



## **Key Principles of Proper Business Conduct (Code of Conduct)**

In a business world governed by ever stricter regulation, we are frequently called upon by our business partners, employees and authorities to provide written confirmation of what we consider to be a matter of course: the key principles of proper business conduct applicable at KOSTAL.

The basic understanding set out herein is a response to this call and a continuation of what we described within our company in 2013 under the heading of **KOSTAL values**. One of the principles within this which best expresses our values is:

**“We are decent.”**

The following key principles of proper business conduct also express this fundamental **KOSTAL value**.

We support and encourage our business partners to introduce and implement similar principles of proper business conduct in their companies.

### **Human rights**

We undertake to respect international human rights within our area of influence as set out in the UN’s Universal Declaration of Human Rights. We therefore strictly reject any form of forced or child labour or discrimination for any reason.

### **Integrity**

We comply with the applicable laws and regulations in all countries in which we operate. These include statutory provisions on fair competition and the prevention of corruption, rules on data privacy, confidentiality of business and company secrets, and rules on import and export control. If conflicts of interest arise in our work, we report these to our line manager.

### **Employee protection**

We comply with the laws on occupational health and safety. This includes observing the maximum permitted working hours and the collective or statutory rules on pay for our employees, who are free to exercise their rights of association and assembly and to conduct collective bargaining. Our **KOSTAL value “We encourage people to achieve what we expect”** is at the centre of all our efforts.

### **Environmental protection**

We act in an environmentally responsible manner and meet the requirements of environmental law at our production sites. We handle natural resources responsibly and in line with the principle of sustainability.

### **Responsibility**

In their daily work, employees, management teams of the individual companies, production sites and business units along with the group management ensure compliance with the key principles of proper business conduct and assume responsibility for this. We know that breaches of the principles can lead to consequences.