

**A vision drives us,
development is our passion,
Partnership is our success,
sustainability is our future!**
- Mission Statement FKT GmbH

Code of Conduct

The purpose of this document is to outline business ethics, human rights, and working conditions, and to establish the minimum standards for the conduct that FKT expects from its employees and business partners in their interactions and business relationships with FKT.

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Preface of the Management

As an internationally active family-owned company, FKT GmbH enjoys an excellent reputation in the public, with its business partners and employees. Upholding this reputation is our top priority. We place great importance on integrity and maintain a high standard for ethical, legal, and regulatory compliance in our actions. With this Code of Conduct, we affirm our commitment to this standard for FKT GmbH and our responsibility to our business and social environment, as well as our employees.

Violations against the Code of Conduct, as well as any encouragement of such violations, will not be tolerated. They will be rigorously pursued and sanctioned using available legal means. Regardless of legally mandated penalties, this may lead to personal consequences for individual employees.

1. Purpose and Scope

This Code of Conduct is the binding and obligatory guideline for all members of the company's leadership, all managers, and all employees of FKT GmbH in their daily business activities. As a minimum standard, it supplements our values by specifying which behavioral principles are relevant and binding for us to meet FKT GmbH's high standard for ethical, integral, legally compliant, and value-oriented actions.

2. Behavior in the Business Environment

2.1. Compliance with Laws, Regulations, and Internal Policies

At all sites of FKT GmbH, the respective applicable legal regulations, the respective industrial minimum standards, the "UN Convention of International Bill of Human Rights," the "UN Convention against Corruption," the "Declaration on Fundamental Principles and Rights at Work" of the International Labour Organisation (ILO), as well as all internal FKT rules and regulations (hereinafter collectively referred to as "Standards") must be adhered to.

The management, executives, and employees of FKT GmbH act in the company's interest only when they adhere to these Standards, even when it may appear strategically or economically unfavorable or impractical from an individual's or the company's perspective, even in the face of contradictory instructions from a manager. Each individual employee is responsible in their role to ensure that their behavior consistently complies with these Standards, especially for the well-being of people and the environment, in the interest of sustainable development.

From our management, we expect, given their role as role models, that they not only communicate these Standards appropriately but also embody them and enforce them with their subordinates. Our leaders are the primary points of contact for their subordinates regarding all matters related to this Code of Conduct.

2.1.1. Working conditions and human rights

FKT GmbH protects and promotes the globally recognized regulations on human rights and children's rights. The following policy on working conditions and human rights applies to our employees and business partners:

- **Child Labor and Young Workers** - FKT rejects all forms of child labor and complies with the minimum age for employment as defined by the applicable local law.
- **Wages and Benefits** - Compensation for FKT employees is in accordance with all applicable local laws, including minimum wage laws.
- **Working Hours** - Working hours must not exceed the maximum hours set by the applicable local law.
- **Modern Slavery** - FKT rejects all forms of forced labor, including slavery and human trafficking.
- **Freedom of Association and Collective Bargaining** - We respect the right of all employees to form and join unions and representative bodies and to engage in collective bargaining in accordance with the applicable local law. There are no disadvantages to individual employees from FKT GmbH as a result.
- **Harassment and Non-Discrimination** - Motivated and competent employees are a hallmark of our family business. We respect every individual, regardless of their ethnicity, skin color, beliefs, religion, nationality, sexual orientation, social background, gender, age, or disability. Every employee is obliged to refrain from any form of discrimination (e.g., disadvantage, harassment, or bullying) and to enable a respectful and fair coexistence.
- **Rights of Minorities and Indigenous Peoples** - FKT respects the rights of local populations, minorities, indigenous peoples, and other vulnerable groups and seeks to avoid negative impacts on them.
- **Rights of Local Communities** - FKT respects the rights of local communities, minorities, indigenous people, and other vulnerable groups and strives to avoid negative impacts on them.

Furthermore, FKT expects all stakeholders in business relationships with FKT to act in line with the same values and principles.

2.1.2. Occupational Health and Safety

Safety and the health of all employees are of paramount importance to FKT. FKT is committed to maintaining a high standard of quality in all areas of the company and particularly to ensuring product and workplace safety. Processes, facilities, and operational resources are managed and operated in accordance with applicable legal and internal health and safety regulations, as well as fire and environmental protection.

At all FKT GmbH locations, suitable emergency plans are in place, and corresponding first aid, fire protection, and medical services, along with materials and appropriate transportation for further treatment, are provided. In the premises, there is an adequate number of emergency exits, escape routes, and assembly points, all of which are clearly marked. In the event of an accident, it must always be ensured that first aid and medical care can be provided.

2.2. Fair Competition and Corporate Ethics

FKT GmbH has confidence in the quality of its products, its innovation, its integrity, and the performance of its employees. FKT GmbH adheres to the principles of a market economy and fair, open competition both nationally and internationally. We also expect this from our business partners and competitors. FKT GmbH pursues its corporate objectives exclusively based on the principle of delivering high-quality performance and fundamentally refrains from any business collaboration, contracts, or other advantages that could only be obtained by violating relevant competition rules.

2.2.1. Competition-Relevant Agreements

In all its activities, FKT GmbH ensures compliance with the principles of competition law, which means refraining from making market-relevant agreements. This includes not entering into agreements with competitors regarding prices, capacities, restraint of competition, boycotting suppliers or customers, or participating in or supporting the submission of sham bids in tenders or agreements to divide customers, territories, or production programs. It is irrelevant whether such agreements or actions are made as part of formal agreements or informal discussions (e.g., at industry meetings), informal "gentlemen agreements," or "concerted actions" that aim to achieve or result in one of the aforementioned competition restrictions. Intended agreements with potential competitors must be submitted to the management for review and approval in advance. An agreement cannot be concluded without approval from the management.

2.2.2. No Bribery / No Briability

FKT GmbH does not tolerate any form of corruption and vehemently rejects any kind of bribery. The management, executives, and employees of FKT GmbH are prohibited from offering, promising, or granting advantages to business partners, their employees or representatives, officials, politicians, or members of the mentioned groups in exchange for preferential treatment in the procurement of goods, services, or official acts, whether there is a legal claim to the service/act in question or not.

The identity of customers, business partners, and other third parties with whom FKT GmbH wishes to conduct business is carefully verified. FKT employees do not take any actions that could violate domestic or foreign anti-money laundering regulations.

In this context, FKT GmbH follows the International Chamber of Commerce (ICC) Business Charter for Combating Corruption in Business Transactions in the 2008 version.

2.2.3. Payments

Payments initiated by FKT GmbH for received deliveries and services are made exclusively directly to the respective contractual partner, unless legally valid assignment agreements or compulsory collection orders are in place. Payments are typically made in the country where the contractual partner is headquartered. Cash payments are prohibited, except for amounts up to EUR 50, provided that a properly signed receipt is issued for them. In all other cases, the Central Executive Officer (CEO) must be promptly informed of and, if possible, in advance of any payment transactions and/or agreements that deviate from this policy.

Suppliers or service providers must not be preferentially treated without a valid reason, in order to avoid any conflicts of interest.

2.2.4. Business Incentives

Performance-based commissions, bonuses (including those under documented purchasing pool agreements), discounts, and goods provided free of charge are typical business incentives. Such incentives or similar ones may only be granted or accepted while adhering to and complying with the relevant standards. The granting and acceptance must be ethically, legally permissible, and socially adequate in each individual case, and must be documented in writing. Otherwise, the incentives should be declined and/or promptly returned.

Service fees, especially in the form of commissions paid to third parties, such as agents, brokers, consultants, or other intermediaries, must be in reasonable proportion to the services provided and are fully documented in writing, particularly regarding the nature of the remunerated activity and its due date. These fees must be determined in such a way that it does not create the conditions or the appearance that they are being used to circumvent the above provisions on granting unauthorized advantages. The written agreements with representatives, brokers, consultants, and other intermediaries, including all subsequent changes, must obligate the contracting party to always adhere to the above principles and to refrain from engaging in any form of bribery.

2.2.5. Offering, Granting, Accepting, or Demanding Benefits

All agreements or side agreements related to the direct or indirect granting of benefits – of any kind – in favor of individuals or organizations in connection with the intermediation, awarding, approval, delivery, execution, or payment of contracts (e.g., kick-backs) are prohibited. This specifically includes agreements with business partners, their employees, or officials.

Payments may only be made or authorized by employees when contractually agreed-upon goods have been delivered or services rendered. Such payments must be reasonable and recorded in accordance with the principles of proper accounting. No agreements should be made where it can be assumed that they are intended, in whole or in part, for the payment of bribes.

All employees are prohibited from offering, granting, requesting, or accepting gifts and favors directly or indirectly in connection with business activities. This does not apply to occasional invitations and gifts of insignificant financial value that are in line with common business customs. However, the granting and acceptance of such invitations and gifts always require compliance with legal requirements, and it must be ensured that they have no influence on a business decision from the outset.

2.2.5.1. Offering and Granting of Benefits

In accordance with these guidelines, it is important to note that gifts, invitations, and similar benefits are prohibited when their value or other factors could potentially place the recipient in a compromising situation that questions their business or professional independence.

The offering and granting of cash gifts are strictly prohibited under all circumstances.

Invitations to events or other social occasions must either be customary in business and reasonable in nature and scope or have a clear business connection. Expenses for business-related entertainment must be appropriate in terms of the nature and extent of the hospitality provided.

Both active and passive bribery of officials is a criminal offense worldwide. FKT rejects all forms of bribery.

Any invitations from officials (including but not limited to civil servants, politicians, as well as those working on behalf of public institutions) to the aforementioned events or occasions, while adhering to these principles, are only permissible if and to the extent that international or national legal regulations do not prohibit it. In cases where it is permissible, the relevant legal framework must be observed.

2.2.5.2. Requesting and Accepting Benefits

The above-mentioned directive also applies to the acceptance of benefits: Members of the company's leadership, executives, and employees of FKT GmbH are not permitted to use their position or function within the company to request, accept, or obtain personal benefits (including those of a non-material nature) for themselves and/or close individuals. Occasional invitations to customer events or meals, especially during or following business meetings (provided they meet the criteria outlined in section 2.2.5.1), or the acceptance of symbolic or low-value gifts, are allowed.

When accepting invitations, including those associated with events, it should be ensured that they have a clear and predominantly business-related purpose, and expenses for business-related hospitality must be appropriate in terms of their nature and extent. Accepting an invitation to a charitable event or a donation for a charitable cause on the invitation of a business partner should only be honored if it is ensured that the principles outlined in this Code of Conduct, particularly in the first paragraph of section 2.2.5.1, are adhered to.

Requesting and accepting cash gifts is strictly prohibited under all circumstances. If a senior executive or employee of FKT GmbH is offered or given gifts and/or other benefits beyond the limits defined here, including the utilization of preferential terms, for themselves or close individuals, such offers should generally be declined. The CO should be promptly informed of any such offers.

2.2.5.3. Violations of the Commands and Prohibitions

Violations of the commands and prohibitions as set forth in the preceding provisions under sections 2.2.5, 2.2.5.1, and 2.2.5.2 cannot be justified, anywhere in the world, e.g., by the argument that it is a locally accepted practice and that everyone does it in that environment.

2.2.6. Donations and Sponsorship

Free donations (charitable contributions) must always be transparent, meaning the recipient and the specific use by the recipient must be disclosed and traceable. In the case of

sponsoring, it should be ensured that there is a reasonable relationship between the financial contribution and the agreed consideration.

2.3. Tolerance and Equal Opportunities

FKT GmbH, as a company, collaborates with employees and business partners of various nationalities, cultures, religions, and worldviews. Interactions are characterized by respect, tolerance, appreciation, fairness, and openness.

FKT GmbH firmly opposes discrimination, harassment, disadvantage, derogation, or any other form of disparagement, as well as preferential treatment of its employees or business partners based on their ethnic origin, gender, religion, worldview, political beliefs, disability, age, sexual identity, or other ethically, socially, and legally protected characteristics. Any form of workplace harassment, especially sexual harassment, of any kind is strictly prohibited. It is irrelevant whether the affected person could avoid the harassment or if the transgressor considers their own behavior acceptable.

The Leadership should be aware of their role as role models and ensure a workplace free from discrimination and harassment.

2.4. Reporting and Documentation

All protocols and reports, especially those intended for third-party acknowledgment, must be technically accurate and truthful. Data collection and other recordings must always be complete, accurate, timely, and in accordance with the appropriate systems, with clear identification of the originator or author and the date of creation.

All business transactions, especially oral and written agreements and contracts should be documented and retained in accordance with legal and internal requirements.

2.5. Choice of Business Partners

FKT GmbH selects its business partners based solely on objective and economic criteria, and it fairly and impartially evaluates all supplier proposals. Biased preference or obstruction of suppliers, especially for personal reasons, is strictly prohibited. When conducting bids, the contract is awarded to the most cost-effective bidder, unless there are other justifications (e.g., quality, service, long-standing business relationships, solvency, sustainability, etc.) for a different decision. In such cases, the relevant considerations must be documented, without any third-party deriving rights from it.

A potential conflict of interest arises when an employee's personal interests clash with the interests of FKT GmbH, such as through secondary employment.

The FKT GmbH expects its suppliers, customers, and all other business partners to respect the value judgments expressed in this Code of Conduct, observe them in their collaboration with FKT, and ensure their compliance. FKT GmbH emphasizes that, wherever possible, the provisions of this Code of Conduct should become part of contractual arrangements, especially

with suppliers, but also with customers and/or other business partners, unless they already have their own previously reviewed codes of conduct.

In the relationship with suppliers, cooperation is only considered if either an agreement to adhere to our Sustainability Code of Conduct for Business Partners is reached or if the supplier can demonstrate compliance with their own Code of Conduct containing similar principles. Regardless, in the case of long-term business relationships, FKT GmbH reserves the right to terminate the business or supplier relationship prematurely if there is a severe violation of the principles of this Code of Conduct, especially in cases of bribery, unacceptable advantages, as outlined in this Code of Conduct, or instances of forced or child labor, even after a warning.

2.6. Confidentiality of Information and Data Protection

All information related to the companies of FKT GmbH and their business partners is treated as confidential and must not be disclosed to third parties unless it has been made publicly available or accessible in a permissible manner. Disclosure of information in the context of official inquiries and for the fulfillment of FKT GmbH's operational needs is exempt from this rule.

The obligation of confidentiality remains in effect even after an employee's employment relationship has ended or a contract with a business partner has been terminated. The direct or indirect use of confidential information for the benefit of third parties and/or to the detriment of FKT is prohibited.

The company's management, executives, and all employees are required to actively secure confidential information against unauthorized access according to the company's internal guidelines. FKT GmbH expressly rejects all forms of corporate espionage, whether active or passive.

FKT GmbH consistently adheres to the relevant data protection regulations. Personal data falling under the respective data protection regulations, such as customer, employee, or other business partner data, is only collected, processed, or used when legally permissible or with the consent of the individual concerned.

Protecting privacy in the use of personal data and ensuring the security of all business data in compliance with applicable legal requirements is to be maintained in all business processes. Confidential information, official documents, and data carriers must be protected from third-party access. The responsible data protection officer supports the respective departments in this regard.

2.7. Foreign Trade, Export Control, and Customs Regulations

FKT GmbH complies with all foreign trade, embargo, customs, and terrorism control regulations, as well as relevant payment regulations in the countries where it operates. All employees involved in the import and export of goods, services, or technologies (including technical data) and financial transactions are required to adhere to applicable economic

sanctions, export control, import laws and regulations, as well as all related policies and procedures associated with their business activities.

3. Interaction with Employees

3.1. Leadership Culture

FKT GmbH considers its workforce as its most valuable asset. Accordingly, it invests in the qualification and competence of its employees; commitment and performance are particularly promoted and rewarded. Based on FKT's values (which are accessible to every employee through the management manual), FKT GmbH has developed and communicated leadership principles. According to these principles, every leader is expected, among other things, to act as a role model and to act in accordance with this Code of Conduct, especially in their interaction with their assigned employees with respect, reliability, and responsibility. Every leader should earn and maintain their recognition through exemplary personal behavior, performance, accessibility, and social competence.

3.2. Fair and Safe Working Conditions

This appreciation and responsibility towards its employees are reflected in the FKT GmbH's commitment to providing its employees with safe and fair working conditions that comply with all relevant legal requirements.

Considering its international presence, FKT GmbH also adheres to the International Labour Organization (ILO) Convention concerning fundamental principles and rights at work, which includes rejecting any form of forced or child labor.

FKT GmbH tolerates and respects freedom of association, membership or affiliation of its employees in other constitutionally recognized organizations, such as properly established labor unions or other associations representing the interests and protection of employees. Employees do not face any disadvantages from FKT GmbH due to their membership in such organizations.

4. Sustainability and Environmental Compatibility

FKT GmbH adheres to the principles of sustainability and environmental compatibility. The company is aware of the scarcity of resources and the responsibility towards future generations. Compliance with all relevant environmental protection laws, including the regulations of the respective country in which FKT operates, is an inherent obligation of the company's management, executives, and every individual employee of FKT GmbH. The Environmental Officer appointed for FKT GmbH oversees and manages the environmental management system installed by the company, based on international standards such as ISO 14001:2015.

The observance of environmental regulations accompanies the manufacturing process and the lifecycle of our products. We set high standards for ecological and environmentally friendly aspects during product development, material and supplier selection, and manufacturing processes. FKT GmbH is a pioneer in energy efficiency and renewable energy. We generate electricity through our combined heat and power plants and photovoltaic systems. The waste heat is used for the production site. We also produce additional energy from wooden pallets and remnants from regional forests used for a wood chip heating plant. All our employees are encouraged to actively separate waste to achieve the highest possible recycling rate. Furthermore, we engage in regular discussions with our customers and business partners on how to innovatively and sustainably improve our products, contributing to waste reduction and resource conservation.

5. Compliance Officer

The management of FKT GmbH, with the consent of the employee representation, has appointed a Compliance Officer (CO) who is organizationally affiliated with the Managing Director.

The role of the CO is to monitor compliance with the guidelines for the Code of Conduct as part of the Compliance Management System (CMS) and update them periodically as needed. The CO also serves as the point of contact for all questions related to compliance with proper behavior and the implementation of the Code of Conduct.

The additionally established Compliance Committee supports the tasks and work of the CO in accordance with the rules outlined in the Compliance Committee's charter.

6. Implementation of the Code of Conduct

FKT GmbH does not tolerate violations of this Code of Conduct.

Therefore, every executive at FKT is obligated to inform their employees about the content and significance of this Code of Conduct. They must ensure that the employees under their supervision not only acknowledge but also understand this Code of Conduct and are aware of its significance. Executives are also encouraged to instruct and support their employees in adhering to the Code of Conduct. The compliance with the standards (point 3.1) should be regularly monitored by the executive and clarified in employee discussions. If there are indications of legal violations, the executive must investigate them thoroughly and inform the Compliance Officer accordingly.

FKT GmbH will provide employees with appropriate information (e.g., through guidelines supplementing this Code of Conduct) to help them recognize and avoid any violations of laws and this Code of Conduct in a timely manner. This includes, in particular, training on specific topics and in special risk areas. Nevertheless, the company management, executives, and employees are obligated to independently obtain information in case of any doubts about legally and ethically sound actions. The CO of FKT GmbH is available for inquiries.

All employees of FKT GmbH can contact either their respective executives or the CO for inquiries about the content or interpretation of the Code of Conduct. This particularly applies to reporting any violations or suspicions.

Regardless of the instructions contained in individual provisions of this Code of Conduct to report compliance-relevant actions, any employee who, based on concrete indications, in good faith believes that a violation of the Code of Conduct exists or may exist, has the right to report such a violation or suspicion. An employee who directly informs their executive or the Compliance Officer or reports violations/suspicions has nothing to fear from it. Complaints or indications can also be reported via the following link:

fkt-gmbh.portal.tacto.ai

The reporting via the portal is strictly confidential and anonymous if desired. If necessary, FKT GmbH will take appropriate measures to protect the concerned employee (or external informant) from disadvantages. To the extent possible and legally permissible, FKT GmbH will treat the identity of employees or business partners who report a violation or suspicion or actively participate in the clarification of violations as strictly confidential.

The aforementioned contact point for complaints, reports of unlawful actions, or violations of the principles of this Code of Conduct by FKT GmbH also extends to external parties, such as business partners or other service providers of FKT GmbH.

Additional information about the topic of compliance within FKT GmbH, including this Code of Conduct, is available on our website www.fkt-gmbh.com (under Company/Downloads).

Note:

For better readability, only the term "employee" is used, which includes female, male and diverse employees.



Josef Karrer
Geschäftsführer



Guido Günthner
Geschäftsführer