

Code of Conduct for Business Partners

I. Preamble

FrymaKoruma, Stephan and Terlet – ProXES unites several brands for processing technology and automation competence under one roof. ProXES stands for trust, reliability, and sustainable growth. The integrity of each of our suppliers, service providers and other contractors (singly “Business Partner”, collectively “Business Partners”) plays an important role in this context.

Therefore, we also expect our Business Partners to comply with all relevant legal and ethical requirements and with recognized environmental, social, and corporate governance standards.

II. Scope

ProXES is committed to complying with the standards set out in this Code of Conduct. Likewise, ProXES obliges its Business Partners to observe these standards as a major requirement of the business relationship. This applies to each Business Partner ProXES has a direct business relationship with. ProXES expects its Business Partners to ensure that their own suppliers, who directly or indirectly provide products or services to ProXES, equally adhere to these or comparable standards throughout the entire supply chain.

III. Human Rights and fair labour conditions

We expect our Business Partners and their suppliers to conduct their business in compliance with our business ethics, to respect internationally recognized human rights and to promote adherence to them. For all business activities within their sphere of influence, our Business Partners shall ensure that they and their suppliers do not violate any human rights or become involved in any such violations.

Our Business Partners are therefore required to respect the following human rights, labour rights, conventions, and standards:

1) Human rights

Our Business Partners must comply with all applicable laws and respect internationally recognized human rights wherever they operate as set out in the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work (ILO). We expect each Business Partner

to establish and conduct human rights' due diligence processes to assess the actual and potential human rights impacts caused or contributed to through its own activities, or which may be directly linked to its operations, products, or services by its business relationships, and to act upon the findings by identifying, preventing, mitigating, and remediating any such impacts on human rights. Business enterprises whose operations or operating contexts pose risks of severe human rights impacts should report formally on how they address them and in a form and frequency that is accessible to us and provide information that is sufficient to evaluate the adequacy of the Business Partner's response without posing risks to commercial confidentiality.

2) No child labour

Our Business Partners are required to observe ILO Conventions No. 138 and No. 182 and are not permitted to use any child labour. Notably, our Business Partners must not employ children below the permitted minimum age at any phase of production or processing in the supply chain. The permitted minimum age shall not be less than the age of completion of compulsory schooling and, in any case, shall not be less than 15 years. Employees under the age of 18 may only be employed if in compliance with the applicable provisions of law, e.g. regarding working hours and conditions, and observing educational and schooling requirements. Children must be not forced to engage in any other activities that may be detrimental to their physical or mental health and safety. Accordingly, the worst forms of child labour are prohibited, such as all forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory labour, including forced or compulsory recruitment of children for use in armed conflict, the use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances, the use, procuring or offering of a child for illicit activities, in particular for the production and trafficking of drugs as defined in the relevant international treaties, work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children.

3) Prohibition of forced labour

Forced or compulsory labour is prohibited. The term forced or compulsory labour means all work or service exacted from an individual under the menace of any penalty and for which the said individual has not offered her or himself voluntarily. The Business Partner and its suppliers shall only use work performed on a voluntary basis and must not use any forced or bonded labour or involuntary work. Employees must be allowed to retain control over their identity papers and other official documents (e.g., passport, work permit, or any other personal legal document). The Business Partner shall ensure that employees are not obliged to pay fees or make other payments, or incur any other fraudulent debt, during the recruitment phase and employment period to be or remain employed.

The Business Partner is responsible for the payment of fees and duties that the employee incurs in connection with employment.

Any punishment, psychological and / or physical coercion is prohibited. Disciplinary guidelines and procedures must be in compliance with the applicable laws and clearly defined and communicated to the employees.

4) Prohibition of discrimination

The Business Partner shall promote a respectful working environment. It shall not discriminate or tolerate discrimination based on gender, race, religion, age, disability, sexual orientation, nationality, or other characteristics protected by law.

5) Payment and working hours

The Business Partner shall comply with national laws and binding industry standards on working hours, overtime, wages, and other employer services. The Business Partner must pay its employees on time and inform them clearly about the basis on which they are paid.

Reductions of wages and salaries as a disciplinary measure are not permitted unless they are permitted by law.

6) Freedom of association and collective negotiations

The employees of the Business Partner must have the right to freely decide to join or not to join a union, be elected to a union or appoint employee representatives of their choice without fear of being punished, threatened or intimidated. The Business Partner recognises and respects the right to conduct collective negotiations within the framework of the applicable laws.

IV. Occupational health and safety

We expect our Business Partners to strive to achieve a high level of occupational health and safety by choosing an appropriate approach to health and safety management for their company.

The Business Partner shall comply with the applicable occupational health and safety regulations and ensure a safe and health-promoting work environment in order to protect the health of employees, protect third parties and avoid accidents, injuries and work-related illnesses. This includes regular risk assessments of the workplaces and the implementation of appropriate security measures and precautions. Employees shall be trained adequately in work safety regulations.

V. Anti-bribery & -corruption

ProXES requires its Business Partners to comply with the legal requirements for combating corruption. The Business Partner undertakes to conduct its business in an ethical manner and in accordance with all applicable anti-corruption regulations and not practice or tolerate any form of corruption. It must not promise, provide, or accept any bribes or unlawful incentives to or from its own business partners. All transactions of the Business Partner shall be documented in its accounting records in accordance with the applicable provisions of law.

VI. Prevention of money laundering

The Business Partner shall comply with all applicable laws and regulations for the prevention of money laundering. It shall keep all financial records and prepare reports in accordance with international laws and regulations.

VII. Fair competition

The Business Partner shall adhere to all applicable competition and antitrust laws. In particular, it undertakes to refrain from entering into agreements or engage in concerted practices which have as their object or effect the prevention, restriction or distortion of competition.

VIII. Environmental responsibility

The Business Partner shall promote environmental responsibility and protection during every phase of production and processing. The Business Partner shall protect the environment and will pursue its activities in an ecologically responsible manner. This applies especially with regard to resources and the observance of applicable laws in the field of environmental protection. The international environmental management standard ISO 14001 serves as a parameter for ecologically responsible business activities. All products manufactured along the supply chain must meet the environmental laws and regulations at the place of production and in their market segments. This applies to the complete product life cycle and the materials used. The Business Partner will take appropriate measures in accordance with this Code of Conduct to ensure environmental protection. This includes identifying chemicals and other substances which are potentially harmful substances if released into the environment and establishing a management system for hazardous materials to enable safe handling, transport, storage, recycling, reuse, and disposal of such materials.

IX. Data protection

We expect our Business Partners to collect, use and store data in compliance with all applicable data protection laws and privacy principles. The Business Partner must respect all individuals' privacy and not re-identify or attempt to re-identify anonymised data. The Business Partner must ensure that any third parties the Business Partner intends to commission to process or access personal data which we are responsible for, adhere to all applicable data protection laws and provide an adequate level of data protection equivalent to that required by the EU General Data Protection Regulation.

X. Business partner's own suppliers

The Business Partner will engage in contractual and business relations only with suppliers who agree to comply with the obligations and standards set out in the present Code of Conduct.

In the event of failure by Business Partner's own suppliers to meet the obligations and standards set out in this Code of Conduct, our Business Partner will cooperate closely with us to end such failure.

XI. Due diligence in the supply chain

Our Business Partners must commit to:

- (a) assessing the actual and potential adverse impact of their business activities and those of their own suppliers and business partners throughout the entire supply chain on the human rights, labour rights and on the environmental, health, and safety standards referred to in in this Code of Conduct, and identifying where the most significant risks for such adverse impact may occur;
- (b) acting upon such assessment and identification with the aim of redressing and/or preventing such adverse impact and risks in line with this Code of Conduct;
- (c) keeping adequate documentary evidence that they have acted diligently and effectively in terms of their responses to any actual or potential adverse impact or risks identified as set out above on the values and principles set out in this Code of Conduct;
- (d) setting up an effective grievance mechanism to respond to individuals and communities adversely impacted or put at risk by their business activities and ensuring that their own suppliers and business partners set up and respond to such a grievance mechanism.

XII. Audits

We reserve the right to monitor observance of the obligations and principles laid down in this Code of Conduct by conducting, or arranging for third parties to conduct, audits of our Business Partners'

compliance with the obligations and principles laid down in this Code of Conduct at regular intervals, but at least twice a year and at any time without any special occasion required. We will carry out at least one audit a year ourselves and will arrange for the second audit to be performed by an auditor of our choice. We will give at least 10 days advance notice of the audit before carrying it out. Our Business Partner must ensure that we and our auditors have full access during its usual business hours (at least between 8 am and 5 pm) to its premises and all documents, data, and systems that are connected with the performance of the contracts we have concluded with our Business Partner. Our Business Partner has the right to take appropriate measures to protect its business secrets and trade secrets and the confidentiality of its customers' data.

XIII. Contractual penalty

In the event that our Business Partner breaches any of its obligations set out in this Code of Conduct, it shall pay a contractual penalty for each contravention. We will determine the exact amount due at our fair and equitable discretion based on the gravity and the consequences of the violation. Our Business Partner has the right to request that the amount determined by us is reviewed by a competent court for its appropriateness. The contractual penalty will be deducted from any damages claims we may have on the grounds of the breach. Payment of the contractual penalty will not affect the Business Partner's obligation to observe the provisions of this Code of Conduct.

XIV. Termination

In case it is established that one or more of the provisions of this Code of Conduct has/have been violated, we will notify the Business Partner thereof and grant it an adequate grace period to redress the breach and bring its conduct back in line with the provisions of this Code of Conduct. If such violation was committed wilfully or through gross negligence thus rendering a continuation of the contract up to the date of ordinary termination unacceptable to us we will have the right to terminate the contract prematurely after the grace period has expired without having achieved the intended result and provided we announced such premature termination in the notice granting the grace period. The right to terminate the contract without notice (including under § 314 para. (2) sentence (3) BGB (German Civil Code)) and the right to damages shall not be affected.

XV. Confidentiality

We expect our Business Partners to treat all non-public information received in the context of our business relationship confidentially at all times and to take all and any precautions that may be necessary to prevent disclosure of such information to any third party. The Business Partner shall exercise the same care and diligence it uses to protect its own confidential business information.

XVI. Reservation of right to change Code of Conduct

Some human rights, labour rights and related standards, and ethical principles may be at greater risk currently than others. Therefore, all rights and standards referred to herein may be given more emphasis than others. However, as situations and legislation may change, this Code of Conduct will be the subject of periodic reviews and we reserve the right to unilaterally change the provisions set out in this Code of Conduct.

XVII. Compliance with the Code of Conduct

ProXES encourages its Business Partners to introduce own binding guidelines for ethical behaviour.

We expect our Business Partners to report to us any potential violations of the rights, standards and obligations set forth in this Code of Conduct. This includes violations committed by ProXES employees. In such a case, please contact the independent ombudsman and lawyer of trust Dr. Carsten Thiel von Herff who can be contacted anonymously and confidentially outside of ProXES at www.report-tvh.com or on phone no. 0049 521 55 7 333 0 or by email at ombudsmann@thielvonherff.de.

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