

# Code of Conduct

The purpose of this document is to set out the business ethics, human rights and working conditions and to define the minimum standards of conduct that KOVO HOLDING GmbH and its subsidiaries E.V.I. GmbH, Stark GmbH, Stark Innovation GmbH, Greppmayr GmbH (hereinafter referred to as the “KOVO Group”) expects from its employees and business partners in their dealings and business relationships.

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## Foreword by the management

As an internationally active, owner-managed company, the “KOVO Group” enjoys an excellent reputation among the public, business partners and employees. Maintaining this reputation is our top priority. We therefore attach great importance to integrity and have high standards of ethically impeccable, legally compliant and rule-abiding conduct. With this Code of Conduct, we commit ourselves to this standard for the “KOVO Group” and to our responsibility towards our business and social environment as well as towards our employees. Violations of the Code of Conduct, as well as incitement to violate it, will not be tolerated and will be consistently pursued and punished with the available legal means. Irrespective of legally prescribed sanctions, this can lead to personal consequences for the individual employee.

For better readability, only the term “employee” is used, which includes male, female and diverse.

### 1. Objective and scope of application

This Code of Conduct is the binding and obligatory guideline for all members of the company management, for all managers and for all employees of the “KOVO Group” in their daily business activities. As a minimum standard, in addition to our values, it defines which principles of conduct are relevant and binding for us in order to meet the “KOVO Group's” high standards of ethically impeccable, honest, legally and rule-compliant and value-oriented conduct.

### 2. Guideline for human rights and working conditions

Child Labour and Young Workers - We reject all forms of child labour and adhere to the minimum age for employment established by applicable local law.

Wages and Benefits - We compensate our employees in accordance with all applicable local compensation laws, including minimum wage laws.

Working hours - Working hours must not exceed the max. number of hours set by applicable local law.

Modern Slavery - We reject all forms of forced labour, including slavery and human trafficking.

Freedom of Association and Collective Bargaining - We respect the right of all employees to bargain collectively in accordance with applicable local law.

Harassment and non-discrimination - Motivated and competent employees are a hallmark of our company. We respect every person as an individual, regardless of ethnic origin, skin color, ideology, religion, nationality, sexual orientation, social background, gender, age or disability. Every employee is obliged to avoid any kind of discrimination (e.g. discrimination, harassment or bullying) and to maintain a respectful and fair cooperation.

Furthermore, we expect all stakeholders who have business relationships with us to act in accordance with the same values and principles.

### 3. Behaviour in business environment

#### 3.1. Compliance with laws, regulations and internal rules

At all locations of the “KOVO Group”, the respective applicable legal provisions, the respective minimum industrial standards, the “UN Convention of International Bill of Human Rights”, the “UN Convention against Corruption”, the “Declaration on Fundamental Principles and Rights at Work” of the International Labour Organization (ILO), as well as all “KOVO Group” internal rules and regulations (hereinafter collectively referred to as “standards”) must be complied with.

Company management, executives and employees of the “KOVO Group” only act in the interests of the company if they observe these standards, even if this may appear strategically and economically unfavourable or inexpedient from the perspective of the individual or the company, even in the event of conflicting instructions from a manager. Each individual employee is responsible for ensuring that his or her conduct always complies with these standards within his or her area of responsibility.

Due to their role model function, we expect our managers not only to communicate these standards in the appropriate form, but also to exemplify them themselves and demand them from their employees. Our managers are the first point of contact for their employees in all matters relating to this Code of Conduct.

### 3.2. Fair competition

The “KOVO Group” is convinced of the quality of its products, its innovative strength, its integrity and the efficiency of its employees. The “KOVO Group” is committed to the rules of the market economy and fair, open competition, both nationally and internationally. We expect the same from our business partners and competitors. The “KOVO Group” pursues its corporate goals exclusively according to the principle of high-quality performance and refrains from any business cooperation, order or other advantage that could only be obtained by violating the relevant competition rules.

#### 3.2.1. Agreements relevant to competition

In all its activities, the “KOVO Group” takes care to comply with the principles of competition law, i.e. not to enter into any market-relevant agreements, in particular no agreements with competitors on prices, capacities, non-competition, no boycotts of suppliers or customers and no participation in the submission of sham bids in tenders or in agreements on the allocation of customers, territories or production programs. It is irrelevant whether such arrangements or actions are made within the framework of agreements or whether they are merely informal discussions (e.g. at association meetings), informal “gentlemen's agreements” or “concerted actions” which have as their object or effect one of the above-mentioned restrictions of competition. Intended agreements with potential competitors must be submitted to the management for review and approval in advance. No agreement may be concluded without the approval of the management.

#### 3.2.2. No bribery / No corruptibility

The “KOVO Group” does not tolerate any form of corruption and firmly rejects any kind of bribery. The management, executives and employees of the “KOVO Group” are prohibited from offering, promising or granting benefits to business partners, their employees or representatives, public officials, politicians or members of the aforementioned groups of persons in return for preferential treatment in the procurement of goods, services or acts of service, regardless of whether or not there is a claim to the service/act in the individual case.

In this context, the 2008 version of the International Chamber of Commerce (ICC) Code of Conduct against Corruption in Business Transactions applies to the KOVO Group.

#### 3.2.3. Payments

Payments which the ‘KOVO Group’ arranges for deliveries and services received shall, unless legally valid assignment agreements or compulsory collections exist, be made exclusively directly to the contractual partner concerned, in principle in the country in which the contractual partner has its registered office. Cash payments are prohibited, with the exception of amounts up to EUR 50, provided a duly signed receipt is issued for these. In addition, the management must be informed immediately and, if possible, in advance of all payment transactions and/or agreements deviating from this.

#### 3.2.4. Business incentives

Performance-related commissions, bonuses - including as part of documented purchasing pool agreements - discounts and goods provided free of charge are typical business incentives. Such or similar incentives may only be granted or accepted in compliance with the relevant standards. The granting and acceptance must be ethical, legally permissible, and socially appropriate in each individual case and must be documented in writing. Otherwise the incentives must be refused and/or returned immediately.

Remuneration for services, in particular in the form of commissions paid to third parties, in particular agents, brokers, consultants or other intermediaries, must be proportionate to the service provided and must be fully documented in writing, in particular with regard to the subject of the remunerated activity and the due date. This remuneration must be calculated in such a way that the conditions for this are not created or it cannot be assumed that they will be used to circumvent the above regulations in order to grant unauthorised benefits. The written agreements with agents, brokers, consultants, and other intermediaries, including all subsequent amendments, must oblige the contractual partner to observe the above principles at all times and not to accept any bribes.

#### 3.2.5. Offering, granting, accepting or demanding benefits

All agreements or ancillary agreements relating to the direct or indirect granting of benefits - of any kind whatsoever - in favour of individual persons or organisations in connection with the procurement, awarding, approval, delivery, processing or payment of orders (e.g. kickbacks) are prohibited. This applies in particular to agreements with business partners, their employees or public officials.

Payments may only be made or authorised by employees if contractually agreed goods or services have been delivered. Such payments must be appropriate and recognised in accordance with the principles of proper accounting. No payments may be agreed where it can be assumed that they are intended in whole or in part for the payment of bribes.

All employees are prohibited from directly or indirectly offering, granting, demanding, or accepting gifts and benefits in connection with business activities. This does not apply to occasional invitations and gifts that are of insignificant financial value and are in line with normal business practice. However, the granting and acceptance of such invitations and gifts is always subject to the condition that no legal provisions are violated and that any influence on a business decision can be ruled out from the outset.

##### 3.2.5.1. Offering and granting benefits

Subject to these requirements, the following applies: Gifts, invitations and similar benefits are prohibited if, due to their value or for other reasons, they are likely to place the recipient in an obligatory situation that could jeopardise his or her business or professional independence.

Offering and granting gifts of money is prohibited in all cases.

Invitations to events or other social occasions must either be customary for the business and appropriate in terms of type and scope or have a clear business connection. Expenses for business-related hospitality must be appropriate in terms of the type and scope of the hospitality.

Both active and passive bribery of public officials is a criminal offence worldwide. We reject acts of bribery of any kind.

Any invitations of public officials (including civil servants, politicians, but also those working on behalf of the public sector and other representatives and/or agents of public institutions - the list is only exemplary) to the above-mentioned events or occasions and in compliance with these principles are therefore only permissible if and insofar as international or national legal regulations do not prohibit this and, in the event of permissibility, the relevant legal framework is observed in this respect.

##### 3.2.5.2. Requesting and accepting benefits

The requirement described above also applies in connection with the acceptance of benefits: The management, executives and employees of the 'KOVO Group' are not permitted to use their position or function in the company to demand, accept or obtain personal benefits (including those of a non-material nature) for themselves and/or persons close to them. Occasional invitations to customer events or meals, in particular during or following business meetings (provided the criteria under point 3.2.5.1 are met) or the acceptance of gifts of a symbolic or minor nature are permitted.

When accepting invitations, including in the context of events, it should also be noted that these must have a clear, predominantly business-related connection and the expenses for business-related hospitality must be appropriate in terms of type and scope. An invitation to a charitable event or to make a donation to a charitable cause by a 'KOVO Group' employee at the invitation of a business partner may only be accepted if it is ensured that the principles contained in this Code of Conduct and in particular in the first paragraph of point 3.2.5.1 are complied with. Requesting and accepting gifts of money is prohibited in all cases. If a manager or an employee of the 'KOVO Group' is granted or offered gifts and/or other benefits, including the use of preferential conditions, for themselves or related parties that go beyond the limits set out here, these must be rejected as a matter of principle. The management must be informed immediately of any such offers.

#### 3.2.5.3. Violations of the commandments and prohibitions

Violations of the requirements and prohibitions in accordance with the above provisions under sections 3.2.5, 3.2.5.1 and 3.2.5.2 cannot be justified anywhere in the world with the argument that this is common practice locally and that everyone in this environment does it.

#### 3.2.6. Donations and sponsoring

Gratuitous contributions (donations) must always be transparent, i.e. the recipient and the specific utilisation by the recipient must be known and traceable. In the case of sponsorship, care must be taken to ensure that there is an appropriate relationship between the financial contribution and the agreed consideration.

### 3.3. Sustainability, environmental compatibility and climate change

The 'KOVO Group' is guided by the principles of sustainability and environmental compatibility. The 'KOVO Group' is aware of the scarcity of resources and its responsibility towards future generations. Compliance with all relevant environmental protection laws, including the regulations of the country in which the 'KOVO Group' operates, is a self-evident obligation of the company management, the executives and each individual employee of the 'KOVO' and subsidiaries.

Compliance with environmental regulations also accompanies the manufacturing process and the life cycle of our products. We apply high standards with regard to ecological and environmentally friendly aspects as early as the development stage, when selecting materials and suppliers and in the manufacturing processes. In addition to minimising the consumption of resources, we also consider ways of reducing and recycling waste as well as the requirements and opportunities of the circular economy.

Protecting the climate is a high priority for us. The impact of climate change on our companies and value chains, as well as the associated risks, must be assessed and suitable measures implemented to combat climate change. Everyone is encouraged to identify economic solutions to improve energy efficiency, reduce energy consumption and minimise the carbon footprint.

### 3.4. Tolerance and equal opportunities

As a company, the 'KOVO Group' works with employees and business partners of different nationalities, cultures, religions and views of life. Our dealings with one another are characterised by respect, tolerance, appreciation, fairness and openness.

The 'KOVO Group' rejects discrimination, harassment, disadvantage, degradation or other disparagement, but also preferential treatment of its employees or business partners based on their ethnic origin, gender, religion, ideology, political views, disability, age, sexual identity or other ethically, socially and legally protected characteristics without exception. Any form of harassment in the workplace, in particular sexual harassment of any kind, is generally prohibited. It is irrelevant whether the person affected could be harassed or whether the offender considers their own behaviour to be acceptable.

Managers should be aware of their role model function here and ensure a working environment free of discrimination and harassment.

### 3.5. Reporting and documentation

All protocols and reports, especially if they are intended for the attention of third parties, must be technically correct and truthful. Data entries and other records must always be complete, correct, timely and system-compliant and must identify the author and date of creation.

All business transactions, in particular verbal and written agreements and contracts, must be documented and stored in accordance with legal and internal requirements.

### 3.6. Selection of business partners

The 'KOVO Group' selects its business partners according to purely objective and economic criteria and examines all offers from its suppliers fairly and impartially. Unobjective favouritism or obstruction of suppliers, in particular for private reasons, is strictly prohibited. In the case of invitations to tender, the most cost-effective supplier shall be awarded the contract, unless a different decision is justified for other reasons (quality, service, long-standing business relationship, creditworthiness, etc.). In this case, the relevant considerations must be documented without third parties being able to derive any rights from this.

The 'KOVO Group' expects its suppliers, customers and all other business partners to respect the values expressed in this Code of Conduct, to observe them in their cooperation with the 'KOVO Group' and to ensure compliance with them. Wherever possible, the 'KOVO Group' attaches great importance to making the provisions of this Code of Conduct the subject of contractual regulations, in particular with its suppliers, but also with customers and/or other business partners - insofar as these do not have their own previously reviewed codes of conduct.

In the relationship with suppliers, cooperation is only considered if either our Supplier Code of Conduct is agreed to or the supplier provides evidence of its own Code of Conduct with the same principles. Notwithstanding this, however, the 'KOVO Group' reserves the right to prematurely terminate the business or supply relationship in the case of long-term business relationships if, despite a warning, the principles of this Code of Conduct are seriously violated, in particular in cases of bribery, the granting of advantages unacceptable under this Code of Conduct and in cases of forced or child labour.

### 3.7. Confidentiality of information and data protection

All information concerning the companies of the 'KOVO Group' and their business partners is treated confidentially and may not be made accessible to third parties unless it has previously been made publicly known or accessible in an authorised manner. The disclosure of information in the context of official requests for information, as well as in the context of the fulfilment of operational interests of 'KOVO Group', is excluded from this. The obligation to maintain confidentiality also applies after the termination of an employee's employment relationship or the termination of a contract with a business partner.

The direct or indirect use of confidential information for the benefit of third parties and/or to the detriment of the 'KOVO Group' is prohibited. The company management, executives and all employees are obliged to actively protect confidential information against unauthorised access in accordance with the company's internal guidelines. In particular, the 'KOVO Group' rejects any kind of industrial espionage, whether active or passive. The 'KOVO Group' consistently adheres to the relevant data protection regulations.

The 'KOVO Group' only collects, processes or uses personal data of customers, employees or other business partners that is subject to the respective data protection regulations if this is legally permissible or if the person concerned agrees to this. The protection of privacy in the use of personal data and the security of all business data must be guaranteed in all business processes, taking into account applicable legal requirements. Confidential information, official documents and data carriers must always be protected from access by third parties. The responsible data protection officer supports the respective divisions/departments in this regard.

### 3.8. Foreign trade, export control and customs regulations

The 'KOVO Group' complies with all foreign trade, embargo, customs and terrorism control regulations as well as existing payment transaction regulations in this context that apply in the respective countries of its business activities. All employees involved in the import and export of goods, services or technologies (including technical data), as well as payment transactions, are obliged to comply with the applicable economic sanctions, export control and import laws and regulations, as well as all guidelines and processes related to their business activities.

#### **4. Behaviour towards employees**

##### **4.1. Management culture**

The “KOVO Group” regards its workforce as its most valuable asset. Accordingly, it invests in the qualifications and skills of its employees; commitment and performance are particularly encouraged and rewarded. The “KOVO Group” corporate principles and guidelines are accessible to every employee. Every manager is required to act as a role model and to act in accordance with this Code of Conduct, in particular in dealing with their assigned employees in an appreciative, reliable and responsible manner. They should earn and retain their recognition through exemplary personal behaviour, performance, approachability and social competence.

##### **4.2. Fair and safe working conditions**

This appreciation and responsibility towards its employees is also reflected in the “KOVO Group's” claim to offer its employees safe and fair working conditions that meet all relevant legal requirements.

The safety and health of all employees is also a top priority for the “KOVO Group”. “KOVO Group” is therefore committed to ensuring a high standard of quality in all areas of the company at all times and, in particular, to making products and the workplace safe. Processes, systems and operating resources are controlled and operated in accordance with the applicable legal and internal health and safety regulations, as well as fire and environmental protection.

With regard to its international presence, the “KOVO Group” also observes the International Labour Organization (ILO) Convention on Fundamental Principles and Rights at Work and rejects, among other things, all forms of forced and child labour.

#### **5. Compliance Officer**

The management of the “KOVO Group” has appointed a Compliance Officer (CO), who is organizationally assigned to the Managing Director.

The CO's task is to ensure compliance with the guidelines and to update them from time to time as required, as well as to be the point of contact for all questions relating to compliance with behavior and the implementation of the Code of Conduct.

#### **6. Implementation of the Code of Conduct**

The “KOVO Group” does not tolerate violations of this Code of Conduct.

Every manager is therefore obliged to inform their employees about the content and significance of this Code of Conduct. They must ensure that the employees assigned to them have not only taken note of this Code of Conduct, but in particular that they have understood it and are aware of its importance. Managers are also required to encourage and support their employees in complying with the Code of Conduct. Compliance with the standards (Section 3.1.) must be regularly reviewed by the manager and clarified in employee meetings. If there are indications of legal violations, the manager must follow up on these consistently and inform the CO accordingly. The “KOVO Group” will provide employees with appropriate information (e.g. in the form of guidelines supplementing this Code of Conduct) to help them recognize and thus avoid possible violations of laws and this Code of Conduct in good time. This includes, in particular, training on specific topics and in specific risk areas. Nevertheless, company management, executives and employees are obliged to independently obtain information on legally and ethically impeccable conduct in cases of doubt. The CO is available to answer any questions.

All employees of the “KOVO Group” can contact either their respective manager or the CO directly if they have any questions about the content or interpretation of the Code of Conduct. This applies in particular to reports of any violations or suspected cases.

Notwithstanding the request to report compliance-relevant actions contained in individual provisions of this Code of Conduct, any employee who believes in good faith on the basis of concrete evidence that a violation of the Code of Conduct has occurred or may occur has the right to report such a violation or suspected violation. An employee who informs their manager or the CO or reports violations/suspected cases via the hotline [compliance@kovo.de](mailto:compliance@kovo.de) will not suffer any disadvantages as a result.

The report must be treated as strictly confidential. If necessary, the “KOVO Group” will take appropriate measures to protect the employee concerned (or: informant) from disadvantages. As far as possible and legally permissible, the “KOVO Group” will treat the identity of employees who report a violation or suspected case or of employees who actively participate in the investigation of violations as strictly confidential.

The hotline is also available to external parties for reporting unlawful actions on the part of KOVO HOLDING GmbH and its subsidiaries. At the Internet address [www.kovo.de](http://www.kovo.de) (Compliance), external parties can obtain information about compliance within KOVO HOLDING GmbH and its subsidiaries, and in particular view and print out this Code of Conduct.

The management

Neuried, 20th of August 2024