

# Code of Conduct

Date December 2021

## **We do it. Better.**

This is our standard for all that we do.

This standard and our four principles are the most important building blocks of our corporate policy and our **PPx** management system.

They provide us with a joint understanding of Pöppelmann's internal and external direction as a foundation and framework for our actions, and ensure that we live up to our responsibility as one of our industry's leading companies.

The four principles are:

## **We create added value for our customers.**

We are uncompromising in orientating our thoughts and actions to suit our customers.

We view their challenges and requirements to be our own, namely in all areas and processes.

We know and understand our customers.

We know about their commercial, technical and regulatory requirements and challenges. And we know the importance of our products and services in this context.

We do it better for our customers.

With better advice, a better technical solution, a more innovative design, better quality, a shorter delivery time, greater flexibility, more reliability, simpler cooperation, a better relationship and much more.

It is important in the process to create this added value in such aspects that are really relevant for our customers. They will then be prepared also to pay appropriately for such real added value.

Our products and services are characterized by the highest quality.

We are not looking for short-term business, but a long-term partnership that is profitable for all parties.

We are not satisfied with merely fulfilling the minimum requirements of our customers. We want to exceed our customers' requirements and expectations, and be our customer's favourite partner, whom the customer is willing to recommend.

## **We are successful because of our employees.**

Motivated and qualified employees are the basic condition for our corporate success. Everyone in our company has an important function, and we will be successful only if we all pull together.

We place our faith in people assuming their own responsibilities.

We enable all employees to think and work independently and under their own responsibility, and expect them to do so.

We agree targets and then give our employees freedom and room to act. In so doing, we harness self-control without micromanagement from above.



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We manage and control with just a few clear principles, targets and limits, not with detailed codes.

We understand management to be supporting and facilitating, not controlling.

Occupational safety is always of the utmost importance.

We ensure that the working conditions rule out health risks and guarantee the greatest possible safety for all work stations, as our employees' health is of paramount importance.

We have an open dialogue with our employees to jointly understand occupational safety and health topics. The consultation and participation of employees is very important to us.

It is our duty to hold people in esteem.

We value and respect each individual employee and his or her work.

We pursue our employees' continuous development.

We train our employees in all areas to ensure our high level of quality and that all company procedures are performed securely.

As part of a growth-oriented position, we are convinced that each person can undergo further development.

### **We actively design our future with creativity and innovation.**

We view change to be an opportunity.

Innovative products, services and processes are an essential ingredient for our long-term success.

We embody a culture of continuous improvement in our entire thinking and activity.

The status quo is always only the second best solution.

We strive continuously to improve our products and processes with the objective being 'zero error' quality.

Continuous small improvements have an enormous effect in total.

Our thinking is user-orientated.

Improvements are thus not an end in themselves, but rather create added value for the customer.

We focus on the right opportunities and challenges.

We recognize risks and latch onto opportunities so as to ensure our long-term future with creative and innovative solutions.

We ask ourselves the question of whether we know the problem's cause, or whether we can only combat the symptoms.

In the process, we always concentrate our energy on a few, important problems or potentials to which we are able to devote our undivided attention and for which we always provide the required resources.

We get to grips with many ideas and proposals.

In the process, we also like to give serendipity the greatest possible opportunity.

We do not evaluate the ideas of others, but build on them.

We always provide idea providers with feedback as quickly as possible.



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Many steps are required to effect change.

Trying out is better than discussion. We give people the freedom to try out new ideas at an early stage, test them and improve them in many small loops.

Failure is a compulsory part of innovation. It is therefore not our goal to avoid failures but encourage success.

### **We achieve excellent results in the long term.**

We measure our actions by the result. To this end, we set ourselves ambitious but realistic targets.

We measure and control whether we achieve them and the measures that are required by means of clear and transparent key figures.

We use key figures here to measure target achievement and improvement, not for personal evaluation.

Our thinking is long term.

We do not limit ourselves to examining the current situation, but always also have an eye on future development and the needs that arise from it today.

### **Our thinking and actions are marked by sustainability.**

This is our idea of sustainability:

We are set up in such a way that we also in future will be successful on the market for our customers with our business model, our products and processes. We fulfil the customer requirements thanks to the excellent quality of our products and services, and thus bring about long-term enthusiasm among the customers.

We live up to our responsibility towards our employees now and will continue to do so in the future.

We issue a binding commitment to protecting the environment and climate, as well as to implement occupational protection, and tomorrow we will be able to stand by our actions from today and their effects. We want to avoid environmental damage to enable subsequent generations to experience a liveable future. This includes using limited resources responsibly, above all the raw material plastic, and using energy effectively. Right from product design, we take into account the effects on the environment during the entire product lifecycle.

We live up to our social and statutory responsibility and will also adhere to this on a voluntary basis in future.

We have defined the stakeholders for our standard and inform our employees, business partners, neighbors, the public and authorities about our activities and the state of the environmental protection on a regular basis. We view these stakeholder groups to be partners with whom we want to cooperate on a fair, decent and long-term basis. The fundamental demands and expectations arising from this context, which we view to be binding alongside the statutory obligations, are systematically implemented in our company. The reliability and legality of our actions, our products and our processes are always presupposed and not negotiable.



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The following code of conduct describes how we – the executive board, management staff and all employees – want to ensure our adherence in particular to global demands for ethical and moral conduct, as well as proper compliance with competition and antitrust regulations.

This also includes the promotion of fair and sustainable standards in dealings with our suppliers and customers, as well as all members of the group, too.

  
Norbert Nobbe

  
Matthias Lesch

  
Henk Gövert



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# General rules

## Scope of application

This code of conduct brings together the basic rules and principles, which are important to us into one document. It applies to all the companies in our globally active corporate group, and in equal measure for the executive board, management staff and every single employee.

## Compliance with laws, regulations and ethical practices

We abide by the laws and valid regulations in the respective countries in which we are active. The reliability and legality of our actions, our products and our processes is always a pre-condition and is non-negotiable.

In our everyday dealings, we align ourselves with generally applicable ethical values, in particular integrity, probity and human dignity.

## Commercial secrets and confidential information

We treat commercial secrets in confidence and take the necessary steps to protect confidential information of our business partners against access and inspection by unauthorised colleagues and other third parties in the appropriate way.

## Data protection and information security

Protection of personal data – especially that of employees, customers and suppliers – is very important to us. No personal data is to be collected or processed unless legally permissible or with the consent of the person affected. The applicable General Data Protection Regulation (GDPR), current revisions to legal standards and the data breach policy must always be followed. They apply to all employees and all departments. Information security is mandatory for all employees and is continuously being developed.

## Financial responsibility and integrity

Pöppelmann is obligated to report truthfully to employees, customers, business partners, the public and to regulation authorities. Our company's business transactions and documentation must be correct, orderly and complete. All business transactions, assets and liabilities are recorded and documented according to applicable law and generally accepted accounting principles. In all business processes, the highest level of accuracy, completeness and conscientiousness are required for documentation and storage of documents.

## Protection of company property

We use the company's property and resources properly and sparingly. Intellectual property is a competitive advantage and therefore an asset worth protecting, and we guard it against any unauthorized access by third parties (loss, theft or misuse). The company's physical and intellectual property is used only for the company's purposes and not for personal ends. This applies unless there is explicit permission.



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## Global guidelines

Our corporate group is aligned with the Universal Declaration of Human Rights of the United Nations, as well as the core labour standards of the International Labour Organisation (ILO). The following principles therefore apply in particular:

### Basic rules

All members of the group and commercial partners are to be treated with dignity and respect at all times. Our daily activities as a globally active commercial enterprise are always performed in adherence to applicable national and international standards and taking account of internationally recognized human rights<sup>1</sup>.

### Child labor

We reject child labour and any type of exploitation of children and young people and comply with the relevant laws to this end.

### Forced labor

We reject any form of forced labor and any conditions similar to it. Members of the group may be compelled into employment neither directly nor indirectly by means of violence or intimidation<sup>2</sup>.

### Appropriate compensation

All employees should receive a fair wage for full-time employment, which at least suffices to cover basic requirements. Payments are to be made in a practical way (by cash, checks, bank transfer) and a payslip is to be provided to an appropriate level of detail<sup>3</sup>.

### Freedom of association and collective bargaining

All employees have the right to assemble according to relevant law, to form or join trade unions and engage employee representation. In addition to this, they also have the right to collective bargaining for resolving workplace and wage issues. We ensure that there will be no negative consequences for employees who get involved in this way.

### Working hours

Working hours are in line with applicable national legislation, industry standards or the relevant ILO conventions<sup>4</sup>.

<sup>1</sup> Universal Declaration of Human Rights – UN Doc. 217, also referred to as the UN Human Rights Charter

<sup>2</sup> Cf. ILO conventions 29 and 105

<sup>3</sup> Cf. ILO conventions 26 and 131

<sup>4</sup> Cf. ILO conventions 1 and 14



## **Occupational health and safety**

National and international regulations for the safeguarding of health and safety at the workplace are complied with. Appropriate systems are to be set up which prevent risks to health and safety <sup>5</sup>.

## **Ethical and social principles**

A culture of equal opportunity, mutual trust and respect is of great importance to us. This is why we aim to abide by the following principles in particular:

### **Non-discrimination**

We treat all employees the same, irrespective of gender, age, skin colour, culture, ethnic origin, sexuality, disability, creed or ideology. We encourage equal opportunities and forbid discrimination when hiring staff, awarding promotions and providing qualifications and further training.

### **Harassment**

In the companies of our corporate group, no employee will be subjected to physical punishment or any other kind of physical, sexual, psychological or verbal abuse or mistreatment.

### **Freedom of expression**

The basis for mutual trust and cooperative togetherness is an open and constructive dialogue characterised by mutual respect. Therefore, the right to freedom of expression and freedom to voice opinion is guaranteed.

### **Right to privacy**

The right to privacy is respected.

## **Sustainable environmental and climate protection**

Sustainable environmental and climate protection and resource efficiency are important corporate objectives for us. Both in developing new products and when operating product systems, we ensure that all effects resulting from this on the environment and climate are kept as low as possible and that our products make a positive contribution to environmental and climate protection.

In this regard, every employee takes responsibility to conserve natural resources and to contribute to the protection of the environment and climate through their own behaviour.

<sup>5</sup> Cf. ILO convention 155





## Competition and antitrust regulations

We are committed to fair competition. For this reason, we comply with applicable competition and anti-trust regulations.

Impermissible agreements regarding prices or other terms and conditions, sales regions or customers, as well as misuse of market power, contradict our principles.

Every employee is required to cooperate actively in complying with and implementing fair and legal competition in their area of responsibility.

## Prevention of bribery, extortion and corruption

Instances of bribery, extortion and corruption will not be tolerated. Executive board members, management staff and all employees must ensure that no personal dependencies or obligations arise towards customers or suppliers. For example, group members must not accept or bestow gifts in a manner which may reasonably be considered to have the ability of influencing commercial decisions. If gift-giving is considered to be polite and customary in a given country, one must ensure that no dependencies or obligations arise as a result and the regulations of the country are adhered to.

Violations of these stipulations will not be tolerated and will be punished using employment law-related measures.

## Preventing conflict of interest

Business decisions are made in the best interest of the company, are based on factual criteria and must not be influenced by personal interests or relationships. Conflicts of interest with private matters, business or other activities, and involving relatives and close associates or organizations, should be stopped before they begin. If they nonetheless occur, they must be resolved in keeping with applicable law and guidelines. Transparent disclosure of the conflict is required.

## Export controls and economic sanctions

Governments and international bodies may impose temporary trade restrictions and embargoes on specific products and countries or individuals. We adhere to foreign trade regulations and import and export controls, and we strictly adhere to trade restrictions and sanctions lists. Another subarea of export control is inspecting our goods for dual-use status. Dual-use means principal applicability of technologies or goods to civilian as well as military purposes. Export and import controls are also an important aspect of securing the international supply chain.

## Counterfeiting

It is ensured that counterfeiting and piracy never take place.



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## Whistleblowing and protection from retaliation

When there is doubt as to whether the aforementioned obligations are being met, and to prevent forbidden activities, employees can contact their direct superiors or the compliance officers. Reports of violations or misconduct are strictly confidential. Anyone is free to speak out without fear of retaliation.

## Compliance with the code of conduct

Our executive board and management staff have a special role in setting an example and are to be assessed according to the code of conduct to an especially high level in their actions. They are the first port of call in case of queries regarding understanding the regulations, and they ensure that all employees are aware of and understand the code of conduct. They are to prevent unacceptable behaviour as part of their management task and take appropriate measures to prevent violations of regulations within their areas of responsibility.

Violations will be prosecuted evenly and consistently. Every employee working in the Pöppelmann group, as well as every customer, supplier, service provider or external stakeholder has the right to raise the attention of potential violations of this code of conduct through the following means:

The following means are available for reporting violations and tips:

- a. By e-mail to **[compliance@poeppele.com](mailto:compliance@poeppele.com)**
- b. In writing (including anonymously) by mail (Bakumer Str. 73, 49393 Lohne) or using the internal mailboxes (such as the "idea box") to Pöppelmann's internal compliance office, to Nadja Kampf or Jürgen Nordlohne (compliance officers).
- c. By telephone +49 4442 982-1739 (Nadja Kampf) or +49 4442 982-1735 (compliance officer Jürgen Nordlohne)
- d. A message to the Pöppelmann whistleblower system. More information can be found at our website **[www.poeppele.com](http://www.poeppele.com)**.

For other questions about the code of conduct, all employees and third parties can contact the central e-mail address: **[compliance@poeppele.com](mailto:compliance@poeppele.com)**.

This code of conduct is continuously checked to see whether it is up to date and is updated accordingly as and when required.