved customer group and the relevant status of the market. This also applies regarding whether information is to be requested from the customer as a prerequisite for a consultancy meeting and which specific information.
- **Potential conflicts of interest with customers and business partners:** TAKTOMAT gives the interests of its customers a high degree of priority. Conflicts of interest can cast doubt on the integrity and the professionalism of TAKTOMAT. For this reason, potential conflicts must be detected as early as possible. If a conflict of interest cannot be prevented, it must be managed fairly.
- **Complaint management:** TAKTOMAT processes complaints from all customers or former customers in a prompt and fair manner in accordance with the relevant laws and regulations that apply in each case here.
- **No corruption or bribery:** TAKTOMAT does not tolerate any form of corruption, including blackmail and bribery.
- **Acceptance of gifts and benefits:** To a certain extent, gifts and donations from business partners are in line with conventional business practice. They can however entail a potential conflict of interest and challenge TAKTOMAT's good reputation. Accepting gifts and other benefits is generally prohibited if TAKTOMAT's interests are negatively affected or the professional independence of its employees could be jeopardised, regardless of whether this is actually happening or merely seemingly. In cases of doubt, the board of management should be consulted.
- **Prevention of money laundering and the funding of terrorism, no illegal activities:** TAKTOMAT will not allow itself to be misused for illegal purposes. This applies to all illegal conduct. TAKTOMAT is also committed to the international fight against money laundering and the funding of terrorism and pursues a "know your customer" business policy tailored to this particular risk, which complies with the applicable laws and supervisory regulations. In their working environment, employees may neither allow themselves to become embroiled in illegal processes nor are they permitted to tolerate illegal activities relating to TAKTOMAT. This applies in particular to all infringements of anti-trust law, to assisting tax evasion or to other tax-related offences, including tax fraud.
- **Counterfeit products:** TAKTOMAT ensures that no counterfeit products are used. TAKTOMAT cooperates with original equipment manufacturers, for example.
- **Quality/ counterfeit products:** The suppliers ensure that their products meet the relevant quality standards. Suppliers establish quality assurance processes to identify defects and implement corrective actions to provide products that meet or exceed contract terms.

Suppliers shall develop, implement and maintain methods and procedures for their products to reduce the risk that counterfeit parts and materials are used in their deliverable products. Effective procedures must be in place to identify counterfeit parts and materials, to notify recipients of counterfeit products when reasonable, and to exclude them from products to be shipped.

#### 4. Conduct in respect of competitors

- **Free competition:** TAKTOMAT adheres to the applicable competition and anti-trust laws. In particular, it does not conclude any anti-competitive agreements with competitors, suppliers or customers and does not abuse any market-dominating position it may hold.

#### 5. Foreign trade and export controls

- **Export controls:** TAKTOMAT observes the legal standards of national and international law which are relevant for export control. Permit requirements as part of the export of our products must be strictly observed. Export and assistance bans must be adhered to without exception. Valid customs regulations must be adhered to for both exporting and importing goods.
- **Economic sanctions:** TAKTOMAT adheres to all valid laws and regulations, which concern the restriction of business relations with countries which are subject to sanctions ("sanctioned countries"), or with companies as well as natural and legal persons including representatives, who have their place of residence in sanctioned countries or who are listed on national or international sanctions lists ("sanctioned persons").

#### 6. Dealing with information and other assets

- **Protection of operating facilities, business documents, work equipment, intellectual property as well as business assets:** The assets and operating facilities, business documents and work equipment as well as other material and intellectual property of TAKTOMAT may neither be misused for private purposes nor passed to third parties if such actions were to adversely affect TAKTOMAT's interests.
- **Information protection and information security:** In the interests of the company, all employees must protect confidential company information, which is only intended for a restricted group of persons, from unauthorised access.  
Information processing also plays a key role regarding the fulfilment of our tasks. All key strategic and operational functions and tasks are supported by information technology (IT). Protecting this information from unauthorised access and amendments is of vital importance. This applies equally to the availability of information, which must be ensured.
- **Data protection:** TAKTOMAT handles all personal information about employees, customers, business partners and suppliers carefully, confidentially and taking all data protection rights into account. Information intended for investigating authorities is issued by the board of management if there is a legal obligation in this regard.
- **Financial Responsibility and Disclosure of Information:** TAKTOMAT adheres to the highest standards of honesty. The internal and external reports and documents that we prepare,

publish or make available to the authorities have to be complete, fair, accurate, up to date and understandable. In addition, accurate records and reports of financial information are necessary to make responsible business decisions. All financial books, records and accounts must accurately reflect the transactions and events and comply with generally accepted accounting guidelines and the internal control system of TAKTOMAT. If the employees are uncertain about this, the management must be contacted in any case. Part of our obligation to honesty is the assurance that all financial transactions of TAKTOMAT are legally correct and for the stated purpose as authorized by TAKTOMAT.

## 7. Environmental protection

- **Precautionary principle:** For TAKTOMAT protecting the environment is of particularly great importance. For this reason, TAKTOMAT requires not only in its own company but also from its suppliers that the respective national environmental laws, regulations and standards are adhered to and appropriate precautions are taken to minimise environmental impacts and risks and to improve environmental protection. Here TAKTOMAT pursues the precautionary principle. This means that TAKTOMAT is committed to preventing conduct that could damage the environment in advance.
- **Promotion of environmental awareness, sustainability and protection of natural resources:** TAKTOMAT promotes greater environmental awareness among its employees and urges them to try to act sustainably in their working activities, protect natural resources and ensure that internal activities have as little impact on the environment as possible by saving materials, implementing energy-saving planning, as well as preventing, reducing and recycling waste. Here TAKTOMAT adheres to the principles of waste prevention and management in accordance with the German Closed Substance Cycle Waste Management Act (KrWG), and the 5 levels in the waste hierarchy:
  1. Prevention
  2. Preparation for reuse
  3. Recycling
  4. Other utilisation, in particular energetic utilisation and backfilling
  5. Disposal.
- **Energy consumption and greenhouse gas emissions/ water quality and usage/ renewable energy usage:** TAKTOMAT expects a holistic contribution to environmental protection. This includes responsible resource management, such as water, air and energy. Special emphasis is placed on reducing (greenhouse gas) emissions, utilizing renewable energy sources and implementing energy-efficient and resource-friendly processes, machinery, equipment and procedures. The use of environmentally and health hazardous substances, such as chemicals, should be avoided or minimized. TAKTOMAT follows the principles of sustainable business practices and strives to reduce energy consumption, greenhouse gas emissions, and water usage. We promote environmental awareness among our employees to protect the environment and conserve resources and energy throughout all areas of TAKTOMAT.
- **Environmental protection/ noise emissions/ soil quality/ other areas:** TAKTOMAT advocates for adhering to appropriate measures to prevent any risks to human health and the environment, while minimizing impacts on the environment. TAKTOMAT complies with national and international environmental regulations and acknowledges its responsibility to protect the environment. TAKTOMAT rejects any activities that lead to harmful soil changes, water pollution, noise emissions, excessive water consumption, which impede the ability to access food, drinking water and sanitation facilities or harm the health of individuals.



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Negative environmental impacts, including energy and water consumption as well as air emissions should be continuously and permanently minimized.

- **Decarbonization:** TAKTOMAT commits to the Paris Climate Agreement (COP 21) and aims to reduce CO2 emissions throughout the entire product lifecycle. TAKTOMAT also expects transparency regarding emissions from suppliers and their upstream supply chains as well as the establishment of reduction targets.
- **Biodiversity protection/ species diversity, land use and deforestation:** TAKTOMAT advocates for the protection of biodiversity and species diversity. Furthermore, TAKTOMAT strives to halt deforestation and conversion of natural ecosystems within its supply chains and expects suppliers to protect natural ecosystems and refrain from altering, deforesting or harming natural forests and other natural ecosystems.
- **Animal welfare:** TAKTOMAT considers animal welfare in all business activities. TAKTOMAT supports compliance with all national and international regulations concerning animal welfare and animal testing and adheres to ethical principles in animal welfare, such as the 3Rs principle for animal testing (Reduction, Refinement, Replacement) and the principles outlined by the World Organisation for Animal Health (OIE) regarding animal welfare (Terrestrial Animal Health Code).
- **Land, forest and water rights, as well as forced evictions:** TAKTOMAT advocates for responsible regulation of property, possession and land use rights, including fishing grounds and forests, to promote sustainable social and economic development that contributes to poverty eradication, food security, and responsible investments. TAKTOMAT complies with all applicable legal requirements regarding land, forest and water rights as well as forced evictions, which are related to the " Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the context of national food security " unanimously adopted by the United Nations Committee on World Food Security in May 2012. TAKTOMAT rejects any form of expropriation/ forced evictions and expects the same from its suppliers.
- **Development and dissemination of environmentally-friendly technologies:** TAKTOMAT has set itself the goal of supporting the development and dissemination of environmentally-friendly technologies.
- **Eco-friendly products/ production and sustainability policy along the supply chain:** All products manufactured along the supply chain must meet the environmental protection standards of their market segment. This includes the complete product life cycle as well as all materials used. Chemicals and other substances that may pose a hazard if released into the environment must be identified. Hazardous substances and chemicals management must be set up for them so that they can be safely handled, transported, stored, reprocessed or reused and disposed of using suitable procedures. In all phases of production, the sense of responsibility of each individual employee is the basis for optimal environmental protection, so that this is continuously guaranteed. This includes a proactive approach to avoiding or minimizing the consequences of accidents that can have a negative impact on the environment. Special importance is attached to the application and further development of energy and water-saving technologies - characterized by the use of strategies for reuse and recycling as well as for the constant improvement of air and water quality. In order to implement the basic principles mentioned above and to achieve the associated goals, it is necessary to pass this content on in the supply chain. To master the social challenges, it is necessary to involve all the partners in the product development process. Innovative solutions in the processes and products, also in the upstream production stages, offer the chance to achieve the goals together.

## 8. Adherence to TAKTOMAT GmbH's code of conduct

- **Access to the code of conduct:** All employees and all suppliers have access to the regulations of the code of conduct. In the event of questions or problems understanding any of the rules, the relevant manager or Ms. Christa Hofstetter (authorised representative and HR Manager), e-mail: [christa.hofstetter@taktomat.de](mailto:christa.hofstetter@taktomat.de), can be contacted.
- **Consequences in the event of infringements:** In the event of infringements, TAKTOMAT reserves the right, depending on the severity of the infringement, to initiate disciplinary or legal measures.
- **Protection of employees who report about illegal or dishonest activities:** If employees find out about illegal or dishonest activities within TAKTOMAT, they should inform the board of management. No employee who informs with honest intent has to fear negative consequences even if the notification should turn out to be unfounded. Any measures taken against or retaliation towards a person who reports an actual or suspected infringement in good faith or participates in an investigation is strictly forbidden to protect the identity of the informant, notifications can also be made and/or handled anonymously, if desired.