

Preamble

This Code of Conduct constitutes the policy guidelines on which all decisions and measurements of the companies of the Naue-group are focussed. It reflects Naue's basic understanding for socially responsible corporate behaviour and is to be seen as voluntary self-commitment. Contractual entitlements or other rights in favour of third parties shall not be justified by this Code of Conduct.

1. Basic understanding and validity

We, the companies of the Naue enterprise group (thus those companies on which Naue GmbH & Co. KG exerts directly or indirectly dominant influence), perceive ourselves as part of the companies in which we act corporately and admit to a socially responsible management by considering the direct and indirect effects of our business activities to Society and Environment. We continually strive to bring these in economic, social and ecological regard to an adequate balance of interests.

We act in accordance with generally recognised values and principles such as integrity and legality and observe especially the internationally approved human rights and work standards, as they are set in this Code of Conduct.

Within the scope of our respective legal and actual possibilities, we will undertake all appropriate and reasonable efforts to comply with the contents of this Code of Conduct continuously in all our company locations in Germany and abroad. If existing national regulations contradict the contents of this Code of Conduct or the domestic context makes it impossible to follow them unrestrictedly, we will look for ways to possibly preserve the requirements of this Code of Conduct, nonetheless. When this Code of Conduct refers to German Laws, etc., the foreign subsidiaries of Naue have to understand this as cross reference to their respective domestic regulation.

2. Human rights and labour standards

We respect human dignity and the internationally acknowledged human rights as set out in particular in the United Nations (UN) Universal Declaration of Human Rights¹ and addressed to in the UN Governing Principles on Business and Human Rights² and the OECD Guidelines for Multinational Enterprises³. Furthermore, we follow the internationally acknowledged working standards of the International Labour Organisation (ILO), as specified hereinafter in this Code of Conduct.

In all our business activities we always strive to neither cause nor contribute to human rights violations. We expect the same from our business partners. As far as necessary and possible, we support our suppliers in this.

2.1 Employment relationships

We reject any form of illegal punishment, abuse, harassment, intimidation, or other undignified treatment towards staff. We abide by the respectively applicable labour law in all employment relationships and expect the same from our contractual partners. At the beginning of the employment relationship workers shall be provided comprehensive information about the essential labour conditions, including their rights and duties as well as working hours, remuneration and payment-modalities.

We respect and protect the workers' right to terminate their employment according to the applicable notice period.

2.2 Prohibition of child labour and protection of young workers⁴

We do not tolerate child labour and observe the applicable legal minimum age for admission for employment. We do not employ persons under the age at which the compulsory education ends under the law of the place of employment and under the age of 15.

We expect from our contractual partners that they have adequate means of determining age to prevent child labour. If child labour is identified, all necessary measures must be initiated immediately, focussing on the well-being, the protection and the development of the child.

For persons under 18 years, the right of young workers must be observed; they may only be employed when it is ensured that the working and employment conditions do not present a risk for their health, security or morality, nor they are harmful for their development.

2.3 Prohibition of forced labour⁵

We decline every form of forced or compulsory work, including every kind of debt bondage, peonage, slavery or slave-like practices, human trafficking or other involuntary labour and services that are not in conformity to the internationally recognised labour- and social standards.

2.4 Remuneration⁶

We abide by the legal or – if applicable – collective agreement regulations for the remuneration of work performance. We assure that the wage paid by us does not undercut the applicable legal or collectively agreed minimum wage set or customary in the sector. In countries or regions without a statutory or collective wage, we pay special attention that the wages paid are sufficient for regular full-time work to fulfil the basic needs of the labourers.

We do not tolerate impermissible wage deductions including deductions as disciplinary measure.

2.5 Working hours⁷

We abide by the legal or applicable collective agreement regulations on working time (especially to those of possible national working time laws), including overtime, breaks and holiday. By all means, we pay attention that

- the regular weekly working time of 48 hours plus maximum 12 hours overtime a week will not be exceeded,
- the right for breaks is respected every day,
- after six consecutive working days a day off follows and
- public or religious holidays and vacation are respected,

provided that no magisterial certificate of exemption has been issued.

Overtime shall be compensated or remunerated at least in accordance with statutory or collectively agreed regulations; it shall be ordered exceptionally and exclusively on a statutory, collectively agreed or contractual basis.

2.6 Freedom of association⁸

We respect the right of workers for freedom of association and assembly and the right to collective bargaining and wage negotiations, insofar as this is legally permissible and possible in the respective country of employment. If this is not permissible, we seek appropriate compromises for our employees.

2.7 Diversity and inclusion, ban on discrimination⁹

We promote a work environment that enables inclusion and where the diversity of our employees is valued. We are committed to equal opportunities and reject any form of discrimination or unjustified unequal treatment in employment, for example on the basis of national and ethnic origin, social background, health status, disability, sexual orientation, age, gender, political opinion, religion or conviction.

We also take into consideration the principle of equal pay for workers of all genders for work of equal value.

2.8 Health and safety at work¹⁰

We adhere to national and international occupational health and safety standards and ensure a safe and healthy working environment to maintain the safety and health of our employees, protect third parties and prevent accidents, injuries and work-related illnesses. This shall include regular risk assessments of the workplace and the implementation of appropriate security and precautions, including the provision of appropriate personal protective equipment.

We ensure that our employees are trained in all relevant health and safety topics.

3. Environmental responsibility

The protection and preservation of natural resources concerns and obligates all of us. With this in mind, we conduct our business activities considering the ecological aspects and are committed to the goals of a climate-neutral future.

3.1 Protection of environment and climate

We assume our environmental responsibility by complying with applicable legal requirements and recognised standards for the protection of the environment and climate, and by making efforts to continuously improve the impact of our business activities on the environment and climate.

We have taken appropriate measures, which are based on legal and internationally recognized standards, and cover the following topics among others:

- Professional and responsible handling of hazardous substances and other chemicals as well as waste, including disposal;
- Efforts to reduce or prevent waste and the minimisation of emissions from operations (e. g. wastewater, waste air, noise, greenhouse gases);
- Conservation of natural resources, for example through measures to save water, chemicals and other raw materials;
- Promoting the use of recycling and other climate and environmental technologies, processes, raw materials and products;
- Efforts to increase the energy efficiency and the proportion of green or renewable energies in energy consumption at our company locations.

We commit to optimise our energy use effectively as our top management fixes annually energy-targets based upon usage- and production data from the past and under consideration of the economic efficiency.

3.2 Protection of species

We observe the principles for biodiversity and align our corporate policy accordingly.

4. Ethical business practices and integrity

We pursue only legitimate objectives and practices and maintain business relationships only with reputable partners.

We behave in a fair and appreciative manner towards our business partners and customers. We respect the different legal, economic, social and cultural backgrounds and circumstances of the countries and regions we operate in. We always base our entrepreneurial actions on universally valid ethical values and principles, including integrity and respect for human dignity.

We support free and fair world trade and abide by the laws and regulations of the countries and regions in which we do business.

We are aware of our social responsibility and act accordingly (heading: training work, social partnerships).

4.1 Corruption¹, trade control, money laundering

We reject all forms of bribery and corruption and already avoid any appearance thereof – be it in form of granting or accepting unfair advantages.

We act in accordance with the applicable import and export control regulations and comply with legal requirements for the prevention of money laundering.

4.2 Fair competition

We support free and fair competition. We do not tolerate any anti-competitive agreements and ensure that we act in accordance with the applicable antitrust laws. We reject competitive advantages due to unfair business practices.

4.3 Personal data, protection of confidential information and intellectual property

We respect the privacy rights of our employees, business partners and customers and adhere to the applicable data protection and security requirements and regulations when handling personal information.

We take great care to ensure that commercial secrets and other confidential information that our business partners and customers entrust to us are adequately protected from unauthorized acquisition, use and disclosure, at least in accordance with the relevant legal provisions for the protection of business secrets.

We respect the intellectual property of our business partners, customers and other third parties. We ensure that sufficient precautions are taken to protect intellectual property rights when transferring expertise and technologies.

But also, the confidentiality of the own data is important for the Naue-companies.

Therefore, all employees must pay attention that business secrets and new findings (e. g. inventions, patents, and other intellectual property) are protected with maximum care against access by thirds and that Naue's right of ownership is guaranteed. Publication and/or transfer to third parties is prohibited without adequate legal cover.

For the protection of the network of the Naue-company-group high cyber security measures have been taken which are permanently kept up to date. The employees must observe all internal regulations (e. g. password-rules or similar).

In case of doubt or violations against the guidelines in this section, the employee has to approach his superior/the data protection officer or to give notice via the Whistle-blower-system.

4.4 No conflicts of interests

The employees must separate personal interests from the interests of the Naue-companies and particularly during the working time they must represent the corporate interests of Naue. They must inform their superior, when circumstances are on hand which could have an influence on their professional obligations. When employees want to cover their personal need by a natural or juridical person that Naue has already a business relationship with, and when these employees are in a position that enables them to influence this Naue-business relationship, the employees need to inform their superior accordingly and get the approval before conclusion of the contract with the third party.

The same applies when a business relation shall be built up with a customer/competitor of Naue.

4.5 Handling of gifts

Gifts of business partners to employees or their family members are prohibited when they could possibly influence the employee's power of judgement. Naue considers the acceptance of gifts for up to a value of 35,- € per year and business-partner as uncritical. The employee must inform his superior about gifts that possibly exceed this value and cannot be denied by the employee (e. g. by reasons of courtesy).

This also applies to gifts that business partners of Naue receive from employees of the Naue-companies.

5. Implementation

We undertake suitable and reasonable efforts to comply with the contents of the Code of Conduct continuously at all company's locations. We have set up therefor appropriate measures and processes and document their implementation in-house in an adequate manner. Management is kept informed regularly about the realization and work of the responsible bodies and persons.

5.1 Communication and training

We communicate the contents of the Code of Conduct to our employees, business partners and other key stakeholders and train our employees on relevant topics as required. We expect our employees to comply with the Code of Conduct.

5.2 Expectations of our supply chains, control measures

The Code of Conduct also reflects our expectations of our supply partners and other contractual partners in our supply chain. In this respect, we expect them to comply with the contents of the Code of Conduct or to apply a comparable Code of Conduct.

We encourage our business partners to demand these expectations from the contractual partners in their supply chain.

5.3 Notice regarding violations (Whistle-blower-system)

We take any violation or the report of an allegedly upcoming violation seriously. In the case of such reports of (possible) violations, we take measures for proper and confidential clarification and, if necessary, appropriate preventive or remedial measures. To be able to take such notifications, Naue has created – together with Naue's workers' council – an internal reporting point, to which the suspicion of possible (upcoming) or already ongoing violations against the herein contained principles can be addressed to. The employees of the internal reporting point receiving the notifications (of whom at least one is a member of the workers' council) can be reached under „whistleblower@naue.com. Each notification will be dealt with in accordance to the regulations of the effective whistle-blower protection law (in each country) - inter alia - confidential. At the internal reporting point, you can also get information which external notification procedures/bodies are existing. The whistle-blower is explicitly free to use the internal reporting way or to give notice directly to an external body.

Management of Naue GmbH & Co. KG Workers' Council of Naue GmbH & Co. KG

¹ Universal Declaration of Human Rights

² UN Guiding Principles on Business and Human Rights

³ Guidelines for Multinational Enterprises

⁴ ILO-Convention No. 138 und 182

⁵ ILO-Convention No. 29 und 105

⁶ ILO-Convention No. 26 und 131

⁷ ILO-Convention No. 1; ILO-Recommendation No. 110

⁸ ILO-Convention No. 11, 87, 98, 135 und 141

⁹ ILO-Convention No. 100, 111 und 159; ILO-Recommendation No. 165

¹⁰ ILO-Convention No. 155, 183 und 184; ILO-Recommendation No. 164

¹¹ United Nations Convention against Corruption