

# Phoenix Mecano Code of Conduct

## **A. One Code of Conduct for everyone across the Phoenix Mecano Group**

We have one Code of Conduct that is binding on all of us across all Phoenix Mecano Group companies.

The Phoenix Mecano Code of Conduct applies to all Phoenix Mecano employees and representatives across all Phoenix Mecano Group companies, regardless of their position whenever they act on behalf of Phoenix Mecano during or beyond official working hours.

We will always give priority to the standards and guidelines set out in this Phoenix Mecano Code of Conduct, irrespective of what others may expect or demand and whether adherence to these standards and guidelines may result in the loss of business opportunities. Acting with integrity and protecting our excellent reputation always takes priority.

## **B. Compliance with laws and regulations**

We act with integrity and in compliance with applicable laws and regulations.

All Phoenix Mecano Group companies abide by all requirements under local, national, and international laws and regulations applicable in all countries where we operate or do business.

All employees and representatives are obligated to be familiar with the basic laws, regulations and corporate policies that are relevant to their areas of responsibility.

## **C. Integrity and fairness in business dealings**

We do not pay or accept any bribes or facilitation payments.

Bribery can take place in the public sector, including public officials and employees of state-owned enterprises, and in private business.

We reject corruption and bribery, which includes the giving or receiving of money or anything else of value (e.g., gifts, invitations, donations, other “favours” that are of value to the recipient, etc.) as an inducement or reward for an action which is illegal, unethical or a breach of trust in the performance of the function by a public official or an employee of a customer, supplier or other business partner.

We maintain proper and legally irreproachable relations with all government regulators and agencies. In all our dealings with government and regulatory agencies and officials, we conduct ourselves in an honest and transparent manner and act in compliance with applicable laws. We also reject facilitation

payments, which include any payments made to a public official in order to speed up a routine activity, such as the granting or processing of certificates, permits, visas, licenses, customs formalities or other procedures.

Accordingly, we only make or receive gifts and provide or accept entertainment, hospitality or other courtesies when they are reasonable, proportionate and granted without the intention to unduly influence any business decision.

We do not engage in any anti-competitive behaviour.

We reject any type of business practices that are designed to restrict free competition. Anti-competitive behaviour may include agreements and concerted practices with competitors, suppliers and distributors which have as their objective or effect the prevention or restriction of competition in the marketplace.

This includes agreements which seek to fix or control (purchase or sales) prices, premiums, surcharges, rebates, margins, terms, or conditions, allocate customers, products or territories or boycott certain customers, suppliers, or intermediaries; as well as, agreements with customers, suppliers or intermediaries (so-called vertical agreements) which include, but are not limited to, clauses that unduly restrict the business partners' freedom to set prices for its services/products, exclusivity clauses not compliant with the applicable law, non-compete arrangements and price parity agreements.

#### **D. Compliance with Restrictions imposed on international trade**

We comply with all national and international trade sanctions regimes and customs regulations.

Phoenix Mecano is a globally operating group with activities and business partners all over the world. We are aware that our domestic and international business relationships may be subject to trade control laws, as many countries and international organizations (e.g. UN, EU, US, Switzerland) impose sanctions against specified countries, governments, or organizations, targeting specified entities, individuals and business or industry sectors.

These measures include so-called embargoes, which impose prohibitions and restrictions on dealings with entire countries; financial sanctions, which impose asset freezes and other restrictions on dealings with (or for the benefit of) specified government officials or representatives, organizations, entities and individuals, and trade sanctions, which restrict trade in specific goods or services or for specific end uses in specified countries (e.g. export/import bans, investment restrictions).

By regularly updating our knowledge about applicable national and international customs, export control and embargoes regulations and by carrying out the necessary queries, we ensure that none of our national and international business activities violate any relevant embargoes, sanctions and other trade and custom regulations.

## **E. Prohibition of Money Laundering and Terrorism Financing**

We only maintain business relationships with reputable customers, partners and companies whose financial resources are of legitimate origin.

We take appropriate measures to protect Phoenix Mecano against being used as a conduit to launder money or finance terrorism - even inadvertently. Money laundering occurs when funds or other assets originating directly or indirectly from criminal offenses, including tax evasion, are put into circulation in the legal economy, making their source appear legitimate. Terrorism financing occurs when money is made available to commit criminal acts of terrorism or to support terrorist organizations.

We carefully check the identity and credentials of potential suppliers, customers, and other business partners and we only maintain transparent business relationships with reputable partners.

Large payments made in actual cash may be a sign of money laundering. Therefore, as a principle, we do not accept or make cash payments, except for small sums (e.g. petty cash). We strictly observe national laws that impose restrictions on cash transactions.

We are committed to responsible sourcing of so-called conflict minerals which sourcing contribute to armed conflict or human rights abuses according to national or international regulations.

## **F. Respect for the integrity and health of our employees**

We respect the integrity of our employees, provide for fair working conditions and take care of occupational safety and a healthy working environment.

Our employees are our most important asset. Everyone takes responsibility for a working environment that makes all employees proud to contribute to, and act as ambassador of, Phoenix Mecano towards all our clients and other stakeholders at all times.

We respect the dignity of every single individual. We strongly oppose to inappropriate behaviour towards others, for example physical, sexual, psychological, verbal harassment or abuse, and we do not tolerate any discrimination based on race, ethnic origin, gender, religion or beliefs, disability, age, sexual identity or any other reason.

We insist that our interactions are always fair, and respectful of the privacy rights of each individual and their freedom of opinion and expression.

We aspire to comply with all local regulations and social standards with regard to working hours, employee rights, vacation time, minimum wage, occupational health and safety regulations, and participation rights. We want to be known as an attractive company for all our employees.

We maintain and promote health and occupational safety in order to prevent accidents and injuries and to help keep employees healthy. In particular, we observe general regulations and safety provisions, and take care of ourselves and our fellow employees.

We expect that all employees draw attention to inadequate safety standards, dangerous working conditions, and violations of the occupational health and safety regulations so that preventive measures can be taken.

## **G. Product Safety**

We create and develop safe products and services for our customers.

We are committed to providing our customers with safe, high-quality products and services.

Our products and services must be engineered and manufactured in such a way that they pose no threat to life, limb or property.

Our products comply with the specifications for regulated substances and product contents and all relevant laws prohibiting or restricting the use, contents and handling of certain substances, applicable in our relevant markets.

## **H. Corporate Environmental and Social Responsibility**

We acknowledge our responsibility for environmental, social and governance concerns of the wider communities within which we drive our business.

Phoenix Mecano has always cultivated the philosophy of shareholder value in its original, far-sighted meaning of value creation that is sustainable. We have always understood that this requires that we assume our fair share of responsibility for the environment and the societies within which we operate. We do so by bearing in mind the consequences of our business decisions and actions on economic, technological, social and environmental levels and bringing about an appropriate balance of interests.

As a part of maintaining our sustainable business, we meet the relevant environmental standards and regulations, including limitations or prohibitions regarding the use of certain materials.

We respect human rights. This includes in particular the core labour standards of the International Labour Organization (ILO) and the United Nations Conventions on the Rights of the Child and on Human Rights.

## **I. Data privacy and protection**

We protect the integrity of everyone who entrusts us with their personal data and collect, retain, use or transmit personal data in compliance with applicable law.

Whenever we collect and process and transmit personal data of our personnel or business partners, we will abide by all applicable laws and regulations.

## **J. Protection of intellectual property, business secrets and other confidential information**

We protect our and our business partners intellectual property, business secrets and other confidential information through adequate information security measures and responsible communication about the same.

Intellectual property, knowledge, expertise, business secrets and other confidential information are cornerstones of our success as an innovative group. We therefore place great importance on the necessary diligence when dealing with such information and take appropriate protective measures. We do never disclose any intellectual property, knowledge, expertise, business secrets or other confidential data to any third party without appropriate protective measures and arrangements in place, such as confidentiality agreements.

Whenever our business partners entrust us with their business secrets, we take all adequate measures to handle such secrets on a need-to-know basis and protect it against disclosure to third parties with the same diligence we apply to our confidential information.

## **K. Information technology use and security**

We use our workplace information technology for the benefit of our group only and help to protect systems and equipment against internal and external threats.

We are aware that workplace-related IT systems in all forms constitute property of Phoenix Mecano which will be used only for legitimate business purposes and not for personal uses that are unreasonable or improper, or for unethical or illegal activities.

We operate adequate IT systems and ensure that we protect our IT infrastructure through adequate measures against the loss of data, cyber-attacks, operational failures, and other internal and external misuse or threats and we will pay special attention to cyber risks, such as phishing, malware import and other forms of cyber-attacks other insufficiencies.

## **L. Conflicts of interest**

Whenever there is a potential or actual conflict of interest, we disclose all facts in a timely manner for proper review and resolution.

In our daily business we may be faced with situations in which a decision that is in the best interest of the company competes with our personal interests.

We should avoid business decisions and actions that might be motivated by personal considerations or relationships. For example, a conflict of interest may arise where we personally or a member of our family have a private relationship with, or interest in, potential or existing customers, suppliers, distributors, or competitors and that relationship may affect your independent and sound judgment on behalf of Phoenix Mecano.

If any conflicts of interest are unavoidable, we will make these transparent in advance and disclose them to our superior or general manager for prompt resolution.

## **M. Insider Trading**

We comply with applicable insider trading laws regarding insider information of our own or other businesses.

As a publicly traded company we are subject to insider trading laws. These laws prohibit the trading in Phoenix Mecano securities based on non-public insider information and passing such information on to any third party.

Insider information is concrete information about any circumstance that is not publicly available and that, if made public, could significantly influence the price of securities or similar financial instruments.

## **N. Company Assets**

We take good care of tangible and intangible company assets and resources and use them responsibly.

Intellectual property, equipment in good conditions, machinery, computers, cars and furniture and a work environment in good order are essential for top quality production, delivery of best services and the well-being of all employees. Longevity of our equipment and sparing use of our resources supports our economic success.

We protect all tangible and intangible company assets against loss, damage, theft, or misuse. We are alert to attempts by others to damage our company assets through theft, fraud or hacking.

Without the express agreement of our superior, we do not use company assets for private purposes or remove them from our premises and we never use our company assets for illegal purposes.

The same applies when we handle assets belonging to any of our customers, business partners or other third parties.

## **O. Books and Records**

We maintain books and records that give an accurate, fair, transparent and complete picture of our business.

Books and records that provide a fair, transparent and complete picture of our business is the basis for Phoenix Mecano to take business decision in the best interest of all our stakeholders.

We strictly comply with all applicable statutory requirements and accounting standards for proper accounting and financial reporting as well as tax laws and regulations.

## **P. Business partners and supply chain**

We promote adherence by all our business partners to the principles and guidelines set out in our Code of Conduct.

Strong relationships with our business partners are important as they help us meet the expectations of our customers. However, business dealings of our business partners also affect our own reputation and we may also be held accountable for their actions.

We choose our business partners carefully, partnering only with companies and individuals that share our values and operate their business responsibly.

We promote compliance with the contents of this Code of Conduct also among our business partners across the entire value chain within the scope of our respective possibilities and scope for action. To this end, we communicate our Code of Conduct to all our business partners in appropriate form and may request that they certify adherence to its principles and values.

We are aware of our increasing responsibility for business practices in our supply chain as reflected in evolving legislations as well as our role as supplier of customers and take the required measures in this regard.

## **Q. Consequences of Deviations**

We will not tolerate breaches of the principles laid down in this Code of Conduct, neither by our employees and representatives nor our business partners.

We expect our employees and representatives to comply with all the requirements laid down in this Code of Conduct. We expect our employees and representatives to seek guidance if unsure, whether or not an action or decision complies with this Code of Conduct.

A violation of this Code of Conduct may lead to disciplinary action including termination of employment.

## **R. Reporting of concerns**

We protect the integrity of Phoenix Mecano by way of speaking-up and raising all concerns regarding adherence with our Code of Conduct such that corrective measures can be taken without delay.

While it is important to set out our principles and values in this Code of Conduct as a beacon and reminder as to what these are, all of us know intuitively what is right and what is wrong. Doing the right

thing and looking left and right to ensure that all our associates do the same and, if they do not, addressing issues within the framework of our open communication has been the foundation of our strong corporate culture.

We want to keep up with that and request all employees to raise any concerns of non-compliance with this Code of Conduct or any potential or actual violation of applicable laws, internal regulations or any other misconduct with their superiors or general managers. In addition, or alternatively, we request that they report any potential or actual violation of this Code of Conduct or any other misconducts using the designated communication channel.

In addition, our employees should rest assured that the Phoenix Mecano Group Management and Board members are available anytime should your concerns not be addressed appropriately by any superior or general manager.

Employees, who report potential misconduct or who provide information or otherwise assist in an inquiry or investigation of potential misconduct, will be protected against retaliatory action. We will also respect any request for confidentiality to the utmost extent possible, which for legal or other reasons is not always the case.

Status: 21 September 2021