

Policy for lawful and ethical action at Kleinbongartz & Kaiser oHG

Compliance report

Kleinbongartz & Kaiser oHG
Heinrich-Hertz-Straße 5
40721 Hilden
Germany



Dear colleagues, dear sir or madam,

Our strategic goals and values are defined in our mission statement. Through our general code of conduct, we establish the basis for trustworthy and transparent collaboration.

Kleinbongartz & Kaiser oHG sells its products in over 50 countries worldwide. The global activities associated with that are governed by a wide range of national and international regulations. It is, therefore, essential for all employees to be aware of the relevant legal obligations and to commit to observing them. The range of legal prohibitions and obligations covers three additional areas in particular:

- Principles of working conditions and human rights
- General code of conduct
- Environmental policy

Through these binding guidelines on corporate ethics, all employees are required to familiarize themselves with the relevant legal obligations and to commit without reservation to observing them. Kleinbongartz & Kaiser oHG takes all the measures necessary to ensure lawful conduct on the part of all of its employees. In doing so, we respect and comply with local, national and international laws and regulations wherever we conduct business. Our compliance policy covers, in particular, rules of conduct to fight corruption and deal with competition. The result is that integrity and morally faultless conduct underpins our commercial success.

Yours truly, Michael Kleinbongartz

Michael Kleinbongartz

Avoidance of conflicts of interest

Kleinbongartz & Kaiser oHG expects 100% loyalty and integrity from all its employees. This requires all employees to keep their private interests meticulously separate from the interests of the company through dutiful conduct. If, as a result of certain situations, personal conflicts of interest arise, the relevant supervisor must be notified immediately and the management board consulted. On appointment, every employee receives instruction on the code of conduct. Supervisors ensure that the employees assigned to them are aware of and comply with those standards. Conduct in breach of the code is not tolerated by Kleinbongartz & Kaiser oHG and may result in legal action. No incidents in breach of these obligations have come about since the company was founded in 1919.

Potential points of conflict which could lead to conflicts of interest are listed below.

1. Competition with Kleinbongartz & Kaiser

An employee is not permitted to manage or work for a company that is in competition with Kleinbongartz & Kaiser oHG nor to pursue any activities that compete with our company.

2. Secondary employment

This also applies to secondary employment that could constitute competition for Kleinbongartz & Kaiser oHG. The management board must be notified if an employee takes up secondary employment in return for remuneration, and this requires the board's prior written consent.

Supplement from employment contract

Behavior towards business partners and third parties

Kleinbongartz & Kaiser oHG expects 100% loyalty and integrity from all of its employees. This requires all employees to keep their private interests meticulously separate from the interests of the company through dutiful conduct. If, as a result of certain situations, personal conflicts of interest arise, the relevant supervisor and the management board must be notified without undue delay.

Potential points of conflict which could lead to conflicts of interest are described below.

1. Fair competition

Every employee of Kleinbongartz & Kaiser oHG is obliged to comply with the rules of fair competition. In particular, the following agreements and relationships between competitors are prohibited:

- Division of territory or customers
- Agreements on or exchange of information about prices/pricing components
- about supply relationships and their conditions
- about capacities and quotation procedures
- Exchange of information about market strategies and investment strategies
- Sales strategies and PoS promotions (sales incentives)
- Association activities

Kleinbongartz & Kaiser oHG prohibits breaches of the rules of fair competition in written contracts, verbal agreements and also in the form of tacit, coordinated parallel behavior.

In addition, we observe the respective national regulations on clauses that restrict competition in customer and supplier agreements.

Furthermore, we do not abuse the strong market position of the company to impose price discrimination, an obligation to accept other products or a refusal of delivery./

We do not restrict customers and buyers in setting their resale prices and avoid exercising any influence in this area.

2. Integrity

For us, integrity means doing the right thing by putting our values into practice. Our corporate values and general code of conduct act as a guide to behaving with integrity. The management board of Kleinbongartz & Kaiser oHG also draws fundamentally on the individual, personal integrity of every employee. Your inner voice and the conviction that you are doing the right thing frequently serve as a valuable compass for correct and loyal conduct.

3. Fighting corruption

Kleinbongartz & Kaiser oHG rejects any form of corruption and bribery. Systematic enforcement of the ban on corruption in the company and with our partners is crucial to us. The fact that no corruption offences have been uncovered or confirmed in the company since it was founded (as of November 2020) is impressive.

Direct and indirect benefits (through business partners, for example) are permissible only if they are appropriate and transparent. Offering benefits (gifts, invitations or other perks) to public officers or government officials to promote the company's business is not permitted.

In general, giving and receiving gifts, invitations or any other forms of benefit puts the independence of our own judgement and the judgement of our business partners at risk. All employees must be aware of and comply with the anti-corruption laws of the countries in and with which business is transacted.

On appointment and on a continuous basis via the internal intranet, all employees are informed of the compliance policy and, in particular, the guidelines on preventing corruption.



To stop corruption

We do not give or accept bribes in the form of:

- Excessive gifts and invitations
- Payment of inappropriate travel costs
- Misuse of donations, memberships and sponsorship
- Unjustified payments

We follow the defined amount limits as far as proportionality of gifts, benefits and invitations are concerned:

- Gifts from third parties: €50
- Invitations from third parties: €100
- Amounts that go beyond these guide values are reported and documented. This is without prejudice to reporting obligations under statutory provisions, such as tax law.
- In the case of gifts and invitations from our business partners and customers, we adhere to the principle that the appearance of inappropriate influence must be prevented at all costs.
- Benefits are permitted only up to an appropriate amount and in the context of normal business activities.
- Benefits to employees of public bodies and companies are scrutinized particularly carefully.

We are aware that sponsorship requests and donations may be interpreted as (concealed) bribery.

4. Trade controls

Employees of Kleinbongartz & Kaiser oHG who process imports, exports and inland trade in goods and services must be aware of the laws and regulations that govern the way in which these transactions are dealt with and behave accordingly. It must be ensured, for example, that business transactions with third parties do not breach economic embargos, trade rules, provisions regarding import and export controls or those that prevent the financing of terrorism.

Handling IT and information

Kleinbongartz & Kaiser oHG is a solutions developer and places digitization at the heart of its entrepreneurial value creation in all business processes and procedures. Fundamentally, the quality of the data, transparency and data security are the primary focus here.

We build up trust in our employees, business partners and customers by respecting data protection as a right to privacy. We, therefore, process personal data only to the extent allowed by legislation, regulations, the principles of our own mission statement and the data subjects themselves.

1. Compliance with the provisions for data protection

The privacy of employees, business partners and customers is important to Kleinbongartz & Kaiser oHG. Protecting data that they provide to the company and the security and confidential handling of those data are guiding principles for us. The scope and purpose of collection of personal data is explained in detail in our privacy policy, which is documented on the international website.

2. Protection of confidential information

All employees of Kleinbongartz & Kaiser oHG are obliged to ensure more than simple protection of data. In addition, all company information must be protected and treated in confidence. This applies both to our own confidential information and to that entrusted to us by our business partners and third parties.

Data protection is taken into account from the outset. Data are analyzed intelligently and stored, shared and used responsibly. Our employees, business partners and customers should have appropriate transparency about the way their data are used and a say in the purpose for which we use those data.



FOOD FOR THOUGHT

To ensure data security and protection of information:

We do not use any insider information:

- we do not misuse any confidential information in order to exploit it when trading in securities and other financial instruments.
 - As a matter of principle, we do not give insider information to any third parties.
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