

Code of Conduct Lucas-Nülle GmbH

This guideline describes organisational measures and specifications that are intended to ensure the lawful, responsible and sustainable conduct of our company and its employees with regard to compliance with laws and guidelines.

Principles of our conduct:

1. We observe / respect the laws of all countries in which we operate.
2. We treat every business partner, supplier, customer, employee and colleague fairly at all times. Discrimination, harassment, derogatory treatment of, or otherwise causing a disadvantage to, an employee or a business partner on the basis of ethnic origin, sex, religion or views, political belief, disability, age, sexual orientation or other characteristics protected by law, is prohibited. We oppose child labour and forced labour.
3. We encourage our employees to address issues openly and without fear of reprisals. Employees who express concern in good faith in connection with processes in the company will not suffer any disadvantage as a consequence.
4. We consistently respond to misconduct in accordance with the principle of proportionality. Each individual case is assessed to determine the appropriate and required consequences.

Our compliance system comprises various subject areas and rules that are specified and defined below:

- Dealing with business partners and third parties
- Avoiding conflicts of interest – new employees
- Dealing with information
- Environment, health and safety

Dealing with business partners and third parties

Our motto: We neither give nor accept bribes!

In our competition we focus on performance, customer focus and the quality of our products and services – not on unlawful or ethically dubious conduct. We therefore oppose corrupt and other unlawful behaviour and do not tolerate such behaviour. We expect that our management, employees and business partners (e.g. sales representatives, advisers, suppliers) will not avail themselves of corrupt practices, irrespective of the country in which they operate.

We pay particular attention to conducting business with integrity in our contact with parties, domestic and foreign public authorities, as well as public officials. We do not make any payments, donations or other valuable benefits to civil servants, public service employees or employees of state-owned companies in order to receive orders or advantages for us. This prohibition also applies to conduct abroad, irrespective of what is considered to be normal there. We also do not make any unlawful payments for entering into specific transactions with private companies. Even the mere appearance of interference must be avoided.

Invitations, gifts and other personal benefits (to partners from industry)

We can only give invitations (e.g. invitations to restaurants or to sporting events, food and drink at events) if their total value and the specific circumstances do not give the impression that a certain course of behaviour is expected from the recipient in return. The specific circumstances of the individual case will determine whether this is the case, having regard in particular to the following factors:

- value of the benefit and frequency of granting of the benefit
- position of the recipient within his/her company
- social appropriateness

We may never confer benefits here. Invitations or gifts are always to be sent to the official business address of the recipient and not to their private address. Under no circumstances may cash or cash equivalents (e.g. vouchers) be gifted. Gifts and benefits up to a value of €35 per partner per year are permitted (tax deductible). Gifts that exceed this amount are to be approved by management.

We apply the same caution when an invitation or gift is offered to us. We only accept invitations from business partners and customers to meals or events if they are offered voluntarily, serve a business purpose, do not take place unreasonably often and the hospitality is proportionate to the occasion.

We can accept promotional and occasional gifts of appropriate value and within reasonable limits given voluntarily by business partners and customers. €35 is a guide value. If there is any doubt as to the appropriateness of gifts, donations or invitations, we check with the Compliance Officer or management. We disclose and document the receipt of gifts or donations and attendance at meals and events if they exceed the guide value of €35 (per year per partner). This does not affect reporting obligations arising under other statutory provisions (e.g. taxation of non-cash benefits).

Stricter rules for contacts with public officials

The term “public official” includes at all levels the representatives or employees of public authorities or other public institutions, agencies or legal entities, as well as the civil servants and employees of state-owned companies and public international organisations (civil servants, elected officials, soldiers and others who hold public office).

The anti-corruption laws of many countries contain strict rules with regard to domestic and foreign public officials. Conferring personal benefits on public officials is prohibited, even if the benefit is of minor value and would be acceptable if given to employees of a private company. We must act with caution if we would like to confer a personal benefit on a public official and check that the public official is permitted by law to accept this. In critical cases we will consult with management.

Relationships with service providers

With regard to service providers involved in the sale or marketing of our products (sales representatives, other intermediaries and advisers on business, technical and other matters), corresponding documentation must ensure that there is no suspicion of corruption.

A written agreement is necessary. This agreement must clearly and precisely set out the remuneration of the service provider. This means that the remuneration that the service provider receives must be documented precisely in figures or as a percentage no later than the time when the order is received by Lucas-Nülle GmbH.

Duty to inform service providers and to report breaches

When dealing with service providers, our employees always make it clear that we act in accordance with applicable law, that we do not tolerate corrupt or otherwise unlawful behaviour and that we will terminate our collaboration with a service provider if instances of corruption or other unlawful conduct emerge. Employees must inform the Compliance Officer if there are indications of corrupt behaviour or other serious breaches of the law by a service provider.

Payments to customers, employees, suppliers or representatives of other companies

For deliveries of our products, we create invoices with a time reference for the delivery.

We do not make any unauthorised payments to employees or representatives of other companies, either directly or through service providers.

Payments that we make in respect of deliveries and services received are only made directly to the relevant contractual partner, provided that there are no legally valid assignment agreements or debt collection arrangements.

Competition law and anti-trust law

We comply with the rules regarding fair competition.

We do not participate in unlawful and/or criminal practices such as bid-rigging, which exclude, restrict or distort competition. We do not unlawfully obtain information relating to competition, nor do we disseminate false information about a competitor or its products or services.

There are no (formal) requirements to establish or participate in a cartel. It is therefore easy for competitors to form or participate in a cartel without them possibly being aware of this at the start (e.g. during an informal discussion).

As a result, we avoid for example discussions or even detailed talks with those belonging to competing companies regarding price structuring and calculation, position in the respective national market, sales structure, retailer network, etc. Such discussions may be perceived as prohibited price fixing, even between presumed friendly employees of companies that do not even appear to be in competition with each other. This may also breach non-disclosure obligations contained in employment contracts.

Donations

Donations and sponsorship are permitted within the framework of the statutory rules and are approved by management.

Trade controls / export controls

We comply with all export controls and customs laws.

Business relationships with suppliers

We encourage our business partners to follow the same principles:

- comply with all applicable laws
- refrain from corruption
- observe the human rights of employees
- comply with laws against child labour
- assume responsibility for the health and safety of their employees
- comply with national laws and international standards regarding the protection of the environment

Handling information

1. Confidentiality

Operational and business secrets are to be treated in confidence. This also applies to other information, the confidentiality of which Lucas-Nülle GmbH, our contractual partners and customers have an interest in. This obligation survives the termination of the employment contract.

2. Data protection and security

The protection of privacy when using personal information and the security of business information is to be ensured in all business processes, having regard to the statutory requirements. Confidential information, company documents and data storage devices are to be protected from third party access.

Environment, health and safety

1. Environmental protection and technical safety

We comply with the provisions and standards regarding environmental protection and use natural resources responsibly. Environmentally friendly design, technical safety and health protection are fixed objectives in the development of our products.

2. Workplace safety

Preventing accidents and work-related health risks is part of the company's duty of care, whereby each individual has shared responsibility towards employees and colleagues.