

Preface

The companies within the FERCHAU Group operate in the five core sectors – General Engineering, Aviation, Automotive, Plant Engineering and IT – either with operational associated companies or divisions, and offer their customers customized engineering and IT solutions in almost all technical fields. The FERCHAU Group is Germany's leading Engineering Services Group and, together with some of its associated companies, has been successful in this market partially for over 50 years.

As a major employer in Engineering, the FERCHAU Group is aware of its social and ethical responsibility. This Code of Conduct defines the key values we are oriented by. We expect our employees to respect these values and to practise these established principles in their daily work. We also expect our suppliers to comply with these standards, and also with regard to all of its employees.

If suppliers engage sub-suppliers, they are responsible for ensuring that all sub-suppliers also meet the requirements. The supplier must communicate these standards in an appropriate form to its sub-suppliers and ensure compliance with the standards.

The FERCHAU Group's Code of Conduct is based on the following generally recognized guidelines:

- Universal Declaration of Human Rights of the United Nations
- United Nations Global Compact
- ILO International Labour Standards
- Rio Declaration on Environment and Development
- United Nations Convention against Corruption

The basic guiding principles of the FERCHAU Group

Principle 1: Respect for Human Rights

The FERCHAU Group is expressly committed to upholding human rights within its sphere of influence. We commit ourselves not to be involved in any form of human rights violations, neither directly nor indirectly.

We also expect our suppliers to treat all human beings respectfully and fairly and to uphold human rights within their sphere of influence. Since the rights of all genders fall under human rights, in the understanding of the FERCHAU Group, the protection of these is of fundamental importance to us and must be guaranteed. We expect the same from our suppliers. We also expect our suppliers to ensure that no human rights violations are committed when private or public security forces are deployed. The FERCHAU Group commits itself to ensure this too.

The FERCHAU Group maintains and respects land, forest and water rights and opposes explicitly against evictions. We also expect our suppliers to maintain and respect land, forest and water rights and not to carry out forced evictions.

Principle 2: Respect of the Freedom of Association and of Right to Collective Bargaining

The FERCHAU Group respects the right of its employees to freedom of association and to collective bargaining. The FERCHAU Group's employees are free to form or join an employee representation. Being a union member must not result in disadvantages for employees. Employees or their representatives can also negotiate and conclude operational agreements or collective contracts at an appropriate level.

Our suppliers must also respect their employees' rights to freedom of association and collective bargaining.

Principle 3: Ensuring Fair Labour Conditions

The FERCHAU Group pays attention for fair working conditions for all employees in all associated companies. This includes compliance with the relevant national regulations governing working hours as well as the right to appropriate remuneration, which should at least conform to the respective minimum wage or the applicable collectively agreed wage. Similarly, all salaries and benefits agreed in the employment contract as well as all nationally prescribed social benefits are paid or deducted. Furthermore, the FERCHAU Group supports the further qualification of its employees.

We also expect our suppliers to offer their employees fair working conditions and to remunerate them appropriately.

Principle 4: Elimination of all Forms of Forced Labour, Child Labour and Human Trafficking and respect for the rights of minorities and indigenous peoples

The FERCHAU Group is committed to the prohibition of all forms of forced labour. This includes all types of work or services that are enforced by a person under threat of punishment or that are in voluntarily provided by a person.

The FERCHAU Group requires that our suppliers do not permit any kind of forced labour within their companies.

The FERCHAU Group is committed to the prohibition of any form of child labour. If minors are employed, the FERCHAU Group observes to the minimum age for admission to employment in accordance with national regulations.

The FERCHAU Group is committed to the prohibition of any form of human trafficking. In addition to this, the FERCHAU Group is committed to respect the rights of minorities and indigenous peoples.

The FERCHAU Group demands that its suppliers do not tolerate any kind of child labour or human trafficking within their companies. Further, the FERCHAU Group expects that our suppliers respect the rights of minorities and indigenous peoples.

We expect that our suppliers do not let young employees carry out dangerous work, that they observe the national employment regulations of minors and that they do not hinder children's education due to their employment.

Principle 5: Elimination of all Forms of Discrimination in Recruitment and Employment/Conflicts of interest

The FERCHAU Group rejects all forms of discrimination in the working environment. Therefore, we respect the privacy of our employees. We are committed to equality of opportunity and diversity and advocate that all employment decisions (such as appointment, promotion and training) are based without bias solely on people's skills and qualifications. Aspects such as ethnicity, ethnic origin, religion or ideology, gender, sexual identity, age, nationality, disabilities, social background, personal relationships or union affiliation may not influence employment decisions. If conflicts of interest arise in everyday working life due to close personal or familiar relationships, particularly in direct subordinate or superior relationships or in cooperation with suppliers, we expect these conflicts of interest to be disclosed by the persons involved at an early stage. Disclosure, which can be made to the disciplinary superior, the relevant HR department or via the whistleblower system, does not result in any disadvantages for the persons involved.

The FERCHAU Group supports a culture which enables employees to work to their full potential and to be able to contribute with equal rights at any given time. We expect the same from all of our suppliers.

The FERCHAU Group rejects any form of sexual

harassment of employees and takes all legal measures available against it.

We also expect our suppliers to promote equal opportunity and diversity and to prevent discrimination in employment decisions and sexual harassment.

Principle 6: Compliance with occupational Health and Safety

The FERCHAU Group complies with the applicable national legislation on occupational health and safety. Our primary concern is to offer our employees a healthy and safe working environment. We are committed to keeping the risks employees are exposed to as low as possible by taking appropriate measures to prevent health problems and accidents. The employees' working conditions are designed in accordance with their individual needs and subjected to a continuous improvement process. All applicable legal framework conditions for health protection, workplace ergonomics and work safety are observed.

The unimpaired decision-making capacity of each individual employee is an indispensable prerequisite for the success and safety of our work. For this reason, we endeavour to prevent the abuse of addictive substances such as medication, alcohol, cannabis and other drugs. The consumption, possession, distribution or selling of drugs or alcohol and the abuse of prescription or non-prescription medication during working hours, work breaks and on the company premises are therefore prohibited. It is also forbidden to take up work activities if the consumption of such substances affects the unimpaired state of mind. Exceptions can only be made in cases of medical necessity.

Also, our suppliers are required to meet the applicable national legislation on health and safety at work. They must take active measures to prevent work-related accidents, diseases and deaths and thus guarantee their employees a healthy and safe working environment. This also includes measures to prevent the misuse of addictive substances in the workplace.

Principle 7: Observation of Environmental Protection

Environmental protection is a key concern of the FERCHAU Group, therefore we focus on ensuring that environmental risks and negative impacts on the environment are minimized as far as possible through precautionary measures. These include in particular:

- reduction and efficient use of energy consumption and
- reductions and reporting of greenhouse gas emissions that are appropriate to the size of the company, in order to contribute to decarbonization,
- keeping the air clean and thus improving air quality,
- management of natural resources,
- avoiding waste and taking advantage of reuse and recycling opportunities,
- preservation of water quality and the economical use of water as well as
- responsible chemicals management.

We pay close attention to the compliance with applicable national environmental legislation, regulations and standards in all associated companies. Furthermore, we support the use of modern, efficient and environmentally friendly technology. In addition to this the FERCHAU Group intends to use renewable energies as much as possible, maintain soil quality, avoid noise emissions, protect animals and ecosystems and use resources sustainably. The FERCHAU Group advocates a ban on deforestation.

Our suppliers are also expected to protect the environ-

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ment and to adhere to applicable national legislation, regulations and standards. Furthermore, we expect from our suppliers that their activities do not cause avoidable environmental damage and protect animals, ecosystems and soil quality. We expect our suppliers to strive for using renewable energy if it is possible. The suppliers should avoid deforestation. We expect our suppliers to manage resources sustainably, avoid noise emissions and if this is not possible to keep them low.

The FERCHAU Group expects its suppliers to implement the precautionary measures, as well, if this is possible.

Principle 8: Financial Responsibility and Combating all Forms of Corruption, as well as Money laundering

The FERCHAU Group rejects all forms of corruption including bribery and blackmail. Decision-making processes may not under any circumstances be influenced by undue benefits (such as cash, benefits in kind, pleasure trips etc.). Money laundering must be combated. Conflicts of interest must be avoided. If a personal interest or conflict of interest exists, this must be disclosed. There will be no disadvantages to the disclosing person.

All companies of FERCHAU Group and their suppliers are aware of their corporate ethical responsibility and actively comply with all legal disclosure requirements for corporate accounting. Furthermore, we disclose financial and non-financial information in accordance with applicable laws.

We also expect our suppliers to take action against all forms of corruption and not to be involved in unfair competition. Our suppliers may neither bribe nor blackmail third parties, nor accept bribes themselves. They must not participate in price rigging with competitors or other agreements of a similar nature.

We expect our suppliers to disclose conflicts of interest and combat money laundering. Our suppliers are required to face up to their financial responsibility and maintain documents in accordance with applicable law and generally accepted accounting principles.

In addition to this we expect our suppliers to disclose financial and non-financial information in accordance with applicable laws.

Principle 9: Protection of intellectual Property and Prevention of the Placing on the Market of Counterfeit Parts

The FERCHAU Group protects the intellectual property of customers and employees through appropriate technical and organizational measures.

Internal regulations prevent counterfeit parts from being put into circulation. These regulations of protection of intellectual property and prevention of the placing of counterfeit parts on the market must also be guaranteed by suppliers.

Principle 10: Compliance with the Requirements of data Protection and information security

The FERCHAU Group ensures that the processing of personal data complies with the currently valid data protection requirements and rules.

Furthermore, the FERCHAU Group ensures that the information security requirements for processing information from its customers, suppliers and employees are met.

We expect our suppliers to follow these regulations of data protection and information security.

Principle 11: Conflict Minerals and the supply Chain due diligence Act

The supplier has to inform the FERCHAU Group as soon

as he receives any indications or documents (e.g., CRMT or a smelter list) by his sub-suppliers on so-called conflict minerals. He has to provide this information unsolicited. The supplier must comply with all applicable laws and regulations (e.g., EU Conflict Minerals Regulation) on conflict minerals. In addition to this, the supplier must establish a policy to reasonably ensure that conflict minerals (including tin, tungsten, tantalum and gold) which are part of or processed in his manufactured products do not directly or indirectly finance or favor armed Groups that severely violate human rights.

The FERCHAU Group expects that the prohibitions from the Supply Chain Due Diligence Act Art. 2 (2 and 3) will not be violated by the supplier. Of course, the FERCHAU Group also complies with these prohibitions. In addition, the FERCHAU Group expects its suppliers to inform the FERCHAU Group about significant human rights or environmental risks that affect the FERCHAU Group's supply chain. This applies to risks in the FERCHAU Group supplier's own business area as well as in his supply chain.

As a company, we declare our willingness to instruct our suppliers regarding our human rights and environmental expectations. The training serves as a supportive offer. Suppliers are obliged to comply with our principles even if they do not participate in this training.

General requirements

This Code of Conduct defines the minimum standards recognized by all companies within the FERCHAU Group and to which all FERCHAU Group suppliers are expected to adhere. We regard the definition and implementation of this Code of Conduct to be integral part of our socially and ecologically responsible corporate governance.

It is also an opportunity for us to support the sustainable development of our company in the long term. It is therefore our concern to continuously improve the implementation of the standards set out in our daily work.

It is understood that in all activities, national legislation, rules and regulations as well as customs and export regulations are respected. In this context, we pay particular attention to international legal requirements and restrictions on export control and export restriction of security-related services and goods. The FERCHAU Group requires compliance with applicable export controls and economic sanctions from the supplier.

Compliance with the FERCHAU Group Code of Conduct

The FERCHAU Group is entitled to carry out on-site visits as well as to carry out audits at the supplier's premises in order to ascertain, if necessary, Supplier's and its sub-suppliers' compliance with the expectations/obligations resulting from this Code of Conduct.

The FERCHAU Group will in accordance with the provisions of the Supply Chain Diligence Act (LkSG) conduct periodic and event-related risk analyses with regard to the supplier. If this results in additional expectations to be fulfilled by the supplier, in order to achieve the protection objectives of the LkSG, the FERCHAU Group shares this in writing with the supplier. The supplier must adhere to these expectations within a reasonable period of time. Starting with the receipt of the communication.

We take consequent action in case of legal violations or non-observance of the standards set here. This includes taking measures under labour law and the termination of business relationships.

Contact

If you have any questions regarding the topic of Sustainability and the Code of Conduct please feel free to contact the Corporate Social Responsibility Officer at all times at csr@ferchau.com.

Complaint mechanism and whistleblower policy

Indications of possible violations of laws or the Code of Conduct can be reported via the company-independent email address csr-ferchau@outlook.de, by telephone at **+49 174 1689226**, in person by appointment at the **office of the CSR Officer** at FERCHAU Management GmbH, Steinmüllerallee 2, 51643 Gummersbach or by post marked „personal/confidential“ to: CSR Officer, FERCHAU Management GmbH, Steinmüllerallee 2, 51643 Gummersbach.

The anonymity of the whistleblower and confidentiality are guaranteed under all circumstances. Any whistleblower will be protected from retaliation or reprisal.