

# Code of Conduct

Dated: 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 hallmarked 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, who the customer is willing to recommend.

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

Motivated and qualified employees are the basic pre-requisite 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 autonomously 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.

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



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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 recognise 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 potential 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.

Many steps are required to effect change.



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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, neighbours, 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

# General rules

## Scope of application

This code of conduct brings together the basic rules and principles 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 regulations valid 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

The protection of personal data is of utmost importance to us, especially when it concerns employees, customers and suppliers. No personal data may be collected or processed without being legally permitted or without the consent of the data subject. The applicable General Data Protection Regulation (GDPR) and current amendments to statutory provisions and the guideline on how to proceed in the event of data breaches are always applied in this regard. These apply to all employees and all business divisions. Information security is binding for all employees and is continuously developed.

## Financial responsibility and integrity

Pöppelmann is obliged to truthfully report to employees, customers, business partners, the public and regulatory authorities. Our company's business transactions and records must be accurate, proper and complete. All business transactions, assets and liabilities are recorded and documented in accordance with the applicable legislation and generally accepted accounting principles. Documentation and record keeping for all business transactions require the highest level of accuracy, completeness and responsibility.

## Protection of company property

We use the company's property and resources appropriately and carefully. Intellectual property represents a competitive advantage and is therefore a valuable asset that we protect against any unauthorised access by third parties (loss, theft or misuse). Tangible and intangible company property is used exclusively for company purposes and not for personal purposes, unless express authorisation is issued.



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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 recognised human rights<sup>1</sup>.

### Child labour

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

### Forced labour

We reject any form of forced labour 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, cheque, 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 in accordance with the applicable legislation and to form or join trade unions and employee representative bodies. They also have the right to collective bargaining for the resolution of workplace and wage matters. We assure that employees who are involved in this form of unionising and/or collective bargaining will not face any negative consequences.

### 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.

## Avoidance of conflicts of interest

Business decisions are always made in the best interests of the company based on objective criteria and are not influenced by personal interests or relationships. Conflicts of interest with private interests or economic or other activities, including those of relatives or otherwise close contacts or organisations, should be avoided from the outset. If they do arise, they must be resolved in compliance with the law and applicable guidelines. Transparent disclosure of the conflict is a prerequisite for this.

## Export controls and economic sanctions

Governments and international bodies may impose temporary trade restrictions and embargoes that affect specific products and apply to countries or individuals. We comply with foreign trade legislation and regulations for import and export control and strictly observe trade restrictions and sanction lists. Another sub-area of export control is the examination of our goods for their status as dual-use goods. Dual-use describes the main usability of technologies or goods for civilian and military purposes. Export and import controls are also an important aspect in safeguarding international supply chains.

## Plagiarism

It is ensured that plagiarism does not apply.



## Whistleblowing and protection against retaliation

In the event of doubt concerning the fulfilment of the aforementioned obligations and in order to avoid prohibited activities, employees may contact their direct supervisor or the Compliance Officer. All reports of violations and misconduct will be treated as strictly confidential. All individuals may speak out freely and 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.

The following channels may be used to report violations and information:

- a. Via e-mail to **[compliance@poeppele.com](mailto:compliance@poeppele.com)**
- b. In writing (also anonymously) by post (Bakumer Str. 73, 49393 Lohne, Germany) or via the internal post boxes (such as the "ideas box") either to Nadja Kampf or to Jürgen Nordlohne (Compliance Officer) at the Internal Compliance Department of the Pöppelmann Group.
- c. By telephone: +49 4442 982 1739 (Nadja Kampf) or +49 4442 982 1735 (Compliance Officer Jürgen Nordlohne)
- d. By notification via the Pöppelmann whistleblower system. Further information can be found on our homepage **[www.poeppele.com](http://www.poeppele.com)**

For any further questions concerning the Code of Conduct, all employees and third parties may write to 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.

