

The Principles of the ELBE Group

Code of Conduct



Table of contents

Introductory remarks by our Managing Director	3
1. Applicability and implementation	4
2. Integrity and responsibility	4
3. Safety and health of our employees	4
4. Social responsibility	5
5. Environment and sustainability	6
6. Quality, products, processes	6
7. Security of information and protection of data	7
8. Fair market conduct	8
9. Fighting corruption	8
10. Avoidance of conflicts of interest	9
11. Reporting and remarks	10
12. Contact	10

Introductory remarks by our Managing Director

Hans Gundram Elbe **Executive Partner**



Dear employees and business partners,

As a globally operating multinational company, we at the ELBE Group feel the need to make social responsibility and the dutiful and sustainable management of our business key features of our corporate policy. The laws of the country in which we operate are always the basis for our activities.

In addition to our self-imposed policies, such as the company rules and works standards, which focus on the responsible and legally compliant behaviour of our employees, we are also committed to the ten principles of responsible and sustainable action of the United Nations Global Compact. We also uphold the OECD Guidelines for Multinational Enterprises as well as the basic principles of the ILO core labour standards and the contents of the German Corporate Governance Code.

In order to ensure the long-term success of our company, it is essential that all employees of the ELBE Group worldwide as well as our business partners read, understand and internalise this Code of Conduct and actively implement it in their daily work. In this way, we, as the ELBE Group, connect across all hierarchical levels as well as national borders and together contribute to the high quality and integrity of our business activities. I would encourage each and every one of us to be a part of it.

Bietigheim-Bissingen, January 2022

1. Applicability and implementation

This Code of Conduct is binding for all employees of the ELBE Group worldwide. Where appropriate, the Code is substantiated and supplemented by topic-specific or country-specific regulations and training. In order to promote inclusion, the term "employee" is used uniformly in the following and is to be understood as gender-neutral.

Our executives have a special responsibility. It is their responsibility to exemplify the rules of conduct and values of the ELBE Group described in this Code and are the first point of contact for questions from their staff members regarding correct conduct in individual cases. It is also their responsibility to ensure compliance with this Code within their respective area of responsibility.

Violations of this Code will not be tolerated and will result in disciplinary action. All indications of such violations will be investigated.

2. Integrity and responsibility

Every employee of the ELBE Group is an integral part of our company and therefore responsible for representing this company in a legally compliant, honest and responsible manner. Lawful conduct and behaviour with integrity have the very highest priority within the ELBE Group.

Each individual is personally responsible for ensuring compliance with applicable laws, corporate policies and the Code of Conduct in their work environment. We are not only directly responsible for our work and the products we produce, but also for the impact they have on employees, the environment and society as a whole. Executives and managers are required to ensure compliance with laws, policies and the Code for their entire area of responsibility.

Regardless of an employee's hierarchical position, no violations of the Code of Conduct, corporate policies or legal requirements will be tolerated within the ELBE Group. Every employee is required to take note of the contents of these regulations and to comply with them.

3. Safety and health of our employees

A number of values are firmly anchored in the corporate culture of the ELBE Group. This includes, above all, protecting and maintaining the health and safety of our employees. We always make sure that all applicable legal regulations and standards for a good, safe working environment are in place and implemented.

This includes, among other things, ensuring emergency care, accident and incident management as well as ergonomic and safe workplace design. Personal protective

equipment is provided free of charge to employees where necessary. Chemicals and other ancillary materials that arise in our production and pose a hazard are stored, transported, used and disposed of in a safe manner. Appropriate fire protection is ensured by our internal fire protection regulations and regular fire protection inspections.

It is particularly important to us that employees adhere to these occupational health and safety guidelines for the benefit of their colleagues and themselves.

4. Social responsibility

Respectful, trusting, tolerant and fair treatment is an essential aspect of communication between employees, customers and suppliers of the ELBE Group. In doing so, we always respect and observe internationally recognised human rights and respect the dignity, privacy and personal rights of each individual.

As a result, all work performed within the ELBE Group must always be voluntary – human trafficking, slavery, forced and child labour are strictly rejected and action is taken to combat these where they are perceived.

Discrimination on the basis of gender, skin colour, religion, age, social and ethnic origin, nationality, sexual orientation, disability, ideology or political and trade union activity is not tolerated in the ELBE Group under any circumstances. The same applies to any kind of harassment or bullying. When hiring and developing employees, the only factors that count are their qualifications, ability, performance and character.

The ELBE Group is committed to ensuring that the working hours of its employees comply with the applicable national laws or industry standards and, in addition, the ELBE Group stands for fair, performance-based remuneration. Wages and salaries, including remuneration for overtime and special benefits, comply at the least with the statutory regulations or the relevant locally applicable collective bargaining regulations.

We respect our employees' right to freedom of association and collective bargaining – employees are free to establish or become members of an employee representative body. An employee will not suffer any disadvantage or benefit as a result of being a member of a trade union.

5. Environment and sustainability

Above and beyond the protection of our own employees, the ELBE Group sees itself as responsible for the environment and is committed to environmental protection. As part of this commitment, products, processes and energy consumption are constantly optimised in order to reduce the burden on our environment still further. Our goal is to reduce our carbon footprint, our waste generation and our water consumption and to use the resources available to us as efficiently as possible.

6. Quality, products, processes

Wherever quality, dependability and durability are required, the ELBE Group's cardan shafts and drive components ensure that machines and vehicles keep working in daily use.

We offer our customers certified quality as their system partner. Confidence in our products and services can never be taken for granted – every day, we have to earn our customers' confidence afresh.

Within the ELBE Group, quality is more than just a promise. It is a commitment we uphold every working day and in every section of the company. Currently, there are two ELBE Group sites that meet the highest certification standards with IATF 16949:2016 certification.

Customer satisfaction results from outstanding products

The zero-defect strategy we maintain jointly with our customers and suppliers ensures reliable products. Providing a high level of service to our customers ensures the reliability of our products in a wide range of applications. By continuously improving our production processes, we are in a position to offer continuous optimisation for consistently high product quality. Our technical capability and our services in the field of development & testing not only ensure safety, but also further development of the products.

Improvement of our integrated management system

We document our high quality standards through our certifications. Compliance with legal requirements and our policy of maintaining a dialogue with authorities and the public ensure our products and processes are always legally compliant. Further development of specific company processes always guarantees state-of-the-art products and processes.

Partner-like dealings with customers and suppliers

Mutual trust is the basis for good cooperation. We earn this trust through high performance and reliability. Secure contract design provides customers and suppliers alike with a solid basis for long-term partnerships with the ELBE Group.

Our aim is to secure the future of our company together with our employees by striving for a balance between our entrepreneurial, social and environmental responsibilities.

This responsible awareness shapes our thinking and provides us with the basis for activities that result in continuous development of our corporate culture. This corporate culture creates the prerequisites for achieving the corporate goals we set ourselves and, in this way, ensuring the sustainable success of our company. This sustainable success ensures long-term dependability in terms of our customer and supplier relationships.

7. Security of information and protection of data

The protection of sensitive information, data and business secrets is one of the most important aspects for us to ensure our international success. It is only by protecting property rights and know-how that it is possible to exploit our innovative strengths to the full. As a consequence, every employee should adequately protect the information and business secrets of the ELBE Group as well as those of our business partners and competitors.

Protection of data and security of information

The ELBE Group guarantees the protection of personal data and personal rights in all business processes, taking into account the applicable legal requirements. In doing so, data is used responsibly, confidentially and only for the purposes for which it was provided to us. Every employee is obliged to comply strictly with data protection laws.

Electronic personal and business-related data is protected by the ELBE Group's IT systems against unauthorised access, loss or manipulation using all available means.

Insider information

Insider information obtained while working for the ELBE Group must be treated as strictly confidential. Disclosure or use for insider trading purposes by any employee is strictly prohibited.

8. Fair market conduct

In order to maintain orderly market economy, we fully embrace the principles of fair and free competition.

Fair competition

The existing regulations and laws relating to monopolies and competition issues are binding and unconditionally complied with by all employees of the ELBE Group in their dealings with customers, business partners and competitors. The ELBE Group prohibits in particular all activities that hinder, restrict or distort free and fair competition. In this way, we ensure that our position in the market is based exclusively on our own self-developed success factors such as quality, innovative strength, dependability and sincerity.

The ELBE Group expressly disapproves of agreements, contracts and arrangements with suppliers and customers that serve to restrict free and fair competition, as well as those with competitors in order to share markets, limit products and services or implement price and reward agreements.

Export controls

Import and export control regulations, applicable economic embargoes and foreign trade regulations are adhered to without restrictions in all global activities, including the development of new markets.

9. Fighting corruption

The ELBE Group prohibits any form of corruption.

Ban on corruption

Internal guidelines, national laws and international conventions all pursue the aim of strictly prohibiting corruption. As a result, the employees of the ELBE Group are required to refrain from any form of undue influence through business conduct or bribery. This includes both directly and indirectly requesting, accepting, offering or granting advantages that could either actually influence business processes in an improper manner or give the appearance of doing so. These principles must always be observed, especially in business conduct towards public officials, both at home and abroad. These include, in particular, facilitation payments which serve to expedite or effect an official act by a public official.

Gratuities

Every employee of the ELBE Group must always ensure that gifts or invitations in business dealings do not give rise to any appearance of improper or fraudulent behaviour. Furthermore, employees of the ELBE Group are not to accept any benefits that could even give the appearance of such behaviour.

Donations & sponsorship

Donations made by the ELBE Group to promote culture, sport, education and social welfare may not be tied to any consideration in return. Donations should be made solely on the basis of our social responsibility.

If charitable activities also benefit our own objectives (public relations and advertising), we disclose these sponsoring activities transparently and openly.

Money laundering

The entire ELBE Group works to combat money laundering through appropriate measures and always complies with all applicable regulations.

Transparency and documentation

Written documentation and regular monitoring of processes, decisions and actions ensure transparency and the consistently high quality of our products and services throughout the ELBE Group. We always ensure that all forms of reporting, recording and both internal and external data collection are truthful, accurate and complete and comply with applicable standards and principles. This applies in particular to proper bookkeeping and accounting.

10. Avoidance of conflicts of interest

Every employee of the ELBE Group undertakes to make business decisions only after due consideration and in the interests of the company. Personal, family and private interests should always be disregarded. Should this not be possible due to a conflict of interest, the circumstances must be reported immediately to the responsible superior so that appropriate measures can be decided to resolve the conflict. It is essential to avoid even the appearance of extraneous considerations.

Secondary activities

Secondary employment and equity investments with companies and organisations other than the ELBE Group must be disclosed and approved in accordance with the provisions of labour law. Under no circumstances may these activities conflict with the interests of the ELBE Group.

Voluntary services are supported insofar as they do not conflict with contractual duties or the interests of the ELBE Group.

11. Reporting and remarks

Compliance with this Code of Conduct is fundamental for positive cooperation and long-term corporate success. Misconduct and violations of legal requirements, internal policies and the Code of Conduct will not be tolerated. As a result, in order to protect our employees, we would ask every employee to report any form of crime, wrongdoing or special risks of which they become aware internally. Only in this way is it possible to prevent behaviour that is harmful to the company and economic crime. Employees should report such issues to their superiors, the managing directors, personnel departments, works council or data protection officers. Every report will be treated confidentially wherever possible, carefully reviewed and will result in appropriate consequences. Retaliation against individuals who report misconduct or violations is strictly prohibited.

12. Contact

Should there be any questions or uncertainties regarding the above-mentioned behavioural guidelines, employees can contact their supervisor or the management at any time.

In addition, there is a way to point out compliance incidents and ask questions on compliance topics.

Reporting security incidents and gaps in information security

Should employees of the ELBE Group, suppliers or other business partners violate the principles, these violations are to be reported by email to Informationssicherheit@elbe.elbe-group.de.

Reporting data protection incidents and questions regarding data protection

You can contact our data protection officer by email at Datenschutz@elbe.elbe-group.de or via our postal address with the addition "For the attention of the data protection officer".

If tips are sent in good faith to this email address, the identity of the whistleblower will be treated confidentially.