

aichele GROUP

Employee Code of Conduct Policy

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Introduction by the Top Management

As a family-owned company operating all over the world and having a long-lasting tradition, the aichele GROUP has obtained an excellent reputation in public, at business partners and employees. Upholding this reputation is our top priority. We therefore highly emphasize integrity and set high standards for an ethically correct behavior in compliance with rules and regulations. With the present code of conduct, we outline the aichele Group’s commitment for this and confirm our responsibility towards our business and social environment as well as towards our employees worldwide. .

We do not accept any violation of this code of conduct. Failures to comply with this code of conduct will be consequently pursued and investigated with all legal resources at our disposal. Regardless the legally imposed sanctions this may also include personal consequences for the employee.

1. Purpose and scope of application

The present code of conduct shall apply to all members of the board of directors to all managers and all employees of the aichele GROUP as a binding and compulsory guideline for their daily business operations. In addition to our core values, this code of conduct as a minimum standard defines which principles of behavior shall be relevant and binding for us in order to meet the aichele Group’s high-demanding request for an ethically correct behavior in compliance with rules and regulations as well in accordance with our core values.

The present code of conducts shall apply to all sites of the aichele GROUP worldwide and to all companies of the Aichele Group, even if the way to behave defined by this code of conducts is contrary to the behavior patterns or business practices which are requested, expected in the countries where the aichele Group is active or tolerated by the authorities or by the public in these countries. In case one of these countries request stricter rules or behavior patterns the stronger rules shall apply.

Concrete rules of behavior for special issues which shall be valid supplementary to this code of conduct are defined in separate guidelines and shall apply as rules of implementation besides this code of conduct. The board of directors, the managers and the employees shall compulsorily follow this code of conduct and the supplement guidelines. They apply in the relationship of the concerned aichele Group's company and its employees in order to ensure the upholding of the good reputation and the confidence in the aichele Group. This does not constitute rights of third parties.

2. Behavior in business environment

2.1 Compliance with laws, regulation and internal rules

All employees at all sites of the aichele GROUP shall follow the applicable laws, the industrial minimum 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 Organisation (ILO), the OECD guidelines for multinational enterprises and other internationally recognized conventions as well as all internal rules and instructions from the Aichele Group (the whole referred to "Standards" in the following).

The board of directors, the managers and the employees of the aichele GROUP only act in the interest of the company if they comply with these Standards, even if this seems to be strategically or economically disadvantageous or inappropriate from the point of view of an individual or of an entrepreneur. They shall also follow these Standards in case a superior gives instructions that are in conflict to them. Every employee is responsible to make sure that he behaves in compliance with these Standards. Due to their role of exemplarity, we expect our managers not only to communicate these Standards properly but that they also set good examples and request their employees to respect them. Our managers are the first persons to contact in case of any question which the employees may have regarding the present code of conduct.

2.2 Fair Competition

The aichele GROUP is convinced by the quality of its products, its innovation, integrity and the performance of its employees. The aichele Group engages to respect the rules of the Market and of a fair and open competition on the national and international level. The same we expect from all our business partners and competitors. The aichele Group solely pursues its objectives according to the principle of a high-quality performance as an a matter of principle the aichele Group declines any business collaboration, order or other advantage which can only be obtained by violation of the respective laws of competition.

2.2.1 Competition-related agreements

For all of its activities, the aichele GROUP pays attention to follow the principles of competition law, meaning to never conclude or to support agreements related to the market, notably agreements about prices, capacities, renunciation to competition, boycotts against suppliers or customers or to participate in the submission of vindictive bidding at tenders or in agreements about sharing customers, areas or product ranges with no importance whether such agreements are concluded in the frame of contracts or on the basis of informal interviews (such as at association conferences) unformal "Gentlemen agreements" or "concentrated actions" that aim for one of the above mentioned restrictions of the market or that may cause them.

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Any agreement with potential competitors is subject to a prior verification and approval by the top management. Concluding agreements without approval from the top management is not allowed.

2.2.2 No bribery / no corruption

The aichele GROUP does not tolerate any kind of corruption and decidedly refuses any kind of bribery. The top management, the managers and the employees of the aichele Group are not allowed to offer, promise or to grant advantages to business partners, public officers, politicians or family members of one of the mentioned groups in return for preferences when buying goods, performances or services, no matter if there exist a right of the performance / service in single cases. In this context, the anti-corruption clause of the International Chamber of Commerce (ICC) dated 1998 as well the rules of the US-American FCPA (Foreign Corrupt Practices Act) and the UK Bribery Act 2010 shall apply.

2.2.3 Offering, granting, accepting or requesting advantages

Any kind of agreement or side-agreements which refers to a direct or indirect granting of advantages – no matter what nature those ones may be – to the benefit of individual persons or organization in the context of the transfer, placement, authorization, delivery, handling or payment of orders (e.g. Kick-backs) is prohibited. This notably applies to agreements with business partners, their employees or public officials.

The employees are only allowed to settle payments if goods are delivered or services provided that have contractually been agreed. Such kind of payment shall be appropriate and must be recorded according to the applicable accounting standards. If there is any supposition that an agreement is destined for completely or partially paying some kind of bribery the conclusion of such agreements is forbidden.

All employees are prohibited to directly or indirectly offer, grant, request or to accept gifts or benefits in the frame of their business activities. This does not apply for occasional invitations or for gifts that are customary and their value shall comply with the common business rules. However, precondition for granting or accepting such invitations or gifts is that no law is breached and that any kind of impact on the business decision is excluded from the outset.

2.2.3.1 Offering or granting advantages

With consideration of these rules: Gifts, invitations or similar benefits are forbidden if because of their value or for another reason they will create a sense of obligation for the receiver and thus contest his business or official independence

Offering or accepting gifts of cash are forbidden in every case.

Invitations to events or other social functions shall be or customary in the business and reasonable in terms of type and volume or the invitation shall have a clear reference to the business.

Expenses destined for business-related hospitality shall be appropriate regarding the type and volume of hospitality.

Both, active and passive bribery of public officials is subject to legal penalty all over the world. We refuse all kind of negotiations about bribery. With consideration of these principles, invitations to one of the above mentioned events from public officials including officers, politicians but also all persons acting in the frame of a public contract or representatives and / or agents from public institutions with this list

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being exemplary only, are only admissible if they are not prohibited by international or national rules and if the respective legal frame is respected. Such invitations or benefits shall in no case give reason for interpreting them or making reference to them as a request or grant of a return service / an official act. Any possibilities of doubt on a potential influence by the administrative act shall be excluded. We refer to the clauses of the anti-corruption compliance and integrity guideline and to national guidelines which may apply as supplement to them.

2.2.3.2 Request and acceptance of benefits

The above mentioned rule shall also apply when accepting an advantage: The board of directors, the managers and the employees of the aichele Group are not allowed to profit from their function within the company for requesting, accepting or procuring personal advantaged (including material gain) to the benefits of themselves and/ or to a family member or friend. Occasional invitations to customer-organized events or business dinners notably during or after the end of meetings are allowed (provided that criteria defined in clause 2.2.3.1 are fulfilled). The same applies to the acceptance of gifts that have a symbolic character or that are of low value.

When accepting an invitation, also in the frame of events, you shall supplementary make sure that they have a clear reference and a major relation to the business and that the expenses for a business-related hospitality are appropriate regarding its type and volume. The employees of the aichele GROUP are only allowed to accept invitation to charity event or demand for a charity donation by a business partner if it is ensured that the principles of the present code of conduct are followed, in particular the rules defined in the first paragraph of chapter 2.2.3.1.

In all cases, it is forbidden to request or to accept gifts of cash. In case gifts and / or other advantages, including preference terms are offered or granted a member of the board of directors, a manager or an employee of the aichele GROUP to their benefit or to the benefit of a family member or friend, they always shall refuse them. .

2.2.4 Donation or Sponsoring

Free allocations (donations) shall always be transparent so that the benefit recipient and the correct application by the benefit recipients are knowns and can be traced. For sponsoring activities, there shall be an appropriate relation between the financial support and the agreed return service. In all cases, approval by the board of directors is required.

2.3 Sustainability and environment safety

The aichele Group puts the focus on the principles of sustainability and environment safety. The aichele GROUP is aware of the shortage of natural resources and its responsibility to future generations. The respect of all respective environmental laws, including the local regulations in the country where the aichele GROUP is active is a self-evident obligation for the board of directors, the managers and every single employee of the aichele Group.

The aichele Group's quality and environmental policy is at the disposal of our business partners on our website www.aichele-group.de.

2.4. Tolerance and equal opportunities

As a worldwide acting company the aichele Groups collaborates with employees and business partners of different nationalities, cultures, religions and philosophies of life. The personnel interaction is marked by respect, tolerance, appreciation, fairness and openness.

Without any exception, the aichele Group refuses any kind of discrimination, harassment, disadvantage, vilification or other contemptibility but also preferential treatment of its employees or business partners based on their ethnic origin, gender, religion, philosophy of life, disability, age, sexual orientation, identity or on another ethical, social or legally protected feature. Any form of harassment at work is forbidden. This also applies if the person concerned by the harassment is able to defy the harassment or if the offender estimates his own behavior as being acceptable.

The managers shall be aware of their exemplary role and create a working environment which is free of discrimination and harassment.

2.5 Selection of business partners

The aichele GROUP selects its business partners on basic of purely objective and economic criteria and fairly verifies all quotations from its suppliers without any prejudice. An unobjective preference or obstruction of suppliers, notably for personal reasons is strictly forbidden. Always the tenders with the lowest price shall be accepted unless another decision can be justified (for reasons of quality, service, long-lasting business relationship, credit worthiness, etc.). In such a case the main decision basis shall be documented without a third party being entitled to further rights.

The aichele Group expects its suppliers, customers and all other business partners to follow the principles expressed by the present code of conduct when collaborating with the aichele Group and to ensure that they are followed within their organization. The aichele Group puts high importance to make the present code of conduct part of contractual agreements except if there are specific codes of conduct which have been reviewed before. A business relationship with our suppliers is only taken into consideration if after notification, the suppliers do not object to the present code of conduct or if they can provide evidence that their code of conduct is consistent with the one from the aichele Group. Despite this, the aichele Group reserves the right for long-term business relations of a premature termination of the business or delivery contract in case of failure to comply with the principles of the present code of conduct, notably in case of bribery, granting of benefits that are not accepted by this code of conduct or of compulsory or child labor after written warning.

2.6 Confidential information and data protection

Every kind of information concerning the locations of the aichele Group and its business partners is kept confidential and shall not be disclosed to a third party only if it has properly been published or disclosed before with excluding the transmission of information on request of a public authority or in the frame of operational issues of the aichele Group. This obligation shall also continue after termination of the business relationship.

The direct or indirect use of confidential information for personal purpose is forbidden. The board of directors, the managers and all employees of the aichele Group are engaged for an active protection of confidential information against unauthorized access according to the internal guidelines. The aichele Group notably refuses any kind of active or passive industrial espionage.

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The aichele Group consequently respects the applicable data protection regulations. The aichele Group only collects retains or uses data from customers, employees or other business partners that are subject to the data protection law if this is legally allowed or if the concerned person agreed to this. Protection of privacy when using personal data as well as protection of all business data shall be ensured with consideration of the applicable legal requirements. Confidential information, business documents or data carriers shall always be protected against access by a third party. The data protection officer shall support the different services / departments / associations.

2.7 Regulations for foreign trade and payment, export controls and customs

The aichele Group complies with all regulations for foreign trade and payment, embargo, customs and for terrorism control as well as with the related regulations for payment transactions that apply in the respective countries of its business operations. All employees in charge for the imports or exports of goods, services or technologies (including technical data) as well as for payment transaction shall be engaged to follow the applicable laws and regulation for economic sanctions, export and import control as well as all guidelines and processes in connection with their business activities.

3. Behavior towards employees

3.1 Management culture

The aichele Group considers its staff as the most valuable capital. Thus the aichele Group invests in the qualification and the competence of its employees. Commitment and performance are specially encouraged and recompensed.

Based on the aichele Group’s core values, the aichele Group has developed and communicated fundamental principles of management which also request the managers to act as an example with complying to present code of conduct and to treat the employees who report to them in an appreciating, reliable and reasonable way. They shall obtain their recognition by an exemplary behavior, performance, approachability and social competence.

3.2 Fair and safe work conditions

The aichele Group also translates this appreciation and responsibility for its employees by providing to its employees worldwide safe and fair work conditions that comply with all applicable, including local, legal requirements.

Protection and health of all employees is the top priority for the aichele Group. Therefore the aichele Group is committed to ensure a high quality standard in all its business sections and notably to concept products and work places in a safe way. Processes, machines and equipment are controlled and operated in compliance of the applicable legal and internal health and safety regulations as well as the regulations for fire and environment protection. With regard to its international presence the aichele Group also considers the “Declaration on Fundamental Principles and Rights at Work” of the International Labour Organisation (ILO) and refuses any kind of compulsory or child work.

The aichele Group tolerates and respects the freedom of association, the membership or affiliation of its employees to unions which are constitutionally recognized such as properly founded syndicates or other unions that represent the interests and the protection of employees. For the concerned employee, there will be no disadvantages by the aichele Group.

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3.3 Avoiding conflicts of interests

The aichele Groups takes great care not to involve members of the board of directors, managers or employees in situations that arise conflicts of interest or loyalty during their work.

No member of the board of directors and no employee are allowed to maintain business relations if a reasonable review reveals that business decisions or transaction may be influenced by them. This is notably the case if the concerned employees would obtain considerable advantages that are in “excessive.

4. Implementation of the code of conduct

The aichele GROUP does not accept any breaches of this code of conduct.

For this reason, all managers of the aichele group are obliged to inform their employees about the content and significance of this code of conduct. They must ensure that the employees who report to them not only know about this code of conduct but that they have also understood it and are aware of its importance. Managers are further requested to encourage and support their employees to follow this code of conduct. The managers shall regularly review if the Standards (chap. 2.1) are considered and clarify this during personal interviews with the employees. If there are any incidences of violation, the managers shall fully investigate it and inform the board of directors.

The aichele Group provides appropriate information to its employees (e.g. guidelines in addition to this code of conduct) for helping them to recognize potential failure in complying with the laws or this code of conduct on time and thus to avoid it. This includes training for particular issues and for risk areas. However, the board of directors, the managers and the employees shall get information about lawfully and ethically correct behavior on their own in case of doubts.

In case there is any question regarding the content or interpretation of the code of conducts, the employees of the aichele Group can contact their superior or directly the board of directors. This also applies for cases of violation or suspicious cases. Questions concerning this code of conduct can be sent to the email account compliance@aichele-group.

In spite of the individual clauses of this code of conduct requesting to notify any failure of compliance, every employee has the right to notify such a violation or suspect of violation on basis of concrete evidences and in good faith. An employee who informed a superior or the board of directors or who notified violation / suspicion (Whistle Blowing System) by using the email address compliance@aichele-group.com does not need to fear any kind of retaliation. This notification will strictly be kept confidential. If necessary, the aichele Group takes appropriate measures to protect the concerned employee (or informant) against retaliation. To the extent that is possible and legally allowed, the aichele Group strictly keeps the personal identity of employees who have notified a violation or suspicion of violation or who have actively participated in clarifying a case of violation confidential and secure.

This email address is also at the disposal of external parties for notifying about any violation of law by the aichele Group. External parties can obtain information about the aichele Group compliance on the internet website www.aichele-group.com (Corporate Information – organization and mission) and read or print out this code of conduct.

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General note: If for reasons of better readability, only the masculine pronoun is used, the other gender is also implied.

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