



# CODE OF CONDUCT

**STABILUS**



Dear Colleagues,

We, the Stabilus Group (Stabilus SE and its affiliates [“Stabilus”]), intend to secure our enterprise’s lasting success not just through technological excellence, innovative force and outstanding quality. We also wish to make a positive contribution toward ethical, fair, honest and sustainable conduct in business as well as in society by the way we deal with one another, comport ourselves in business and stand up for community concerns.

At the heart of our actions is a commitment to transact our business in strict compliance with applicable legal requirements and in accordance with our company values.

Aside from the professional qualifications of employees and the quality of products, a successful business undertaking critically requires that management, senior staff and all other employees (collectively: **Employees**) abide by the law.

This Code of Conduct is meant to help us to live up to our legal and other responsibilities as we go about our daily work.

Our Code of Conduct governs any and all activities as well as Employees of the Stabilus Group around the world and extends to internal collaborations and our cooperation with business partners, government agencies and the general public alike.

Whoever violates the Code of Conduct is acting disloyally, harms themselves as well as Stabilus’ reputation and may cause Stabilus significant economic damage. We trust you to ensure compliance with the Code of Conduct in your work environment. Given their staff responsibility and leadership function, moreover, senior Stabilus employees have a special duty to model the implementation of behavioural guidelines in daily business activities.

Much of what is described in the Code of Conduct is already being implemented each and every day as a matter of course. However, there may be some areas in which we can yet improve. Let us tackle these issues together.

We bear a collective responsibility for ensuring that our conduct at Stabilus accords with the law and reflects our integrity. In order to do justice to the many local and global requirements, the Stabilus Group has created a compliance organization that supports you in designing business processes with a view to achieving compliance with statutory provisions and the Code of Conduct, and in making decisions that meet these requirements. Your competent local Compliance Officer, HR staff and the Chief Compliance Officer are available to provide advice and support at any time.

Kind regards,

Stabilus SE Management Board

December 2023

# Content

- I. INTEGRITY AND COMPLIANCE.....5
  - 1. COMPLIANCE WITH LAWS AND INTERNAL REQUIREMENTS.....5
  - 2. PREVENTING ACTIVE AND PASSIVE CORRUPTION.....5
  - 3. FAIR COMPETITION.....6
  - 4. PREVENTING CONFLICTS OF INTEREST.....6
  - 5. PREVENTING MONEY LAUNDERING.....7
  - 6. DATA PROTECTION AND INFORMATION SECURITY.....7
  - 7. TRADE CONTROLS AND TAXES.....7
  - 8. PROTECTING COMPANY PROPERTY AND BUSINESS SECRETS .....7
  - 9. INSIDER TRADING.....8
  - 10. ACCOUNTING AND DOCUMENTATION.....8
- II. PRODUCT SAFETY.....9
- III. RESPECTING HUMAN RIGHTS..... 10
  - 1. NO FORCED OR CHILD LABOUR..... 10
  - 2. FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING..... 10
  - 3. NO DISCRIMINATION, FAIR WAGES AND WORKING HOURS..... 11
  - 4. ETHICAL RECRUITING, DIVERSITY AND INCLUSION..... 11
  - 5. HEALTH, WORKPLACE SAFETY AND USE OF SECURITY FORCES..... 11
  - 6. PRESERVING NATURAL RESOURCES ..... 12
  - 7. CONFLICT MINERALS..... 12
- IV. ENVIRONMENTAL PROTECTION AND RESOURCE EFFICIENCY..... 13
- V. IMPLEMENTING CODE OF CONDUCT..... 15
  - 1. SUPPORT BY GROUP-WIDE COMPLIANCE ORGANISATION ..... 15
  - 2. HOW TO BEHAVE WHEN IN DOUBT / QUESTIONS..... 15
  - 3. VOLUNTARY PARTICIPATION..... 15



## **I. INTEGRITY AND COMPLIANCE**

### **1. COMPLIANCE WITH LAWS AND INTERNAL REQUIREMENTS**

Stabilus expects its Employees to strictly abide by this Code of Conduct as well as any specific compliance guidelines or instructions adopted in order to elucidate on particularly important issues.

The rules of this Code of Conduct represent a minimum standard. To the extent that more stringent statutory provisions, internal behavioural guidelines or other requirements have been codified, the Code of Conduct in no way hinders or qualifies their application.

It is possible that foreign statutory provisions deviate from the rules set forth herein in a given instance. In such a case, the more stringent provisions are to be observed. Violations of applicable laws, this Code of Conduct, internal guidelines or instructions may have grave consequences – for individuals as well as for Stabilus. Specifically, such violations may be met with fines and even imprisonment.

Stabilus does not tolerate violations of this kind and will impose sanctions against culpable individuals (including disciplinary measures under employment law, such as dismissal). This is true even if the misconduct at issue supposedly served Stabilus' best interest.

### **2. PREVENTING ACTIVE AND PASSIVE CORRUPTION**

Stabilus vehemently rejects any form of corrupt behaviour and steers clear even of the appearance of such conduct.

Stabilus' Employees must not offer, promise or grant benefits to business partners at home or abroad, so Stabilus enjoys a competitive advantage. Conversely, they must not demand, solicit promises of or accept benefits from business partners to afford them a competitive advantage.

Here, it is of no consequence whether such benefit is material (such as a gift or an invitation to an event) or immaterial (such as the award of honorary titles or positions).

Interactions with officials are subject to more stringent statutory provisions, which must likewise be observed. Officials thus must not be granted benefits. Officials are not just public employees, the staff and representatives of government agencies, but specifically include the staff of such enterprises as may be owned or controlled by the government, along with the members and staff of political parties.

Additional rules exceeding the scope of general requirements must be observed for donations and sponsoring associated with elevated corruption potential.

### **3. FAIR COMPETITION**

In the pursuit of its business activities, Stabilus is committed to free and fair competition and determined to compete on the strength of innovation as well as the quality of its products and services. Stabilus expects Employees to abide by applicable provisions under competition and antitrust law.

Specifically, care must be taken to ensure that no anti-competitive arrangements – e.g., concerning prices or terms of sale, the division of markets, customers, territories or productions – are made with competitors, customers (including but not limited to dealers) and suppliers. The same applies to concerted actions, especially where such action is facilitated by the exchange with competitors of information relevant to competition. Instead, entrepreneurial decisions are invariably made autonomously and independently.

In markets in which Stabilus commands a leading position, care must be taken to ensure that no conduct may be construed as evidence of the exploitation of a dominant market position to the detriment of fair competition.

### **4. PREVENTING CONFLICTS OF INTEREST**

Employees are bound by a duty of loyalty in relations with the Stabilus Group and must take business decisions only with Stabilus' best interest in mind, without regard to possible personal advantages or considerations (such as relationships or interests of Employees themselves, their families or friends). Conflicts between private interests and those of the enterprise are to be avoided at all times.

Conflicts of this nature may arise, for example, if Employees or persons related to them take up work for or invest in other enterprises, and such enterprises do business or compete with Stabilus.

## **5. PREVENTING MONEY LAUNDERING**

Money laundering refers to the injection of monies or assets generated or obtained unlawfully into the legal financial and economic system.

Stabilus acts in accordance with statutory provisions on combating money laundering and terrorist financing and thus adopts measures with a view to procuring that monies received come from legitimate sources. Each Employee must alert the local Compliance Officer or the Chief Compliance Officer as soon as he or she has reason to suspect that payments are of illegitimate origin. The same applies whenever other doubts arise as to the legitimacy of payments (e.g., in cases of irregular payment transactions).

## **6. DATA PROTECTION AND INFORMATION SECURITY**

Stabilus appreciates the importance of data protection and information security. Protecting the personal data of Employees, customers and other business partners holds special significance for Stabilus.

The way such data are collected and processed accords with legal requirements and accounts for fundamental principles, such as legitimacy and transparency, data economy and purpose. To such extent, achieving a level of data protection and information security as high as possible is a product not just of technical and organizational measures adopted by Stabilus; all Employees are called upon to act in accordance with applicable data protection and information security laws and statutes.

## **7. TRADE CONTROLS AND TAXES**

As a corporate group oriented both nationally and internationally, Stabilus observes applicable statutory provisions on trade control. This especially concerns any and all import and export restrictions, including such regulations as embargo and customs law may impose.

Stabilus recognizes rules under tax law, including but not limited to both the provisions on corporate, payroll and sales taxes and the excise taxes payable on imported goods. Declaring and paying any tax owed correctly and in a timely fashion is of essential importance to Stabilus. The company makes no use of aggressive or unlawful tax-avoidance schemes.

## **8. PROTECTING COMPANY PROPERTY AND BUSINESS SECRETS**

Stabilus' Employees will treat material company property (such as buildings, equipment, tools, computers, office facilities and cash) as well as immaterial company property (such as software, patents and know-how) responsibly and sparingly. Company property may only be put to its approved, intended use. Employees will not use company property for their own, unsuitable or unapproved purposes.

To such extent, the protection of Stabilus' business secrets (such as inventions, know-how, customer data and price calculations) in particular is of strategic importance and a condition of its long-term economic success. Suitable technical and organizational measures as well as procedural and contractual models are used, among other means, to achieve such protection. Stabilus expects its Employees to hold confidential information and business records (whether belonging to Stabilus or business partners) in strict confidence and adopt suitable measures to protect them against disclosure and unauthorized third-party access.

## **9. INSIDER TRADING**

As part of Stabilus' activities, Employees may come into contact with non-public information about the enterprise or third parties' business activities that, if it were to become public, could influence the value of publicly traded securities, including but not limited to shares of Stabilus stock. According to insider-trading laws, it is inadmissible for Employees to use insider information for their own purposes (e.g., stock trading) or pass them on to third parties ("third parties" include partners, relatives and friends as well as other Stabilus staff who do not have access to the insider information in question as a function of their position within the enterprise).

What is insider information? Insider information refers to any information, be it accurate or false, which is unknown to the public and – should it be disclosed – capable of influencing the price of Stabilus stock to a significant degree.

## **10. ACCOUNTING AND DOCUMENTATION**

Any and all books and records of business transactions must be kept and archived correctly and transparently in accordance with both statutory provisions and internal requirements, and they must document Stabilus' transactions truthfully, completely and appropriate to the accounting period.

There is no other way for Stabilus to produce a true, transparent and complete record of its business activities.



## II. PRODUCT SAFETY

A critical pillar of Stabilus' success is the top quality and safety of our products. For this reason, Stabilus has put in place a certified quality management system, among other tools, to ensure the continuous improvement of its products and any related work processes – especially in development, manufacturing and marketing.

New products are not brought to market until they have been shown to meet legal requirements and our highest quality standards. Stabilus is focused on ensuring that its products neither jeopardize human safety and health nor adversely affect the environment to an undue degree when used as intended – or misused in a predictable manner. Stabilus will instruct its customers accordingly and also point out any residual risk. What's more, Stabilus monitors the products already on the market on an ongoing basis with regard to their safety, health implications and environmental impact.

All Employees entrusted with the development, manufacture, marketing or sale of products must ensure that these requirements are strictly observed.

Whenever compliance with these requirements or the safety of Stabilus products is in doubt, all Employees are called upon promptly to notify their respective supervisor, Product Safety & Conformity Representative or the Chief Compliance Officer, so that appropriate action can be taken.



### **III. RESPECTING HUMAN RIGHTS**

Stabilus is especially invested in the protection of human rights, which is why it is committed to respecting human rights in accordance with the United Nations Universal Declaration of Human Rights.

#### **1. NO FORCED OR CHILD LABOUR**

Stabilus does not tolerate any type of forced labour or child labour.

Stabilus makes no use of forced, bonded, indentured or involuntary prison labour in any form. Work must be voluntary, Stabilus Employees are not forced to work and they must be able to leave work at any time. Stabilus tolerates no slavery, practices akin to slavery, serfdom or other forms of domination or oppression in the workplace, such as extreme economic exploitation and humiliation. To such extent, Stabilus recognizes the International Labour Organization (**ILO**) Conventions No. 29 and 105.

Child labour is strictly prohibited. Stabilus recognises the requirements of the ILO conventions and national laws relating to minimum age, child labour and employment of underage workers. In particular, Stabilus does not employ children below the age of 15 years unless the law of the place of employment provides otherwise in accordance with ILO Convention No. 138. In addition, Stabilus will not use Employees for hazardous work who cannot demonstrate a minimum age of 18 years. To such extent, Stabilus recognises ILO Conventions No. 138 and 182.

#### **2. FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING**

Stabilus respects its Employees' freedom of association and assembly as well as their right to collective bargaining as provided by applicable law. In no case will Employees be subjected to any kind of sanction or discrimination based on their decision to join or not to join a labour organization. To such extent, Stabilus recognises ILO Conventions No. 87 and 98.

### **3. NO DISCRIMINATION, FAIR WAGES AND WORKING HOURS**

Stabilus does not tolerate discrimination due to gender, ethnic origin, religion, age, disability, citizenship, sexual orientation, socio-economic class or other characteristics protected by law. Physical punishment, harassment of any type, mental or physical assault, verbal abuse of Employees and abuse of power are strictly prohibited.

Stabilus pays fair wages and grants other benefits equal to or exceeding the minimum wages and benefits prescribed by law for the place of employment. Male and female Employees receive equal pay for equal work. Stabilus procures that wages and benefits are sufficient to cover the basic needs of its Employees and their families.

Stabilus recognises applicable working-time regulations and grants Employees at least one day off per seven-day week.

To such extent, Stabilus recognises ILO Conventions No. 100 and 111.

### **4. ETHICAL RECRUITING, DIVERSITY AND INCLUSION**

Stabilus observes the ban on discrimination both when looking for new staff and during the employment relationship. Stabilus will not mislead or deceive potential workers about the nature of work, and at no time will the enterprise confiscate government-issued identity documents or ask workers to pay recruitment fees. Workers receive a written employment contract at the start of their recruitment in a language well understood by them, which states in a truthful, clear manner their rights and responsibilities.

The diversity of our Employees brings with it unique ideas, viewpoints, talents and values that are instrumental to our success. Responsibility is awarded on the basis of merit and without regard to sex, skin colour or religious affiliation. We ensure that employment with Stabilus is characterized by equal opportunity and treatment.

### **5. HEALTH, WORKPLACE SAFETY AND USE OF SECURITY FORCES**

Stabilus is especially invested in preserving the safety and health of its Employees, without which there can be no sustainable economic success. Accordingly, Stabilus' business processes and the work environment reflect this goal and comply with applicable workplace and industrial safety legislation. In addition, Stabilus prevents occupational accidents, occupational diseases and work-related health risks through training as well as safety and occupational health measures.

Employees, too, must promote this goal and will observe workplace and industrial safety requirements. They must procure a safe work environment. Any and all safety rules must thus be

followed to the letter. Each violation of safety guidelines, each accident and each near accident must be reported to the supervisor, the competent safety officer or HR.

Stabilus further ensures that no security forces are contracted with or used who treat Employees in a cruel, inhumane or degrading manner, physically injure them or interfere with the freedom of association and assembly.

## **6. PRESERVING NATURAL RESOURCES**

Stabilus recognises applicable legal requirements in its treatment of land, forests and bodies of water. It will refrain from harmful soil changes, water and air pollution, noise emissions and excessive water consumption if doing so would harm people's health, significantly impair the natural basis for food production or prevent people's access to clean drinking water or sanitary facilities.

## **7. CONFLICT MINERALS**

Stabilus complies with all applicable laws as well as the resulting due diligence obligations and the Organisation for Economic Cooperation and Development (OECD) Guiding Principles regarding the procurement of minerals and materials from conflict regions and risk areas that contribute to human rights abuses, corruption, the financing of armed groups or similar negative impacts.



## **IV. ENVIRONMENTAL PROTECTION AND RESOURCE EFFICIENCY**

Stabilus pursues the goal not only of optimising the entire value-creation chain beyond compliance with legal requirements, but also of designing it with environmental protection and resource efficiency in mind. For this reason, each manufacturing site is subject to ongoing environmental and resource relevance reviews in order to develop sensible measures for the reduction of its environmental impact and consumption of resources.

### **1. DEALING WITH WASTE AND CHEMICALS**

Stabilus acts in accordance with the pertinent requirements of Regulation (EC) No 1907/2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), as amended.

Wherever necessary for Stabilus' activities, the enterprise recognises the requirements for the export of hazardous waste pursuant to the Basel Convention of 22 March 1989. Chemicals or other substances that represent a hazard if released into the environment are identified and handled with a view to guaranteeing safety during handling, transport, storage, use, recycling or reuse and disposal. With respect to mercury, Stabilus acts in accordance with the bans imposed by the Minamata Convention of 10 October 2013; with respect to persistent organic pollutants, moreover, Stabilus acts in accordance with the Stockholm Convention of 23 May 2001.

Stabilus recognises the ban on unlawful forced eviction and on the unlawful expropriation of land, forests and bodies of water when acquiring, developing or otherwise utilizing land, forests and bodies of water needed to sustain a person's livelihood.

## **2. RIGHTS OF LOCAL COMMUNITIES AND INDIGENOUS PEOPLES**

Stabilus recognises the livelihood as well as the health of local communities and indigenous peoples. Consideration is given to risk scenarios, such as air, water and soil contamination, deforestation, improper handling of hazardous waste or the removal of ground water in regions suffering a water shortage. In addition, it is our express goal to minimize the impact on local communities of construction work undertaken at our sites as well as ongoing operations. Stabilus takes care to use environmentally friendly and resource-efficient processes and procedures at our site, and to avoid any adverse effects on the local population.



## **V. IMPLEMENTING CODE OF CONDUCT**

### **1. SUPPORT BY GROUP-WIDE COMPLIANCE ORGANISATION**

For the benefit of its Employees, Stabilus has introduced a compliance organisation in order to ensure that the business risks associated with operational processes can be detected early and are steered using suitable means.

The group-wide compliance organisation is controlled by a Chief Compliance Officer as well as subordinate local Compliance Officers, who are responsible for implementing and fine-tuning the compliance management system.

### **2. HOW TO BEHAVE WHEN IN DOUBT / QUESTIONS**

Whenever there are doubts or questions about the admissibility of certain conduct, such conduct is to be discontinued until further notice and the competent local Compliance Officer or the Chief Compliance Officer is to be contacted. The Chief Compliance Officer's contact information are as follows:

Stabilus Corporate Compliance

E-Mail: [inbecker@stabilus.com](mailto:inbecker@stabilus.com)

Telephone: +49 261 8900-360

### **3. VOLUNTARY PARTICIPATION**

All Stabilus Employees are encouraged to contact the Chief Compliance Officer whenever they become aware of a legal violation or a questionable business incident involving another person in their work environment. A suspected instance of corruption may be such a case.

Employees also have the option to report legal violations or incidents using an electronic whistleblower system, which may be accessed via the Stabilus webpage or using this link: <https://stabilus.whistleblownetwork.net/frontpage>.

Stabilus assures its Employees that no Employee reporting other persons' potential misconduct in good faith and on the basis of concrete evidence will suffer any disadvantage at the hands of Stabilus. Naturally, the same is true if it is subsequently learned that no misconduct occurred.

Stabilus SE

Address: Wallersheimer Weg 100, 56070 Koblenz

Telephone: +49 261 8900-0

E-Mail: [info@stabilus.com](mailto:info@stabilus.com)

