



Code of Conduct of the Kurtz Ersä Group

CODE OF CONDUCT.

GLOBAL. AHEAD. SUSTAINABLE.

PREAMBLE

The success of the Kurtz Ersä Group (Kurtz Ersä) is based on both the quality of its products and services and the immovable values and standards applying to our business conduct. In both internal and external relationships, our integrity creates credibility and trust. It is manifested in the fact that all shareholders, advisory board members, directors, senior management and

employees constantly act in compliance with the statutory framework – on the basis of a responsible fundamental ethical understanding.

These benchmarks are based on our corporate guidelines and are formulated in our Code of Conduct which is binding for all Kurtz Ersä business relationships.

BASIS FOR OUR ACTIONS

We ask a lot of ourselves, and of our business partners. We conduct our business relationships, and strive for success, only under recognition of all the principles formulated in the Code of Conduct. This of course requires us to implement the guidelines and observe the values described, constantly monitor their observance, and to take action when infringements occur. Deviations and indeed gross violations of the policies described lead

to disciplinary consequences (internally) or to the imposing of specific conditions in our relationships with business partners, or may even result in the termination of the business relationship itself.

All employees and business partners of Kurtz Ersä are called upon to consistently champion the application of these principles and to report deviations and infringements.

Editorial comment: This Code of Conduct addresses all individuals equally, in line with gender mainstreaming. Where this is not reflected in the text, this serves only to aid reading comprehension and is completely free of discriminatory intent.



SCOPE

As initially described, the Code of Conduct applies worldwide for all employees of the Kurtz Ersa Group. Where individuals are deployed at Kurtz Ersa within the framework of contract staffing (temporary work) they also fall within its scope. In addition, the Code of Conduct applies for all business partners of Kurtz Ersa, including, among others, customers, suppliers, sales representatives, distribution partners and all other business relationships.

We expect our business partners to recognise and adhere to the compliance principles defined in the Code of Conduct, in particular

those regarding human rights, the prevention of child labour, business integrity, health and safety and sustainability.

In addition, we call for the observance of all legal stipulations, regulations and international standards customary in the sector. On request, we expect to be provided with information on how individual points in the Code of Conduct are handled.

All suppliers are obliged to pass our principles on to their business partners, in particular in the upstream supply and production chain, and to draw their attention to their obligation to observe them.

RESPONSIBILITY

Our compliance management encompasses all processes designed to ensure that regulations and laws are observed. Each Kurtz Ersa employee, regardless of their position, is charged with ensuring compliance with the Code of Conduct in their area of responsibility.

It goes without saying that a particular role model function attaches to those in senior management; this however does not release the remaining employees from their obligation to actively apply the Code of Conduct. We offer not only our own

employees but also our business partners the possibility of reporting any deviations of which they become aware via our complaints management or compliance system. If so desired, this can be done anonymously.

Possible infringements of the compliance requirements and the Supply Chain Due Diligence Act (LkSG) can be reported here anonymously:

[KE.com/Corporation/Compliance](https://www.kurtz-ersa.com/Corporation/Compliance)

ABIDANCE BY THE LAW

We consider observance of the valid laws and other legal stipulations in the countries in which we operate to be a matter of course. We feel a particular sense of obligation regarding the observance and implementation and all statutory stipulations relating to

- Human rights and anti-discrimination
- Safety at work and employee health
- Environment, energy and climate protection
- Data privacy and protection of intellectual property rights
- Product safety and consumer interests

In the event that local laws and regulations are less restrictive, we base our actions on the principles laid down in this Code of Conduct. In cases in which local laws are directly in conflict with the principles described here, local laws take precedence. However, in cases like this, we are at pains to adhere to the content of our Code of Conduct.





HUMAN RIGHTS

Human rights and anti-discrimination:

Kurtz Ersa, as an international machine engineering company, is not only an employer, but also a customer for products and services. In all our actions and behaviour, we pay close attention to the observance of internationally-recognised human rights and respect the dignity, privacy and personal rights of each individual. We refuse to accept conduct based on mental or physical cruelty, sexual or personal harassment or discrimination. Furthermore, we adhere to international regulations, for example, the stipulations of the International Labour Organisation (ILO) and the OECD, the UN “Protect, Respect and Remedy” framework, and the 10 principles of the UN Global Compact.

We espouse equal opportunities and take a clear stand against every form of discrimination. We treat everyone equally, irrespective of gender, age, colour, ethnic origin, sexual identity or orientation, handicap, religious affiliation, philosophy or other personal characteristics.

Prohibition of child labour: We do not tolerate child labour, either in our own Group or among our business partners. We hire no employees who cannot provide proof of having attained the minimum age defined by law. Furthermore, we do not entrust dangerous tasks to employees under the minimum age of 18.

Prohibition of forced labour: Kurtz Ersa does not tolerate forced labour, modern slavery or comparable practices involving the deprivation of liberty. Every employment contract is based on free will and includes the option of termination without reasons having to be stated (termination within due deadline).

Freedom of association and collective negotiation:

We respect the right of employees to freedom of assembly and collective wage bargaining, provided this is permitted by law in the country in which they work. In cases in which these rights are restricted, we seek appropriate compromises with our employees.



ENVIRONMENT, ENERGY AND CLIMATE PROTECTION

Kurtz Ersa is always at pains to preserve the natural environment and minimise our environmental impacts. One visible indicator of this is “GoGreen250”, our Group-wide programme aimed at achieving CO₂-neutrality by our 250-year anniversary in 2029, at the latest.

The six areas of endeavour, “Sustainable Development”, “Sustainable Procurement”, “Sustainable Production”, “Sustainable Selling”, “Sustainable Management and “Sustainable Living” cover the entire spectrum of activities.

A further feature is transparent communication by means of our Sustainability Report, which appears annually, and our website, flanked by the annual ESG Rating from an independent t service provider.

In addition, Kurtz Ersa has set itself the goal of receiving certification according to the ISO 14001 international environment management standard by 2024 and achieving the ISO 50001 international standard for energy management systems or comparable standards.

OCCUPATIONAL SAFETY

Employment: We assure all employees of an adequate wage, paid out in accordance with the terms of their contract. In all of the countries in which we operate, we abide by the applicable regulations, among others

those applying to minimum wage. We agree reasonable working hours and, where possible, facilitate part-time arrangements. We foster the further professional and personal qualifications of our employees.



Safety at work and employee health:
The high standards applying with regard to health and safety at Kurtz Ersa contribute to promoting staff performance and motivation and to minimising risks and preventing accidents to the greatest possible extent.

In his or her area of work, each employee must observe the rules for environmental protection and occupational health and safety and is obliged to report any deviations. In addition, employees are free to make suggestions to improve environmental protection and occupational health and safety at any time. Regular training courses and checks ensure that all staff members are correspondingly knowledgeable. This applies in particular to new colleagues, senior management and those working on or at machinery. In all aspects of employee health and safety, and with regard to check-ups, Kurtz Ersa is supported by trained experts for occupational safety and by company doctors.

We have set ourselves the goal of having the occupational health and safety management throughout the entire group certified in accordance with the international ISO 45001 standard or comparable standards by the end of 2024.

PRODUCT AND PRODUCT SAFETY

Product safety and consumer interests:

In addition to the topics of efficiency and quality, we also focus in development and production on product safety, innovation and customer orientation. We deploy recognised methods of structured risk analysis, so that errors can be recognised and assessed at an early stage in the context of product development, and corresponding measures implemented to minimise risks.

In addition, product safety encompasses safety instructions, product documentation, stickers and the availability of records. The fundamental aim is to abide by all safety requirements in the target markets, e. g. CE-conformity in Europe, the UL Norm in North America, CCC Certification in China or NR-12 in in Brazil.

Conflict minerals, substance restrictions and prohibitions:

In the procurement of materials, Kurtz Ersa pays stringent attention to the observance of the ethical and legal framework. This applies in particular for declarable substances such as conflict minerals as well as for substance restrictions and prohibitions such as the EU RoHS guideline or the REACH regulation of the EU, etc. We take care to avoid purchasing components and vendor parts containing conflict minerals. However, we are aware that the, at times, extremely long delivery chain, can make it very difficult to follow the raw materials used back to their source. We minimise this risk by cooperating with reputable suppliers and by making regularly inquiries from the relevant suppliers. And we expect the same of our own suppliers. Together with our suppliers, we are actively working on improving the procurement process so that our supply chain is completely and permanently free of conflict minerals and banned substances.





INTEGRITY AND COMPLIANCE

We take a stance against every form of corruption. This rule also extends to unwritten agreements, informal meetings and casual gentlemen's agreements with business partners, public authorities and other stakeholders. In addition, our staff do not accept bribes and do not themselves engage in bribery. Similarly they do not engage in extortion and do not demand gifts or other benefits from business partners. Gifts, benefits and other gratuities are given only within the context of the customary and relevant legal limits.

They may not ensue with the intention of exerting improper influence on decisions or processes. Kurtz Ersa has issued internal guidelines on how employees are to deal with gifts, benefits and gratuities.

Our employees are urged to keep private and professional interests strictly separated. Possible conflicts of interest are to be disclosed.

All stipulations are binding for all employees and business partners. The regulations support our goal of maintaining long-term and trust-based relationships with our business partners.

OPERATIVE THEMES

Data privacy, data security and protection of intellectual rights: Kurtz Ersä imposes a binding standard for data privacy with which all employees must comply. This encompasses the protection of personal rights of customers, employees, suppliers and business partners. Personal data are collected and stored only to the extent necessary and in compliance with the regulations.

A further feature is the protection of know-how, inventions and patents which represent important elements in our success. In addition, we respect the industrial property rights of third parties and do not make unlawful use of their data.

Fiscal rules: We consistently observe the principles of adequate and orderly accounting. Bookkeeping and financial transactions are carried out in compliance with the relevant laws and regulations. This includes, for example, accounting and reporting regulations as well as (inter)national tax regulations, corporate guidelines and ethical and professional standards.

The accounting records are inspected regularly and their accuracy and completeness examined by both external auditors and the

internal auditing department. Of course we also comply with the laws aimed at combating money laundering.

Handling customer and company property: Protecting technical equipment is a matter of course for Kurtz Ersä. This applies just as much to computers and software as it does to machinery, company cars and other tools and supplies as well as property belonging to customers. Our employees are urged to use the technical equipment carefully and appropriately. Removal, retrofitting or conversion of our equipment and software is not permitted. For internet use and the private use of mobile devices, corresponding factory agreements apply.

Customs and export regulations: The observance of customs and foreign trade regulations is a matter of fundamental importance for Kurtz Ersä. As a company operating at international level, we are subject to the import and export laws relating to goods, data and services. Our employees are obliged to comply with all (inter)nationally-applicable export control regulations, international trade regulations and customs regulations.

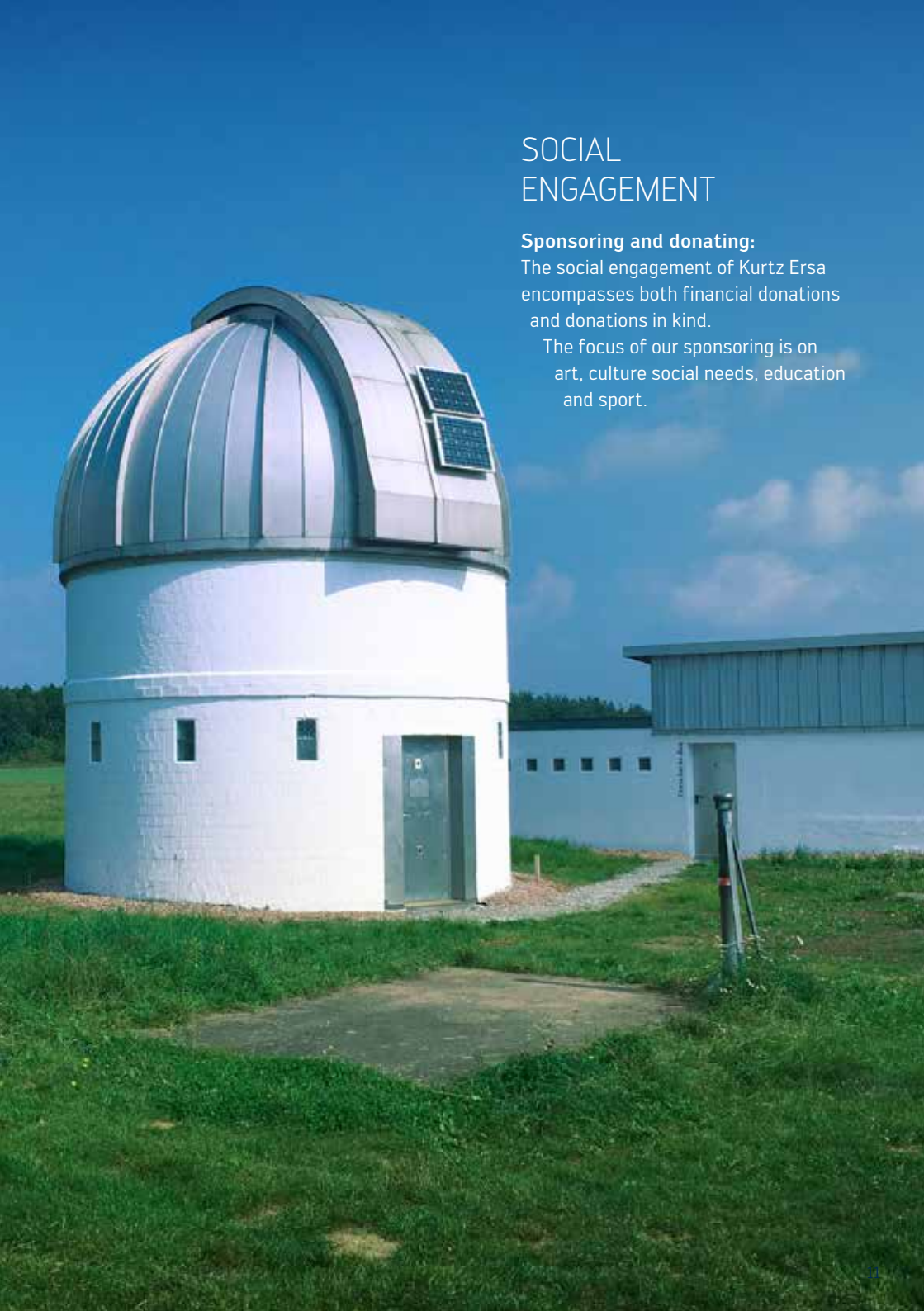


SOCIAL ENGAGEMENT

Sponsoring and donating:

The social engagement of Kurtz Ersä encompasses both financial donations and donations in kind.

The focus of our sponsoring is on art, culture social needs, education and sport.



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Kurtz Ersä Group

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