

WE LOVE TECHNOLOGY



GUIDELINE FOR ETHICAL BEHAVIOUR
CODE OF CONDUCT



INHALT

Preface	4
Scope	5
General Behavioural Principles	7
Prevention of Conflicts of Interest	10
Behaviour towards Business Partners and third Parties	12
Handling of Data	16
Occupational Safety, Health, and Environmental Protection	18
Product Quality and Safety	19
Protection and Proper use of the Property of the LÄPPLE Group	20
Information and Training	21
Reports and Hints	22



FORMING SOLUTIONS FOR
CAR BODY CONSTRUCTION



STANDARD PARTS
AND ROTARY TABLES



AUTOMATION
SOLUTIONS



BASIC AND
ADVANCED TRAINING



VORWORT

DEAR EMPLOYEES, DEAR COLLEAGUES

As a company with a history of almost a century, we have a great social commitment. Strict and unconditional compliance with the statutory provisions has always been first priority at the LÄPPLE Group.

It is of utmost importance that our reputation that we have built over these years with our business partners, shareholders, and the society, with much power, stamina, and continuous engagement, is not damaged. In our daily efforts, we therefore always comply with the ethical principles, the valid laws, our values, and

our internal policies. The following Code of Conduct is binding for all employees of the LÄPPLE Group.

We expect all our employees to familiarize themselves with the contents of this policy, as the basis for our daily work, and to act accordingly.

Board of Management

Group works council

CODE OF CONDUCT

SCOPE

This Code of Conduct bindingly and clearly summarizes the essential behavioural principles that are valid for all employees of the LÄPPLE Group (hereinafter referred to as: "Employees") at all hierarchical levels. In addition to this guideline, the companies of the LÄPPLE Group are free to issue their own codes of conduct, policies, instructions, or standards, to the extent that these do not conflict with this Code of Conduct of the LÄPPLE Group.





GENERAL BEHAVIOURAL PRINCIPLES

Acting in compliance with the laws

Employees must not only observe the relevant laws and statutory provisions of the various countries in which we operate, they must also comply with all corporate rules and regulations, standards, and policies of the LÄPPLE Group. Of special importance for us is the compliance with the human rights conventions and the protection of the human rights, compliance with fundamental labour protection laws, sustainable environmental protection, and compliance with anticorruption legislation.

We expect all our employees to always act legitimately in all matters relating to the LÄPPLE Group – irrespective of whether this is beneficial for the LÄPPLE Group or not. Every employee is personally responsible for their compliance with the laws in their work area. It is strictly forbidden to induce third parties to act illegally or to knowingly participate in such actions. Especially our executives shall ensure that – in addition to the principles of this policy – the statutory provisions and our internal regulations are complied with in their spheres of responsibility.

Any non-compliant behaviour will be punished notwithstanding an employee's position in the company hierarchy and irrespective of any legal sanctions. We also expect our business partners to comply with the relevant laws and our guidelines for ethical behaviour.

Human rights

The LÄPPLE Group respects and supports the internationally recognized human rights. Our employees advocate an atmosphere

that is characterized by mutual respect, trust, tolerance, and fairness when dealing with each other and also with our business partners. They respect the dignity, the privacy, and the personal rights of every person.

No forced labour and no child labour

The LÄPPLE Group disapproves of any form of forced labour, child labour, and slavery. The LÄPPLE Group observes the statutory provisions regarding the minimum age for employment.

Non-discrimination and equal opportunities

The LÄPPLE Group does not tolerate any discrimination for age, political opinions or religious faiths, disability, union activities, sex, colour of skin, social or ethnic origins, sexual orientation, or nationality. These principles are valid for the hiring of new employees, existing employment contracts, or the careers of our employees.

Only their performance, personality, skills, and qualifications are relevant in this regard.

Our employees respect and protect the personal dignity of every single person. They do not tolerate any discrimination or harassment of other employees or third parties.

PREVENTION OF **CONFLICTS OF INTEREST**

Conflicts of interest

Within the LÄPPLE Group, business decisions are made in the best interest of the company only. Interests that conflict with private affairs or other economic or other activities, also of relatives or other related persons or organizations, should be avoided from the very beginning. If they still occur they must be solved in compliance with the laws and the valid group policies. A prerequisite for this is a transparent disclosure of the conflict.

Secondary employment and participations

The LÄPPLE Group appreciates and supports non-profit activities of their employees, for associations or other institutions, to the extent that these activities neither conflict with the interests of the LÄPPLE Group nor with their obligations under their employment contracts. Any secondary employment must be reported to the company. Moreover, our employees must obtain the prior written consent of their responsible managers or the human re-

sources departments – on a case-by-case basis – with respect to any participation in or secondary employment at a company that competes with affiliates of the LÄPPLE Group or any participation in or secondary employment with a customer or supplier of the LÄPPLE Group.

Using the services of business partners for private purposes

Employees who are directly concerned with the awarding or handling of contracts must knowingly use the services of a business partner of the LÄPPLE Group for private purposes only after obtaining the prior written consent of the respective executive management or the board of directors. Any goods or services offered at customary terms are excluded from this.

BEHAVIOUR TOWARDS **BUSINESS PARTNERS AND THIRD PARTIES**

Competition and antitrust laws

The employees of the LÄPPLE Group undertake to comply with the rules of fair competition and the antitrust laws and statutory provisions.

As a matter of principle, the fixing of territories or customers, agreements or the exchange of information regarding prices/terms, supply relations and the relevant terms and conditions, capacities and quotations, and market and participation strategies are for-

bidden. In this regard, neither written contracts nor oral or tacit agreements are allowed. Agreements or the exchange of information with regard to research or development projects are allowed in strictly limited and exceptional cases only and only after consultation with the manager.

The market position of the LÄPPLE Group must not be utilized in an illegal way to force price discriminations, supply products that were not requested, or reject deliveries, for example.

Anti-corruption

Corruption is a generic term for bribery, corruption, and the granting and acceptance of benefits. Corruption or any other behaviour that may cause the impression of undue influences is not tolerated within the LÄPPLE Group. An employee must not use the business relations of the company for the benefit of him/herself or a third party or to the disadvantage of the company. The strictest rules must be applied with respect to the offering or acceptance of gifts or other benefits, including invitations.

Including but not limited to, none of our employees must grant or accept any benefits (for example, cash, asset values, services, or other benefits, including invitations from and of suppliers or customers) that could be used to unduly influence appropriate decisions or the compliance with regulations.

Benefits granted to government officials or other officers are generally not allowed. In order to avoid any legal consequences for the LÄPPLE Group and for involved business partners, but also

for the employee him or herself, every employee must inform him or herself, in their own responsibility, about the internal requirements of the LÄPPLE Group in connection with benefits before they make or accept gifts, invitations, or entertainment. Every employee must obtain advice and/or help from their responsible manager or through a specific external partner (compliance.laeppl@bblaw.com) if they suspect a case of corruption or business crime or are in doubt about the legality of a specific matter. Moreover, employees can contact the works council or their respective human resources department.

Supplier and customer relations

Agreements with customers and suppliers must be made completely and unambiguously. Later changes and amendments must be documented in writing. Suppliers must be selected on a solely competitive basis after comparing prices, qualities, performance, and suitability of the offered products or services. In this connection, we must especially comply with the antitrust and competition laws, and with international trade regulations. Commissions and remunerations to be paid to contracting parties, representatives, and consultants must be closely connected with their business activities, must be appropriate, and comply with the four-eyes principle.

Handling of donations and sponsoring

The LÄPPLE Group makes donations in cash and in kind, for science and education, for culture and sports, and for social concerns. With respect to our social responsibilities, we make donations or act as sponsors only within the framework of the statutory provisions. We only make donations to institutions who are recognized non-profit organizations or who are authorized to accept donations under a specific rule. To ensure transparency in the granting of donations, the purpose, recipient, and their receipt for the donation must be documented in writing.

HANDLING OF DATA

Data protection and data security

The protection of confidential, secret, and personal data is a fundamental principle at LÄPPLE. The LÄPPLE Group collects, processes, and uses personal data only to the extent that they are required for the defined, unambiguous, and legal purposes. The LÄPPLE Group takes care that the use of data is transparent for the concerned persons, and that their rights of information and correction, and of objection, blocking, and deletion are protected.

Secrecy

Our constant efforts to make innovations are success factors in international competition with a long-term effect. Therefore, intellectual property has the highest priority for us. All of our employees are obligated to keep secret all the trade or company secrets entrusted to them or of which they have otherwise gained knowledge in the course of their work for the company. They must remain silent about their work and matters (for example, developments or plans) that are essential for the LÄPPLE Group or its business partners or that have not been made public.

Insider information

Insider information is specific information about circumstances that are not known in the public and that an investor would consider essential for his or her investment decision. Such information must be treated strictly confidential and must not be disclosed to third parties. It is forbidden to acquire, to sell, or to recommend the purchase or sale of securities using such insider information.

OCCUPATIONAL SAFETY, HEALTH, **AND ENVIRONMENTAL PROTECTION**

Within the LÄPPLE Group, we comply with the valid statutory provisions and standards for a safe working environment and take appropriate measures in this regard. It is the responsibility of all employees to prevent risks for men and the environment, to minimize effects on the environment, and to be careful in the use of resources. All our employees are obligated to take care that processes, operating sites, and operating supplies are in accordance with the applicable statutory provisions and internal regulations regarding the safety at work, health and environmental protection.

PRODUCT QUALITY **AND SAFETY**

The quality of our products and services and the safety of our customers have the highest priority at LÄPPLE. Therefore, all of the requirements regarding quality control that are relevant for us must be fulfilled. This includes the valid statutory requirements and provisions and also our internal controls.

PROTECTION AND PROPER USE OF **THE PROPERTY OF THE LÄPPLE GROUP**

Each one of our employees may use the property of the LÄPPLE Group for business purposes only, unless an exceptional rule allows its private use. We expect our employees to use the property of the LÄPPLE Group responsibly and with due care to protect it from and against damage or loss.

INFORMATION **AND TRAINING**

Our executives will inform their employees about this Code of Conduct. It is their responsibility to ensure that no violations of statutory provisions or of this Code of Conduct occur in their spheres of responsibility that could have been prevented or hindered through appropriate supervision. They must make it clear that we disapprove of violations of the laws and that this would lead to disciplinary action irrespective of the position of an employee in the company hierarchy. As role models, they lead by example and actively demonstrate ethical behaviour in business.

We regularly carry out and document employee training sessions with respect to specific topics or risky areas of business.



REPORTS **AND HINTS**

To protect our employees, business partners, the environment, and society, we consider it urgently necessary to immediately report any non-compliance with the behavioural principles mentioned in this guideline. Generally, all our employees can use the following reporting options: 1. human resources department, 2. executive management, 3. board of directors. In addition, we established an external reporting channel to report any non-compliance: compliance.laepfle@bblaw.com. The respective works council will be informed promptly.

All incoming reports will be processed immediately. We do not allow any discrimination of employees who made a report in good faith. Every employee will receive feedback with regard to the report they made. After the thorough examination of an incident, we will take appropriate measures in each reported case to remedy the concern.



WE LOVE TECHNOLOGY

LÄPPLE AG | August-Läpple-Straße 1 | 74076 Heilbronn | laepple.de