

EGELHOF

CODE OF CONDUCT





DEAR EGELOHOF-TEAM,

compliance with laws and legal regulations in every country in which we do business is a fundamental principle of Otto Egelhof GmbH & Co. KG and the entire Egelhof group of companies. All employees of the Egelhof Group must comply with the laws and regulations of those jurisdictions in which they operate, as well as with applicable Egelhof policies. This Code of Conduct is intended to provide the ethical and legal framework for the conduct of all business activities. It contains the basic principles for our conduct within our company, towards our external Partners and towards the public.

This Code of Conduct applies to Otto Egelhof GmbH & Co. KG, its subsidiaries and affiliates (collectively "Egelhof" or "Company") and to all our employees worldwide. Wherever this Code of Conduct refers to "employees", it means managing directors, board members, senior executives and all other employees of Egelhof (including all interns and temporary workers), regardless of their function in the company.

All employees are responsible for knowing the relevant laws and regulations, including this Code of Conduct and the supplementary guidelines. All managers are responsible for ensuring appropriate communication and monitoring compliance. In any business situation where the requirements of the law or this Code of Conduct appear incomplete or unclear, employees must use their judgment and common sense and seek guidance from their supervisor in the relevant business, local management or the Compliance Officer. All employees are expected to comply with this Code of Conduct and the supplemental policies. Violations of this Code of Conduct or any of the supplemental policies will not be tolerated.

We would like to thank you for your support in respecting these important values and norms.

With kind regards,



Dr. Stephan Wild
Chief Executive Officer

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INTRODUCTION

OUR VALUES AND PRINCIPLES

A company is more than the conglomerate of its employees, buildings, and machines. It is more than innovative products and satisfied customers. Above all, there is a strong community of people who work together across national borders to achieve common goals. To be consistent in the global market, a common understanding of values and principles is needed.

All companies of the EGELHOF Group (hereafter referred to as "EGELHOF"), both in Germany and abroad, are committed to ecologically and socially responsible corporate governance. Compliance with all laws and regulations of each country in which we do business is a self-evident basic principle for us. EGELHOF expects its suppliers, subcontractors, distributors and other providers of goods or services (hereafter "Partner") to be guided by social and environmental responsibility in all aspects of their business activities, just as EGELHOF. Compliance with this Code of Conduct is an integral and indispensable part of the business relationship between EGELHOF and the Partner and sets the minimum requirements to treat its employees and business partners with respect and to conduct its business in an ethically and ecologically responsible manner. The Partner is required to work continuously and transparently on the sustainable development of its business activities. This Code of Conduct is based on national laws and regulations, such as the Supply Chain Sourcing Obligations Act (LkSG – "Lieferkettensorgfaltspflichtengesetz"), as well as international conventions, such as the United Nations Universal Declaration of Human Rights, the Guidelines on Children's Rights and Business Conduct, the United Nations Guiding Principles on Business and Human Rights, and the international labor standards of the International Labor Organization.

EGELHOF expects the partner to always comply with the minimum requirements of this Code of Conduct within the scope of its own business activities and to pass them on to its business partners. They shall make reasonable efforts to implement this Code of Conduct in the supply chain. EGELHOF may verify the compliances with these minimum requirements by measures such as a self-disclosure of the Partner, the presentation of certificates or by audits. If the Partner does not comply with the minimum requirements from this Code of Conduct, EGELHOF reserves the right to terminate the business relationship.



WHAT **WE** DO

- Responsible corporate governance
- Acknowledgement of this code of conduct by employees and all business partners
- Transparent and sustainable business activity
- Regular performance of audits
- Continuous monitoring of compliance with all guiding principles and policies



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INTEGRITY

DEFINITION

Integrity refers to the quality of being honest and acting accordingly to moral principles. It is therefore one of the most important requirements for trusting cooperation and good business relationships. Only people who live and work honestly, transparently, and fairly can act ethically and morally correctly and ensure long-term success. Therefore, we pursue a zero-tolerance policy regarding corruption, counterfeit parts or abuse of power at EGELHOF.

ANTI-CORRUPTION & ANTI-MONEY LAUNDERING

The company expects all its employees and business partners to refrain from any form of corruption in all countries. For us and our business partners, this means that we will not gain any personal advantage by abusing a position of trust. The company will take appropriate action against those who violate this obligation. We also expect our business partners not to tolerate any form of bribery, corruption, extortion, or embezzlement. They do not accept any inducements (especially bribes or kick-back payments) intended to influence decision-making processes or obtain other improper advantages.

Our Partners have a zero-tolerance policy in this regard. To ensure compliance with anti-corruption laws, Partners establish procedures to monitor and enforce standards. Our business partners do not participate directly or indirectly in money laundering or in the support and financing of terrorist organizations.



FAIR COMPETITION

Antitrust evaluation can often be difficult, particularly because rules may vary from country to country and from case to case. Any kind of concerted action, informal discussions or "gentlemen's agreements" that have as their object or effect the restriction of competition are prohibited for our employees. We advise our business partners to comply with all applicable fair competition laws and not to engage in price fixing, market, or customer sharing, bid rigging, or other restraints of competition and unfair business practices. The Partner shall comply with all applicable import and export control regulations, in particular sanctions and embargoes, as well as applicable customs regulations. He shall design his business processes transparently, reflect them correctly in his balance sheets and accounts, and disclose them in accordance with the applicable legal provisions. The same applies to the highest degree to all employees at EGELHOF.

Our employees and business partners respect and protect intellectual property rights, trade secrets and information, and other confidential information disclosed to them. In the case of technology and know-how transfers, the protection of customer information and intellectual property rights is ensured by concluding non-disclosure agreements. The Company expects its suppliers to develop, implement and maintain appropriate methods and procedures for their products and services to minimize the risk of counterfeit parts and materials into the products. The Partners shall adequately protect personal data and comply with all applicable data protection laws and official regulations when collecting or further processing personal data.

Any employee or business partner who becomes aware of a violation is expected to immediately and with full cooperation contribute to the documentation and discovery of the circumstances. The local management is to be informed immediately. Alternatively, an anonymous message can be sent via the existing whistleblowing portal and the violation reported in this way. Conflicts of interest in principle exists if the personal interests of an employee do not coincide with the interests of EGELHOF. This situation may be the case, for example, in the case of a secondary job or in the case of personal relationships of employees with business partners. If business relations exist between a business partner and an employee of the EGELHOF Group or his family members, relatives or close friends, conflicts of interest may arise. EGELHOF expects its business partners to disclose conflicts of interest.

At EGELHOF, particular importance is therefore attached to strictly separating personal interests from business interests.

WHAT **WE** DO

- Compliance with competition and antitrust law
- Guarantee of a correct financial statement according to the legal requirements
- Zero tolerance policy regarding corruption or bribery
- Secrecy of trade and business secrets
- Reporting system / whistleblowing portal

WHAT **YOU** CAN DO

- Don't accept gratuities and gifts that do not comply with applicable requirements.
- Immediately report any violation of this policy to your supervisor or the compliance officers.
- Create and follow mutual confidentiality agreements with new business partners.
- Ensure in the development process that EGELHOF products do not infringe any patents and point out patent infringements against EGELHOF patents to your superiors.
- Declare any outside employment and report any potential conflicts of interest to your supervisor immediately.

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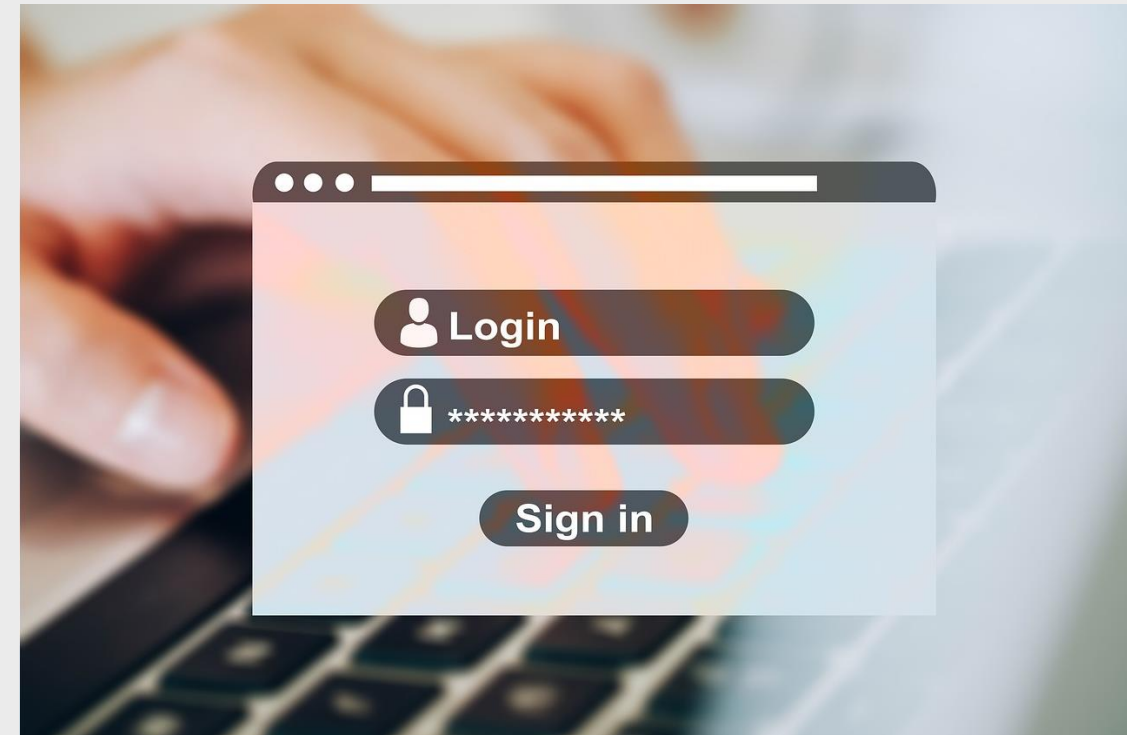
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DATA SECURITY & DATA PROTECTION

Our inventions, products and know-how are of particular importance for the long-term success of our company. Fostering creative and innovative competence among our employees is therefore of strategic importance, as is protecting intellectual property from third-party knowledge and unauthorized access by third parties. All employees are therefore required to comply with appropriate and necessary security standards both in personal dealings and in electronic communications with third parties. The same applies to information made available to us by third parties as confidential.

All documents and any other information about the Company's internal operations must be kept confidential. Confidential information includes all non-public strategic, financial, technical, or business information and all trade and business secrets of the Company's business partners. You are not permitted to discuss or otherwise provide access to current or future events, projects, technical details, or other confidential information to third parties. It is not permitted to disclose business or trade secrets of the Company's business partners. We would like to point out to all employees that confidentiality can also be breached inadvertently or unintentionally, and advise them to be particularly careful when handling confidential information, especially in public places such as trains, buses, airplanes, etc. All outsiders who receive confidential information must sign a confidentiality agreement. This contributes not at least to product safety and quality to strengthen confidence in the EGELHOF brand.





PRIVACY

Personal data is collected exclusively for contractual purposes and is used for other purposes only with prior expressed consent. We use technical and organizational measures to protect the personal data of employees and customers in our possession from manipulation, loss, destruction, and access by unauthorized persons. Our security measures are continuously improved in line with technological developments.

IT SECURITY

All employees who use IT systems must pay particular attention to IT aspects of confidentiality such as data protection and data security. All documents and (electronic) data carriers must be securely locked away. This applies to sensitive employee data and confidential business information. Computers must be protected against unauthorized access by necessary measures (e.g., changing the password). Transcripts or copies of data may only be made for operational purposes. Access to information that is not related to one's own work is not permitted. Postal and telecommunications secrecy must be always maintained.

RECORDS AND REPORTS

All business transactions must be recorded in a complete, accurate, truthful, and timely manner. In accordance with established procedures, generally accepted accounting principles, appropriate accounting systems, controls and audits, all employees must ensure the reliability and accuracy of our accounts, records, and reports. The requirement for truthful information also applies to travel and other expense reports.



WORK SAFETY

Health and safety are an integral part of all our business activities. It is the responsibility and duty of every employee to follow all relevant rules, regulations, and work instructions and to use appropriate protective equipment as required by applicable law. Each supervisor is also responsible for protecting his or her employees and must instruct, train, and supervise them accordingly.

All employees are expected to comply with company safety regulations, to have an appropriate awareness of hazards, and likewise to take into consideration all safety-relevant activities. This applies to all hazards that may arise at the workplace of our employees or in the use of our products. Recognized accidents or hazards and stresses that are considered possible, as well as arising accidents, must be reported immediately to the responsible supervisor. And our business partners also comply with all applicable legal requirements regarding the safety and health of their employees in the workplace. They create a safe working environment by regularly identifying, assessing, mitigating and, where possible, eliminating risks to the safety and health of their employees within the overall working environment, thus ensuring continuous improvement. Our business partners operate appropriate emergency preparedness (e.g., by creating and developing emergency plans). They inform employees about operational risks, train them regularly on applicable standards and on health and safety, and provide them with appropriate protective equipment where necessary.

Our business partners shall pass on information to their employees on the availability of a complaints procedure, on any whistleblower systems required under the Whistleblower Protection Act. Complaint procedures must be accessible while maintaining confidentiality of identity and effective protection against discrimination.

WHAT **WE** DO

- Active protection of data
- Documentation of processes and procedures
- Proper induction of new employees (part of onboarding)
- Regular occupational safety instructions
- Regular audits by the relevant social security agencies
- Acquisition/provision of occupational safety clothing/accessories

WHAT **YOU** CAN DO

- Handle confidential information, data, and documents responsibly and comply with applicable regulations. Report (data protection) violations to your manager or the data protection officers.
- Take responsibility: put your own and your colleagues' safety first.
- Act preventively to avoid accidents at work. Check your work environment regularly and correct deficiencies as needed.
- In case you get information about accidents or grievances via the media or the internet, check whether similar risks could exist at EGELOHOF.
- If you recognize or suspect safety risks in the work environment, report them immediately to the responsible person.

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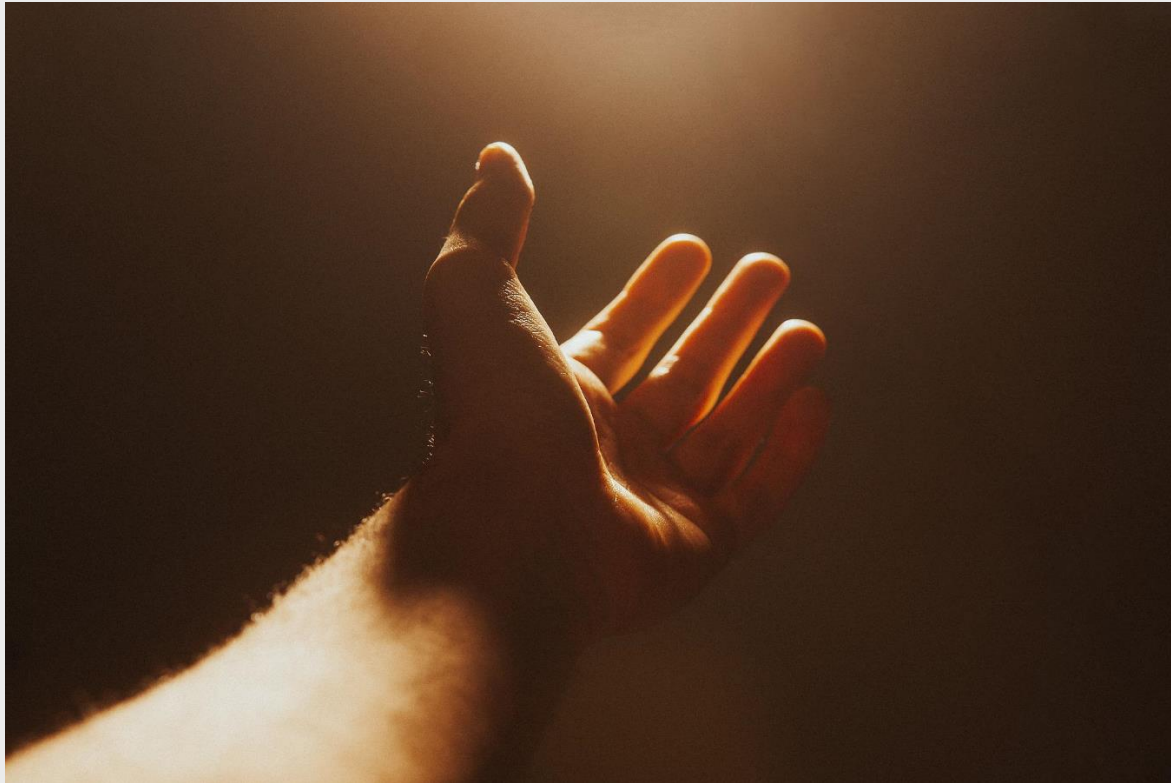
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HUMAN RIGHTS



Human rights are rights and freedoms to which all people are always entitled, regardless of where and how they live. Everyone has equal human dignity, regardless of gender, age, ethnic, national, or social origin, religious beliefs, appearance or sexual orientation. The protection of human rights is the responsibility of the international community and is based on the United Nations (UN) Universal Declaration of Human Rights.

The EGELHOF Group supports and respects international human rights worldwide and ensures that it is not complicit in human rights violations. Equal opportunities and equal treatment are central to us for respectful and appreciative interaction. EGELHOF respects the highly personal rights of its employees and treats them with dignity and respect. Our company is committed to ethical recruiting, fair employment practices and compliance with applicable labor and employment laws. All employees and business partners have the right to fair, courteous, and respectful treatment by supervisors, co-workers and colleagues. EGELHOF respects the rights of minorities and indigenous peoples and is determined not to tolerate discrimination, harassment, or insult, regardless of whether it occurs through gestures, speech or physical contact. No one shall be harassed or discriminated against because of color, ethnic or national origin, sexual identity and orientation, creed or belief, political opinion, age, physical condition, membership in an employee organization or pregnancy.

We expect this attitude likewise from our employees and hold our business partners accountable. They uphold the most personal rights of their employees and treat them with dignity and respect. They do not promote slave labor, forced labor, compulsory labor, involuntary or exploitative prison labor, or human trafficking. Our business partners will not, under any circumstances, employ employees under the age of 15 or those who have not reached the minimum age for employment applicable in the relevant country or who are still of compulsory school age, whichever is the highest and they comply with all applicable regulations regarding the working hours of their employees. Partners shall pay them a reasonable wage sufficient to cover their ordinary living expenses and comply with legal requirements and industry minimum standards on minimum wage, overtime, and benefits. They do not use wage deductions as punitive measures. Recognition of the right to form or join trade unions and to participate in collective bargaining is a matter of course. Neither the practice nor the threat of inhumane treatment or psychological hardship of its employees, such as discrimination, bullying, (gender-based) violence, sexual harassment, public exposure, psychological or physical coercion, or any other form of humiliation, regardless of whether this occurs through gestures, language, or physical contact, will be tolerated.

Egelhof and its business partners ensure that human rights, such as the prohibition of torture, cruel inhuman or degrading treatment, are strictly observed when contracting and using private or public security forces.

WHAT **WE** DO

- Zero tolerance for disadvantage, discrimination, or harassment
- We pay attention to diversity
- As an internationally operating group, we promote intercultural understanding among all employees
- Whistleblowing portal (worldwide) for employees, business partners and third parties

WHAT **YOU** CAN DO

- Treat people with respect and tolerance. Treat each other with appreciation and recognition and respect other ideas and opinions.
- To prevent human rights violations early on, you can stand up for human rights. For example, show solidarity with others when they are discriminated against harassed or humiliated.



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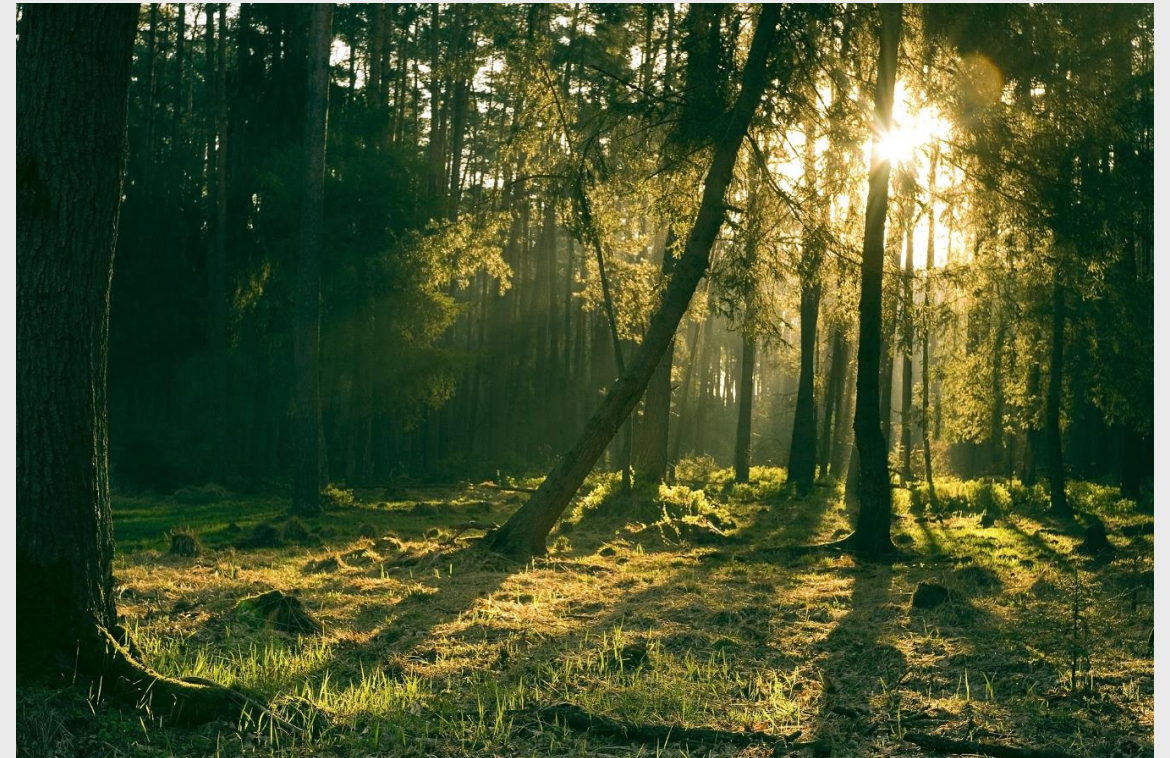
SUSTAINABILITY

In 2012 - 2015, the United Nations launched a sustainability process and adopted 17 target areas for sustainable development of humankind. These target areas include, among others, improvements in the environment, climate, peace, nutrition, and human rights and form fundamental values for us. As a globally active company, EGELHOF is aware of its social, ecological, and societal responsibility and assumes responsibility for the environment, products, society and employees. Sustainable business processes have long been an integral part of EGELHOF's corporate guidelines as a family-owned company. For us, acting economically and making social and ecological sense are inseparably linked. In this respect, the goals of the UN did not mean a change of strategy for us, but a bundling of activities that have been established at EGELHOF for decades.

ENVIRONMENT

Environmental protection and product safety are of great importance, not only for the reputation of the company, but also for the safety of our customers and future generations. EGELHOF and our Partners comply with all applicable environmental laws, standards and requirements and take a proactive and long-term approach to environmental issues to prevent pollution, continuously improve environmental performance and protect animal and biodiversity.

EGELHOF and its Partners ensure that natural resources (air, soil, water and energy) are used sparingly in all phases of the value chain. Our company avoids wasting resources and continuously improves the environmental friendliness of our products, processes, facilities and buildings. Environmental pollution must be appropriately managed, measured and controlled through the discharge of pollutants and emissions, and minimized or eliminated at the point of origin or through other measures. This includes the reduction of CO2 emissions and the minimization of harmful soil changes, water and air pollution or noise emissions. We maintain systems that ensure safety in the handling, transportation, storage, recycling or reuse, and disposal of waste, waste gases, and effluents and substances that pose a risk to the environment or people, or otherwise ensure reliable access to such systems. Thanks to our worldwide environmental management system, we at EGELHOF actively address the issues of resource conservation, avoidance of environmental pollution, new technologies for more efficient use of our products and those of our customers. Investment decisions are always subject to consideration of the impact on people and the environment.



SOCIAL RESPONSIBILITY

As a globally active company, EGELHOF is committed to its social responsibility. We see ourselves as a family-friendly company in which diversity, interculturality and internationality are of great importance to us and our corporate culture. Within the framework of our sustainability strategy, we promote cultural and social projects at the respective locations. EGELHOF and its Partners continuously review measures to best meet the social needs of employees. Emphasis is placed on the work-life balance of the individual. We assume responsibility for society by standing up for community values and respecting cultural aspects. The EGELHOF GROUP does not engage in any forced eviction or unlawful taking of land, forests and waters when acquisition, developing or other using of land, forests and waters.



WHAT **WE** DO

- CO₂ neutrality of the entire group according to Scope 1 and 2 of the EU requirements
- Continuous monitoring and ongoing improvement through our global environmental management system (ISO 14001)
- Public transparency of our environmental impact through our sustainability report
- Resource conservation thanks to own electricity through PV systems and use of waste heat from the machines for heating
- Development and dissemination of environmentally friendly technologies
- Flexible working time models compatible with different life situations
- Worldwide promotion of cultural and social projects at the respective locations

WHAT **YOU** CAN DO

- Take responsibility for our environment by using water, resources and energy sparingly.
- Contribute ideas for further activities in our company and support us in our search for new solutions in the field of environmental protection and social responsibility.
- Get involved in various projects and support aid organizations.

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COMPLIANCE

The term compliance stands for the responsibility to act in accordance with the law and guidelines. In addition to legal issues, this also involves internal company regulations, basic moral principles and values that concern us all. They provide a legal and ethical framework that must be observed by all employees worldwide in the performance of their duties. Every employee is equally responsible, because violations can cause serious harm to the company, its employees and business partners, but also to the public. As a globally active company, EGELHOF is aware of its social and societal responsibility and is committed to the highest standards of business ethics and compliance with legal regulations. As a family-owned company, we prefer a culture to be lived in which this responsibility is shared by all, integrity and respectful interaction are firmly anchored in everyday business life, and questions or concerns can always be communicated openly. We also expect our Partners to comply with and monitor all applicable laws and regulations in the countries in which they do business. They train their employees in their assigned areas of responsibility and provide them with a confidential complaints system.

Our BUSINESS CODE and our SPIRIT VALUES GUIDELINES provide the legal and ethical framework to be upheld by all employees worldwide in the performance of their duties. New employees are trained on the Code of Conduct, the Guidelines, and the corporate culture. All employees are regularly educated and sensitized through training and defined processes in their area of responsibility. As a matter of principle, we learn from mistakes, look for causes and act in a solution-oriented manner. We protect our values and take violations seriously. Every reported violation or suspicion is investigated without prejudice. As a measure for the implementation of the Whistleblower Protection Act, EGELHOF has introduced a system for receiving confidential and anonymous information about potential misconduct or breaches of rules during business. Using the web-based tool, concerns can be reported in a simple, secure, and anonymous manner while maintaining identity confidentiality and effective protection against discrimination.



WHAT **WE** DO

- Training and sensitization of employees
- Continuous further development of our BUSINESS CODE
- Control of compliance with the values and principles
- Open communication structure (across positions)
- Whistleblowing portal (worldwide) for employees, business partners and third parties

WHAT **YOU** CAN DO

- Stay true to the EGELHOF values and deal with our principles and guidelines on a regular base.
- Adhere to guidelines and speak openly about violations concerning affected colleagues.
- Always be attentive. You can even take an uneasy gut feeling seriously.
- As soon as you are unsure or if you have doubts about the correct handling of laws, contact your manager or the compliance officer.

YOUR CONTACT OPTIONS

Contact our compliance manager Dr. Stephan Wild if you have any questions or doubts, or if specific violations are involved:

PHONE

+49 711 57547-900

E-MAIL

compliance@egelhof.com

INTERNET

Anonymous [EGELHOF Whistleblowing Portal](#)

POSTAL ADDRESS (HEAD OFFICE)

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Compliance
Stuttgarter Str. 60
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FURTHER COMMUNICATION CHANNELS

- Your manager
- Our data protection office: Datenschutz@egelhof.com



THERMAL CONTROL SOLUTIONS



LEGAL INFORMATION

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