



CODE OF CONDUCT

SH Werk GmbH



Management
System
ISO 9001:2015
ISO 14001:2015

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Umwelt-
management
ISO 14001:2015

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FOREWORD FROM THE MANAGEMENT

SH Werk GmbH (SH) is one of Europe's leading manufacturers of products made from specialty foams. SH operates internationally, and our employees come from a wide range of cultural backgrounds.

Against this backdrop, we consider it essential to establish a shared system of values and principles through this Code of Conduct to serve as a guideline for the behaviour of all employees.

In addition to the ethical standards we set for ourselves, this Code of Conduct expresses our commitment to complying with all applicable laws and regulations governing our business activities, both domestically and internationally. The policies that further define and supplement this Code of Conduct are available to all employees via our intranet.

As the Management of SH, we will assume a leading role in promoting these values and ensuring the consistent implementation of the principles set out in this Code.

This Code of Conduct is intended to define and establish the minimum standards that apply throughout the company while demonstrating the social responsibility of our globally operating business.

However, it cannot address every situation that may arise in everyday business. Instead, the Code of Conduct serves as a practical guide to help all employees – regardless of their position or area of responsibility – make the right decisions and act with integrity.

We ask you to make the following principles the standard for your actions so that we can continue to uphold the excellent reputation of our company and the quality of our products and services.

The implementation of this Code of Conduct is supported by our Compliance Officer, Mr Jochen Remmert, who acts on behalf of the Management. Whenever you are uncertain whether a particular course of action complies with the law or with this Code, he is available to provide guidance. All enquiries will, as a matter of principle, be treated confidentially. However, any concerns or questions should generally first be discussed with your direct supervisor and, where possible, resolved at that level.

We kindly ask for your active support in implementing and upholding this Code of Conduct.



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PREAMBLE

As an internationally operating company, SH respects the interests of its various stakeholders, including employees, customers, suppliers and shareholders. In doing so, SH operates within a wide range of social, political and legal frameworks, both domestically and internationally. Even seemingly minor violations of laws or regulations by employees, managers or members of the company's governing bodies can significantly damage the company's reputation and result in substantial financial and commercial harm.

- SH establishes clear rules of conduct for interactions with business partners, employees, competitors, governments and public authorities.
- SH is committed to respecting internationally recognised human rights, safeguarding the health and safety of its employees, and promoting a culture of mutual respect, equal opportunity and fair employment practices.
- SH maintains internal control systems designed to protect the company and to ensure compliance with applicable laws, regulations and internal policies.
- SH is committed to the continuous improvement of its products and services and actively promotes sustainable environmental protection.
- SH has zero tolerance for discrimination, exploitative working conditions and corruption.
- Managers, together with the contacts named in the Foreword, are available to provide guidance, answer questions and explain the potential consequences of non-compliance with this Code of Conduct.



I. COMPLIANCE WITH APPLICABLE LAWS

Compliance with all applicable laws and regulations is the fundamental basis of all activities carried out by SH.

This Code of Conduct cannot cover every legal requirement that applies to SH's governing bodies and employees. Instead, it sets out the key principles that guide the responsible conduct of SH, its employees and its corporate bodies.

All employees and members of SH's governing bodies are expected to familiarise themselves with the laws and regulations relevant to their area of responsibility. Whenever uncertainty arises, they must seek advice from the appropriate internal contacts within SH.

II. FAIR AND FREE COMPETITION

SH is committed to promoting fair and open competition. The company competes on the basis of performance, customer focus and the quality of its products. It complies with all applicable competition and antitrust laws, legislation protecting intellectual property rights—particularly the intellectual property rights of third parties—as well as laws prohibiting unfair competition. SH expects the same commitment from its competitors, customers and suppliers.

Every employee and member of SH's governing bodies must understand that violations of competition law are never in the company's interest and are therefore strictly prohibited. The same principle applies to compliance with intellectual property laws and, in particular, to respecting the intellectual property rights of third parties.

III. ANTI-CORRUPTION

SH maintains a zero-tolerance approach to corruption in all business activities. This applies equally to dealings with public officials, representatives of government and the judiciary, as well as with employees and representatives of other companies. In connection with SH's business activities, no personal benefit may be offered, promised or granted to employees or representatives of other companies or to public officials in exchange for preferential treatment.

Employees and members of SH's governing bodies must not accept bribes or derive any personal benefit from their position other than the remuneration paid by the company. Accordingly, they must not accept gifts (other than customary promotional items), invitations that exceed normal business hospitality (such as holiday trips), or any other direct or indirect personal benefits. Likewise, they must not offer or grant such benefits to competitors, consultants, customers, suppliers, service providers or any other business partners of SH.



IV. CONFLICTS OF INTEREST

All employees and members of SH's governing bodies have a duty to avoid conflicts of interest between their personal interests—whether direct or indirect, including those of closely related individuals or affiliated businesses—and the interests of SH.

Avoiding conflicts of interest also requires employees and members of SH's governing bodies to refrain from creating even the appearance of preferential treatment arising from personal relationships with competitors, consultants, customers, suppliers, service providers or any other business partners of SH.

Whenever a potential conflict of interest arises or there is any uncertainty, the matter must be disclosed to the relevant supervisor, and the opinion of the Management or its authorised representatives must be obtained. In all cases, the interests of SH shall take precedence.

V. INTERNATIONAL TRADE

SH complies with all applicable laws and regulations governing international trade relating to its products and services. Accordingly, the company observes all export and import restrictions, trade sanctions, licensing requirements and other regulatory obligations arising under applicable national and international law.

VI. FAIR WORKING CONDITIONS

The business success of SH depends to a large extent on its employees. The company is therefore committed to the principles of social responsibility and recognises that fair working conditions are essential to sustainable business success.

SH does not tolerate any form of discrimination against employees based on gender, sexual orientation, ethnic or social origin, skin colour, or any other protected personal characteristic.

SH considers it its responsibility to be a fair and socially responsible employer and to treat all employees with dignity, respect and fairness. This includes full compliance with all applicable occupational health and safety regulations to ensure a safe working environment.

SH also expects all employees to treat one another with respect. Personal insults, bullying, harassment and sexual harassment will not be tolerated.



VII. ACCURATE AND TRANSPARENT REPORTING

Honest and transparent reporting is essential to SH, both within the company and in its communications with external stakeholders. All employees and members of SH's governing bodies are therefore required to ensure that internal reporting is accurate, truthful, timely and conducted in good faith.

Employees and members of SH who communicate with external parties, such as public authorities or the media, are expected to uphold the same principles. Compliance with these standards is essential to maintaining SH's credibility and reputation with regulators, business partners and the wider public.

VIII. SAFETY AND ENVIRONMENTAL PROTECTION

The Management and all employees share responsibility for maintaining a safe and healthy working environment. Strict compliance with all applicable health and safety regulations, policies and working practices is an essential requirement. Employees are required to report any violations of these principles without delay, and any identified deficiencies or unsafe conditions must be remedied immediately.

SH is committed to continuously developing innovative, high-quality products for its customers. Product safety is a key priority throughout this process.

SH actively supports sustainable business practices and works closely with customers and suppliers to promote sustainability across the value chain. This includes, in particular, the sourcing and manufacture of raw materials and semi-finished products, as well as the responsible use and application of our products.

IX. CONFIDENTIALITY

The knowledge and information acquired by employees and bodies at SH, or in the course of their work for SH, are a key factor in the company's commercial success. SH invests considerable human and financial resources in the development of innovative products and in the expertise of its employees and suppliers. Protecting the innovations developed in this way ensures SH's competitive success; they are therefore an asset particularly worthy of protection.

All employees and officers of SH are obliged to prevent this knowledge and information, which constitutes trade or business secrets, from becoming known outside SH, e.g. through the unauthorised disclosure of sensitive data in conversation with others. Furthermore, any employee dealing with such knowledge and information should ascertain to what extent the acquisition of industrial property rights for this knowledge and information may be considered.

Trade or business secrets belonging to SH's business partners must also be protected from unauthorised disclosure.



X. DATA PROTECTION

Respect for the privacy and personal rights of our employees includes the protection of their personal data. SH is committed to complying with all applicable data protection laws and regulations and expects the same commitment from all employees.

XI. INTERNAL ORGANISATION FOR COMPLIANCE WITH THE CODE OF CONDUCT AND ITS IMPLEMENTATION

Managers are called upon to actively promote the implementation of this policy. This includes ensuring that all staff under their supervision are familiar with the policy and are therefore able to put it into practice and comply with it. Managers must also ensure, through careful and ongoing monitoring, that the Code of Conduct is adhered to and implemented in the company's day-to-day operations.

All SH staff must be aware that breaches of the Code of Conduct will not be tolerated under any circumstances and may, depending on the severity of the breach, result in disciplinary or employment-related consequences.

If an employee has grounds to suspect a possible breach of the Code of Conduct by themselves or by another employee, these matters should also be clarified initially within the relevant work environment.

If this is not possible or does not appear appropriate in the circumstances, any employee may contact the Compliance Officer, who is responsible for monitoring the principles set out in this Code of Conduct. Every question, report and suggestion will be treated in strict confidence and dealt with in the manner required by the specific matter.

Upon request, the employee will be informed of how their communication has been handled and whether, and if so what, measures have been taken.

No employee need fear any adverse consequences as a result of contacting their local point of contact or the central HR department.

XII. CONTACT DETAILS OF THE COMPLIANCE OFFICER

If you have any questions regarding this Code of Conduct, please contact:

Jochen Remmert

Compliance Officer

E-mail: remmert@sh-werk-gmbh.de

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