



Business Conduct & Compliance Ethics



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1. Principles

Law-abiding Conduct

We advocate the principle of strict legality for all actions, measures, contracts, and other activities engaged in by Lenz, Kämper GmbH & Co. KG. This also includes paying relevant taxes, obtaining necessary official approvals (e.g. when it comes to customs and export control laws), and respecting third-party rights. This approach is not just based on the notion that breaches can significantly harm business in the form of criminal prosecution, fines or compensation claims; we instead support the principle of exclusively legal conduct, regardless of whether this benefits Lenz, Kämper GmbH & Co. KG or not. Every staff member is personally responsible for complying with the laws in their field of work. Leading third parties to perform illegal actions or knowingly participate in such activities is strictly prohibited. Any action to the contrary—regardless of sanctions imposed by law—shall have disciplinary consequences.

The managers are responsible for ensuring in areas under their charge that there are no breaches of legal regulations or this Code of Business Conduct which could have been prevented or impeded through appropriate supervision. They must make it clear that legal breaches will be frowned upon and will have disciplinary consequences, regardless of the staff member's position within the company. Staff members are expressly advised to refer to the provisions of this Code of Business Conduct in this respect.

2. Avoiding Conflicts of Interest

Equity Participation and Secondary Employment

Secondary employment is only permitted with the prior consent of the company. In addition, staff members are only allowed to participate in or undertake secondary employment at competitor companies of Lenz, Kämper, or in/at suppliers or customers, with the prior written consent of the relevant management in each individual case. This does not apply to equity participations of less than 5 percent. Business dealings with companies at which a staff member, his/her spouse/partner or close family members have equity participations or are employed in managerial roles may only be performed with the prior written consent of the relevant management, if the staff member can influence the business relationship and thereby generate a potential conflict of interest.

Contracting Business Partners for Private Purposes

Staff members may only hire a business partner of Lenz, Kämper for private purposes with the prior written consent of the relevant management, insofar as they are directly commercially involved with awarding or executing contracts, thereby creating a potential conflict of interest. This does not affect goods or services sold generally.

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3. Handling Information

Written documents

Records and reports (both internal and external) must be accurate and truthful. The principles of proper bookkeeping and accounting must be upheld. As such, data collection and other records must always be complete, correct, up to date, and system-compatible. Records, files and similar using confidential company information may only be created if this is in the direct interest of Lenz, Kämper.

Non-disclosure

Confidential company information must not be disclosed. This obligation shall continue to apply even after the employment contract has ended.

Data Protection and Information Security

Protecting privacy when using personal data and safeguarding the security of all business data must be ensured during all business processes, taking into account the applicable legal requirements. An appropriate standard in keeping with the technological state of the art must be upheld when implementing technical safeguards against unauthorized access.

Insider Information

Insider information is any non-public information deemed by investors to be important to their investment decisions. It is forbidden to use insider information to purchase, sell, or recommend the purchase or sale of securities. Insider information must be treated as strictly confidential. It must generally not be shared with third parties; this also applies to forwarding passwords which provide access to insider information stored electronically. Insider information may only be forwarded to staff members or external consultants if the recipient requires the information to complete his/her tasks and is under obligation to treat it as strictly confidential.

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4. Conduct with Business Partners and Third Parties

Competition and Antitrust Law

Every staff member is obliged to uphold the rules of fair competition as established by law. Division of territory or customers, and agreements or exchanging of information on prices/pricing components, on supply relationships and their conditions, on capacities or on marketing behavior among competitors are not permitted. The same applies to the exchanging of information on market strategies and participation strategies. Written contracts to this effect, as well as verbal agreements or tacit, conscious parallel behavior, are generally not permitted. Agreements or the exchanging of information on research and development projects are only permitted in very limited exceptional cases. The company's market position must not be illegally exploited to, for example, engage in price discrimination, deliver non-requested products, or refuse a delivery.

Supplier and Customer relations

Agreements with customers and suppliers must be made clearly and in full and must be documented, including any subsequent changes or amendments. This also applies to regulations, such as the payment of bonuses or allowances for advertising or sales promotions.

The internal regulations on conducting double checks (the "Four Eyes Principle") and splitting action and review functions must be strictly complied with by all staff members. Suppliers must be selected solely on a competitive basis after comparing price, quality, performance, and the suitability of the products or services offered.

Corruption, Gifts and Other Benefits

Agreements or sub-agreements concerning the benefiting or favoring of individuals in relation to arranging, awarding, delivering, processing, and paying orders are not permitted. Staff members who allow themselves to be unfairly influenced by customers or suppliers, or who try and influence customers or suppliers unfairly, shall face disciplinary consequences—regardless of any consequences under criminal law. Attempts by suppliers or customers to unfairly influence decisions made by Lenz, Kämper staff members must be reported to the relevant management. The appropriate response must be made depending on the individual case, for example through an order block or contract termination. Commissions and remuneration paid to authorized dealers, representatives, or consultants must be proportionate to their work. No services may be agreed on when there is a general assumption that these are fully or partly intended as a means of paying bribes. Representatives or other intermediaries hired by Lenz, Kämper to obtain orders or approvals, particularly authorized dealers, sales representatives, customs agents, and consultants, must expressly and contractually commit to not perform any bribes and to not allow themselves to be bribed. A right to contract termination without notice must be established contractually for cases of bribery and corruption. An extreme degree of restraint must be exercised when accepting and granting gifts and other benefits (for example attending events not directly relating to business), including invitations (from and to suppliers or customers).

The financial scope of these must be such that recipients do not need to keep the acceptance thereof secret and are not forced into a sense of dependency as a result. In cases of doubt, written consent from the relevant management must be obtained.

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Donations

The executive management of Lenz, Kämper GmbH & Co. KG has sole decision-making powers when it comes to granting monetary donations and donations in kind for education, science, culture, and social causes for the purpose of civic engagement. When granting such donations, the principle of altruism must be respected and clearly distinguished from sponsorship.

5. Product Quality and Safety

Our mission is to fulfil our customers' high quality and safety standards, including for increasingly complex products and systems. To this end, we carry out thorough, sustainable improvements as required. If, despite every effort, defects still occur, we take action to rectify these in compliance with legal regulations and contractual obligations.

6. Occupational Safety, Health, Fire and Environment Protection

It is the responsibility of all staff members to avoid threats to humans and the environment, minimize environmental impact and use resources sparingly. Processes, operational premises, and work equipment must comply with the applicable legal and internal regulations on occupational safety and health, fire, and environment protection.

7. Information

Staff members will be informed of the latest issues relating to this Code of Business Conduct.

8. Reporting Irregularities

Every staff member has the right to advise his/her manager or the Compliance Officer of circumstances indicating a breach of the regulations of this Code of Business Conduct. This can also be done anonymously. The information will be assessed, and remedial measures will be taken if necessary.

9. Monitoring

Every department is responsible for complying with the regulations of this Code of Business Conduct as well as other internal company regulations applicable to their area. Compliance with this Code of Business Conduct across the entire company is monitored by the executive management – through the person responsible for social sustainability and through the Compliance Officer.