



CODE OF CONDUCT

Our rules of conduct for lawful, ethically correct and responsible behavior

INTEGRITY IS THE BASIS OF OUR SUCCESS AND COLLABORATION

Contents

Foreword	3		
1. LEGALITY		5. RESPONSIBILITY	
Compliance with applicable law and internal policies	5	Occupational safety, health and environmental protection, quality, and sustainability	9
2. HUMANITY		Responsibility along the supply chain	9
Human rights and mutual respect	5	Financial reporting	9
Freedom of association, rejection of forced and child labor	5	6. CAREFULNESS	
Fair working conditions and adequate remuneration	7	Dealing with other people's property and assets	10
Individuality and diversity	7	Intellectual property, counterfeiting	10
3. FAIRNESS		Preventing money laundering and terrorist financing	10
Fair conduct in competition	7	7. CORRECTNESS	
4. INTEGRITY		Proper reporting	11
Prohibition of corruption, bribery and extortion	8	Customs, foreign trade law and sanctions	11
Avoiding conflicts of interest	8	8. CONFIDENTIALITY	
Prohibition of insider trading	8	Data protection and data security	12
		Measures for preventing violations	13
		Contact and responses to violations	14

Dear Colleagues,

Ursensollen, August 2023

the Way of Working (WoW) at GRAMMER¹ is based on transparent, open communication and a trusting cooperative relationship. Integrity is the most important prerequisite for this openness and our success as a company. The Executive Board of GRAMMER AG has adopted this Code of Conduct as the foundation of a system of values for the entire GRAMMER Group.

As a globally active corporation, our top priority is to comply with the rules and ethical principles of all the markets, countries and regions that we operate in.

We want to preserve and continue improving, our good reputation, and to keep GRAMMER and its stakeholders² free from financial losses. To achieve this goal, we require each and every GRAMMER employee to know – and live by – the necessary rules. Addressing mistakes and problems openly, at an early stage, and not hiding or concealing anything, also forms part of our culture. This is the only way we can fix problems or take action against inappropriate behavior.

The Code of Conduct provides a framework within which we make decisions in the company and align and measure our actions. The principles set out in this Code of Conduct apply across all national borders and should serve as a central reference guide for each of our employees in their daily work routines – and also in their personal interactions with one another.

We also work to ensure that our business partners – especially our suppliers and distributors – likewise comply with our Code of Conduct. We expect all of our employees to familiarize themselves with our Code of Conduct and to comply with it at all times. It serves to ensure the wellbeing of our company, the people we deal with – and, ultimately, all GRAMMER employees.

The Executive Board of GRAMMER AG



Jens Öhlenschläger



Jurate Keblyte

¹ "GRAMMER", as used in this document, refers to GRAMMER AG and its subsidiaries.

² For example, employees, shareholders, customers, suppliers and all other business partners.



CONFIDENTIALITY

LEGALITY

CORRECTNESS

FAIRNESS

CAREFULNESS

GRAMMER
CODE OF CONDUCT

INTEGRITY

RESPONSIBILITY

HUMANITY

1. LEGALITY

Compliance with applicable law and internal policies

It goes without saying that GRAMMER complies with the applicable rules governing business activities worldwide.

We observe the applicable laws and GRAMMER's internal guidelines. This applies both at the national and international level, as well as within GRAMMER. We expect our managers to actively position themselves in line with these principles of conduct and support their employees in implementing them.

2. HUMANITY

Human rights and mutual respect

GRAMMER firmly believes that respecting human rights and promoting mutual respect are expressions of social responsibility, making them a key factor for corporate success. This is why GRAMMER expects its employees to live a corporate culture that is characterized by respect, objectivity, fairness and cooperative collaboration.

Respecting and promoting the protection of human rights is of fundamental importance to GRAMMER. We condemn any form of discrimination or harassment in the work environment – whether based on gender, skin color, physical and mental capabilities, origin or ancestry, religion, age, sexual orientation or membership of other minority groups. Our focus is unconditionally and without prejudice on the people. GRAMMER signed the “Diversity Charter” back in 2012 to reaffirm this stance and identifies with its contents.

GRAMMER is committed to respecting all human rights through its policy statement, and is thus committed to more equal treatment and the protection of human dignity. This includes not violating other people's fundamental rights and addressing violations when respect for human rights is threatened.

Freedom of association, rejection of forced and child labor

GRAMMER condemns forced and child labor, not to mention human trafficking, and respects its employees' rights to exercise their labor rights.

We categorically condemn the use of child labor. Employment of people below the local legal minimum age will not be tolerated.

We expressly distance ourselves from forced labor. Exploitation of employees and employment that is not based on free will is prohibited.

GRAMMER employees have the right to form or join associations to represent their labor rights, in compliance with national laws and regulations. GRAMMER supports all of its employees' freedom of association and refrains from taking measures to actively prevent the same.



We are not guided by private interests when making business decisions.

Fair working conditions and adequate remuneration

GRAMMER stands for fair working conditions and is against human exploitation.

We respect the employees' right to adequate compensation and strictly observe the minimum wage regulations of the respective countries. Hours worked are compensated appropriately in accordance with the law or contract, at the very least. We actively address exploitation – especially of local people (such as indigenous populations) and other minority groups – and health risks in the workplace.

We are committed to fair and ethical recruitment.

Individuality and diversity

GRAMMER supports its employees in their personal development and promotes diversity among its employees.

We encourage them to take over personal responsibility in their work-related tasks. Trust, responsibility, openness, honesty and equal opportunities are the principles our leadership activities are based on.

We take into account our employees' individual circumstances and offer flexible working in terms of when and where employees work.

We respect and value one another with our different experiences, knowledge and skills, and treat everyone as we would like to be treated ourselves. We believe that the diversity of our workforce is a source of creativity and innovation, and thus a success factor for our company. Our goal is to create a work environment that is characterized by tolerance and acceptance and is free from prejudice.

3. FAIRNESS

Fair conduct in competition

GRAMMER is completely committed to fair and honest competition.

We reject any business activity that has the purpose or effect of obtaining an advantage in a manner that is unfair under competition law or through conduct that violates antitrust law. This applies in particular to agreements on prices and other conditions, as well as the allocation of customers, markets, products, or personnel.

We do not unduly restrict our business partners, in particular dealers, in their market presence. In markets where we hold a dominant position, we do not abuse this position.

4. INTEGRITY

Prohibition of corruption, bribery and extortion

GRAMMER condemns any form of corruption and does not tolerate any behavior that – in the private or in the public/ governmental sector – influences decisions by corrupt or illegal means.

In our business dealings, we neither offer nor grant advantages with the intention or expectation of being unfairly favored. We also do not demand or accept unfair advantages. These rules apply in particular to cooperation with public officials or public institutions.

Donations/sponsorship and benefits are monitored with the goal of identifying and preventing attempted bribery at an early stage.

Avoiding conflicts of interest

GRAMMER employees should avoid situations in which their personal interests may conflict with the company's interests.

We are not guided by private interests when making business decisions. A conflict of interest exists when private interests of an employee conflict with the interests of GRAMMER. This may result, for example, from transactions with related parties, from secondary activities or from shareholdings in companies. In no case will we compromise GRAMMER's interests in the process. Potential conflicts of interest are to be disclosed, are treated confidentially and are solved together.

Prohibition of insider trading

GRAMMER requires its employees to refrain from engaging in insider trading and to not divulge insider information.

We treat insider information as strictly confidential. Employees who have access to confidential insider information may not use this information privately themselves or disclose it to other people for private use until it has become public knowledge.

In the period up until insider information is published, insiders may not take action on the capital market and thereby use this information to buy or sell shares or securities.

5. RESPONSIBILITY

Occupational safety, health and environmental protection, quality, and sustainability

GRAMMER attaches great importance to the health and safety of its employees and business partners, not to mention to sustainability, quality and environmental protection.

Legislation relating to sustainability (including biodiversity, illegal deforestation or the conversion of natural ecosystems and soil quality) is binding for GRAMMER.

Our efforts focus on continuous improvement in the areas of occupational safety, health management and fire protection.

Environmental protection, energy consumption and the use of land, forest and water resources, not to mention animal welfare, provide the framework for everything we do in this regard. We continuously improve our environmental and energy-related activities. Each and every one of us takes our responsibility for sustainability, quality, occupational safety and environmental protection seriously.

GRAMMER takes responsibility for the environment, which is why it handles natural resources in particular with care.

The aim of all of our design and manufacturing activities is to achieve maximum product safety.

Responsibility along the supply chain

GRAMMER is committed to this global responsibility and to implementing this in its supply chain to the best of its ability.

We also strive to implement and protect fundamental values along our supply chain. We expressly advocate compliance with human rights standards and environmental protection measures.

We expect our business partners – especially our direct suppliers – to do the same. GRAMMER monitors compliance.

Financial reporting

GRAMMER undertakes to disclose its financial information – including taxes and (licence) fees – in accordance with applicable national and international regulations. If regulatory changes occur, GRAMMER undertakes to implement them.

6. CAREFULNESS

Dealing with other people's property and assets

GRAMMER expects its employees to respect and protect GRAMMER's and its business partners' physical assets.

We treat GRAMMER's tangible assets and property as if they were our own. We do not use them for private purposes – except for resources and company property that is expressly permitted for private use.

Intellectual property, counterfeiting

GRAMMER strives to ensure that no counterfeit parts (imitation, fake and thus non-genuine parts) are processed within the company and, do not enter the market.

To ensure this, we work in accordance with the PPA (Production Process and Product Approval) or PPAP (Product Part Approval Process) policies. Our trade in this respect is based on laws, official and approval-related requirements, generally applicable standards, customer-specific requirements, technical specifications and contractual agreements.

GRAMMER respects third parties' intellectual property – in particular in the form of copyright and other industrial property rights.

We treat GRAMMER's material and financial assets as if they were our own.

Preventing money laundering and terrorist financing

GRAMMER does not tolerate violations of anti-money laundering laws.

Money laundering means the smuggling of illegally acquired assets into the legal economic cycle, with the aim of concealing the criminal origin of the money. Money laundering is a criminal offence in many countries. We undertake to only enter into business relationships with reputable partners whose business activities are consistent with the legal regulations.

7. CORRECTNESS

Proper reporting

GRAMMER strictly complies with the legal framework for proper accounting and financial reporting. Financial statements are prepared on time and in accordance with relevant accounting standards.

We require our employees to maintain documents, records and financial statements correctly, based on applicable rules and regulations.

Customs, foreign trade law and sanctions

Compliance with all applicable laws and regulations, including customs and foreign trade regulations, is a standard practice for GRAMMER – at local, national, and international level.

Foreign trade law regulates the import and export of foreign currency, goods, services, capital, and other commodities in international business transactions. This includes hardware, software and technology. Additionally, electronic transfer – by email or download, for example – is deemed to be an import or export.



Violations of applicable laws or regulations can have serious consequences, such as criminal prosecution, compensation for damages or reputational damage.

We ensure that all legal requirements in this area are complied with by means of processes, training, employee communications and system-based monitoring.

We expect our business partners to provide export control and foreign trade data in a qualified and timely manner.



8. CONFIDENTIALITY

Data protection and data security

We guarantee the lawful protection and security of company-related and personal data belonging to GRAMMER, our employees and our business partners. In particular, we observe the legal requirements when transferring, accessing and processing this data. Our employees are aware of their responsibility with this sensitive data and handle it with respect.

We protect business secrets, personal data and other confidential company information from unauthorized disclosure and undesirable access. Just as we are committed to protecting our own company and business secrets, we also undertake to protect our business partners' company and business secrets.

Employees who have received – or become aware of – confidential information or business secrets belonging to GRAMMER or third parties may only use or disclose the same for business purposes, and not for private purposes.



Measures for preventing violations

GRAMMER ensures that all of its employees are aware of this Code of Conduct and expects them to observe it.

Only regular exposure to the rules set out in this Code of Conduct creates the awareness needed to establish a corporate culture of integrity and trust at GRAMMER. This is why every GRAMMER manager acts as a role model, by setting an example of correct conduct for their employees.

Our employees are aware of their responsibility with sensitive data and handle it with respect.

Additionally, GRAMMER has undertaken to hold company education and further training sessions on this Code of Conduct.

In addition to this Code of Conduct, GRAMMER has issued more detailed and extensive policies on key topics. The current versions of these policies are available on the GRAMMER Intranet and must also be observed.

Contact and responses to violations

We want to create and promote a corporate culture in which problems, concerns and doubts can be addressed openly.

That is why all employees are encouraged to contact their local management or Group Compliance with any questions they have regarding the Code of Conduct and its contents.

All employees have a trustworthy contact outside of the hierarchical structure at their disposal at all times in the form of the Chief Compliance Officer and Group Compliance.

GRAMMER trusts its employees and attaches a great deal of importance to the ability to accept criticism and to openly address concerns and criticism. At the same time, employees also trust GRAMMER to investigate allegations and to appropriately sanction violations of rules and misconduct.

Tip-offs concerning misconduct, potential breaches of rules and particularly serious risks can be reported at any time and anonymously, if desired.

GRAMMER guarantees that tip-offs made in good faith will never result in disadvantages for the people making them, even if this information later turns out to be incorrect.

All tip-offs are documented and processed by Group Compliance.

✉ *Contact: compliance@grammer.com*

All major decisions on tip-offs and internal investigations are made by an objective committee (consisting of Compliance, Legal, Human Resources and Internal Audit).

Tip-off classification, fact finding and the final evaluation are all carried out in an entirely neutral, unbiased manner and independently of the Executive Board, Management and operational considerations.

GRAMMER employees may use GRAMMER's electronic whistleblowing system to report violations of this Code of Conduct or reasonable suspicions of irregular conduct.

This whistleblower tool can also be used to submit complaints and tip-offs about human rights or environmental risks or violations as defined by the German Supply Chain Due Diligence Act.

Information about the procedure is available to all whistleblowers in advance (“Rules of Procedure for the Whistleblower Process”).

GRAMMER’s whistleblower tool is available at grammer.com/en/whistleblowing

This Code of Conduct can be accessed at any time at grammer.com/codeofconduct



In case of any questions about the Code of Conduct, please feel free to contact your supervisor or the Group Compliance team.

grammer.com

