



**Bare, tinned, silvered and nickel-plated**  
We are your producer of high-quality copper wire products

# Our Code Of Conduct

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**For Sustainable Success**

## Preface of the Managing Directors

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Dear employees,  
dear business partners !



**Christof Barklage**



**Fatmir Veselaj**

At Lacroix + Kress we take responsibility towards our shareholder, our employees, our partners and the general public. It is obvious for us that this responsibility contains the compliance with all laws and regulations. This applies anytime and anywhere. In addition, we always treat third parties fairly and with respect. We all live up to this responsibility and will continue to do so in the future.

Each of us shares responsibility for acting with integrity at Lacroix + Kress. We treat each other and third parties openly and respectfully. Together we make our contribution to a healthy organization and sustainable success. The Code of Conduct is an integral part of our corporate culture. It should help us to live up to our responsibility. Based on our vision and our values, it describes how our values affect our daily actions.

## Sustainability

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Sustainable action and management are an integral part of our corporate philosophy. For us, sustainability is inextricably linked to economic success. That is why we have anchored all aspects of sustainability in our daily actions. This concerns the protection of the environment, our social obligation and compliance with our company guidelines, embedded in the group structure of our shareholder Mutares.

Environmental, Social, Governance → ESG.

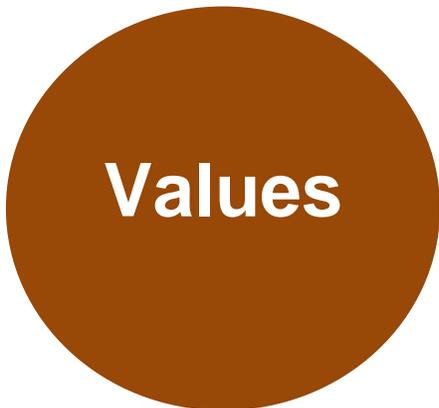
ESG goes beyond environmentally friendly measures and also includes social aspects and principles of good corporate governance. In order to future-proof our business, we aim to take a long-term approach to managing our businesses.

## Our Values

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The values lived by Lacroix + Kress were developed together with the company's management team. These values form the framework for our management principles and guidelines.

We live:

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- **Honesty**
  - **Trust**
  - **Sustainability**
  - **Empathy**
  - **Reliability**
  - **Credibility**
  - **Tolerance**
  - **Appreciation**

## Our Management Principles And Guidelines

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The management principles and guidelines developed jointly on the basis of our values are grouped into 3 major thematic blocks:

### Leadership Behavior

### Cooperation

### Employee Development

#### Leadership Behavior

- Taking responsibility
- Motivate and engage employees
- Making decisions
- Creating changes
- Be a role model and show competence
- Keep promises
- Treat each other fairly
- Allow emotions



#### Cooperation

- Define goals and rules
- Build mutual trust
- Open discussions
- Inform and communicate
- Giving and receiving feedback
- Show consistency and maintain the ability to reach consensus
- Finding new ways
- Allow change



#### Employee Development



- Taking up perspectives
- Agree on personal goals
- Delegate responsibility
- Grant decision-making leeway
- Demand responsibility
- Provide time and resources

We recognize **people** as the focus and therefore as the key to success!

# We Obey The Law

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## **We Obey The Law**

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### **Foreword**

Lacroix + Kress expects all employees to act in accordance with this code of conduct. Violations of behavioral requirements, legal regulations or internal guidelines and regulations can have serious consequences not only for an individual but also for our company as a whole. For this reason, Lacroix + Kress will follow up on indications of violations of this code of conduct. Any misconduct will be consistently sanctioned within the framework of the legal provisions, without exception and regardless of the rank and position of the persons involved or affected.

In order to develop an awareness of pointing out misconduct and violations, Lacroix + Kress creates a corporate culture that makes it possible to address indications of misconduct without having to fear negative consequences. The "whistle blower procedure" should be mentioned here in particular.

## We Obey the Law

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### Protection of Assets

We protect the tangible and intangible assets of Lacroix + Kress and respect them with third parties. We reject any form of extortion, fraud, theft, or embezzlement, regardless of whether company assets (e.g. work equipment, IT equipment) or third-party assets are affected. The private use of company property is only permitted if individual, collective or company regulations - or company practice - provide for this. We expect all employees to observe this in their everyday work.

**Example 1:** You want to work with a consultant or agency on a project. During your research, you remember that a former colleague has set up his own business and ask him to make an offer. The quoted price seems relatively high at first glance, but you want to move forward with the order. In addition, you know the provider from before, so the price will be right.

**Recommendation:** Even if you know the provider, it is worth inquiring about other providers in the interest of Lacroix + Kress in order to be able to save costs if possible. In addition, the potential conflict of interest should be disclosed and the decision on the assignment should be left to the supervisor.

**Example 2:** When you take inventory, you notice that the quantities of raw materials ordered and consumed do not quite match. When you ask a local colleague, you get the information that employees in production usually take scrap metal with them for their own use.

**Recommendation:** Company property may not be used privately. Work products, including rejects and raw materials, are becoming increasingly valuable. Opportunities should be examined to continue using such assets in the course of operations and the further procedure should be discussed with the supervisor.

## We Obey The Law

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### Accounting and Financial Reporting Rules

We are committed to keeping accurate accounts, maintaining accurate records

and maintaining an internal control system. In addition, we conduct our financial reporting and our other businesses with integrity and transparency. We prepare our periodic financial statements in accordance with the applicable national and international accounting regulations and in consultation with our shareholder.

**Example:** Shortly before the end of the quarter, a major repair on a machine became necessary. The cost of this urgently needed and undoubtedly sensible measure would jeopardize the overall achievement of the quarterly targets. A colleague wonders whether the expenses might not be posted until next week, after the cut-off date for the quarterly financial statements.

**Recommendation:** Such actions must be avoided at all costs. Business transactions must always be fully and correctly documented. Misrepresentation of facts in our accounts can have serious consequences for Lacroix + Kress, our shareholder, and the responsible employees.

## We Obey The Law

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### Competition and Antitrust Laws

Lacroix + Kress and all employees are committed to fair competition in all business relationships. We ensure that no agreements that restrict competition or are relevant under antitrust law (e.g. on prices or markets) are made in the course of our business activities. We comply with applicable competition and antitrust laws and avoid improper restraints of competition in our dealings with competitors, customers or suppliers. Employees who are particularly confronted with these issues through their work (e.g. in sales or purchasing) must familiarize themselves with the applicable competition and antitrust laws in detail.

**Example:** Obviously, a customer accidentally sends you a detailed overview of the offers of all competitors for a product that Lacroix + Kress also offers, intended for customer-internal use.

**Recommendation:** Under no circumstances pass on the information to other colleagues. Contact the Compliance Officer to discuss how to proceed. If in doubt, you should delete the information and inform the sender that you may

have received the information in error but will not use it.

## We Obey The Law

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### Tax and Customs Laws

We are aware of our legal obligation to comply with tax and duty obligations. Every responsible employee must therefore ensure that the taxes and customs duties to be paid by Lacroix + Kress are determined, recorded, reported if necessary and paid to the responsible tax authorities completely, correctly and on time.

**Example:** You receive a call for help from a customer outside of Europe. A technician is urgently needed. Unfortunately, the customer does not have the required tool at the production site either. A flight is booked and the technician takes the tool (worth approx. EUR 15,000) with her in her suitcase, it has to be done quickly.

**Recommendation:** The technician must register the tool upon entry and pay any customs duties. If there is no expert available to help with the preparation of the import documents, the tool should be sent by a freight forwarder who will also take care of the correct customs clearance.

## We Obey The Law

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### Prevention of Money Laundering and Terrorist Financing

We comply with applicable regulations to prevent money laundering and terrorist financing. Money laundering occurs when funds, assets or substitutes for such assets derived from crime are brought into the legal economy.

Terrorist financing occurs when funds or other assets are provided in support of terrorist targets or organizations.

**Example 1:** You support the finance team in accounting. When reviewing the incoming payments, you find out that the customer did not initiate the payments to Lacroix + Kress himself, but that the payment came from a company you did

not know with no obvious connection to the contractual partner.

**Recommendation:** Payments from unknown third parties can be a warning sign of a money laundering risk. The money should not simply be booked, but initially considered separately. Ask the contractor for more information about this company and an explanation of how it relates to our contractor. Talk to your supervisor and, if necessary, the Compliance Office and/or the management about the process in order to define further measures if necessary.

**Example 2:** You support the finance team in accounting. When reviewing the payouts of the past week, you notice three recurring payments to the same recipient with the same posting text and the same amount.

**Recommendation:** Splitting a high amount into smaller parts could be an attempt to circumvent actually applicable transparency requirements for large payments. Talk to your supervisor and, if necessary, the compliance officer and/or management about the process in order to define any necessary measures.

## We Obey The Law

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### Export Control and Sanctions

Certain goods, services and information are restricted for export to or import from certain countries. As part of international business transactions, we comply with all export control requirements and, in the case of cross-border issues, conscientiously check whether export control restrictions apply to goods, services or information.

In addition, countries or potential business partners (companies and individuals) could be on embargo or sanctions lists. Before entering into any business, we ensure that there will be no violation of sanctions when conducting the business.

Business with sanctioned individuals and countries or goods and services regulated by export control law can have serious consequences for Lacroix + Kress and the responsible employees.

**Example:** You are involved in negotiations with a promising new supplier. Up to

now, the negotiations have only taken place via the sales team of the potential supplier. In response to repeated requests, the name of a company based in Liechtenstein was given as the contractual partner. When checking, you will find that it is a shell company.

**Recommendation:** According to the "Know Your Partner" principle, we are obliged to know the identity of our contractual partner. Without actual knowledge of the identity of the beneficial owner of our contractual partner, there is a risk of doing business with someone who is on a sanctions list. Immediately inform your supervisor and, if necessary, the compliance officer and/or management.

## **We Obey The Law**

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### **Employment Relationship Laws**

Respect for and compliance with human rights and the protection of health and the environment are essential components of our corporate responsibility. We strictly reject any form of forced or child labor.

We recognize the right of all employees to form trade unions and employee representative bodies on a democratic basis within the framework of national regulations. The right to fair remuneration is recognized for all employees. The remuneration and other benefits correspond at least to the national and local legal standards or the level of the national economic sectors and regions.

We offer equal opportunities for all and prevent discrimination when hiring employees and when promoting or granting training and further education measures.

We treat everyone fairly and with dignity. We treat each other with respect and trust. We create a work environment free from discrimination and harassment. We treat all employees equally, regardless of gender, age, skin color, culture, ethnic origin, sexual identity, disability, religion or belief. Everyone is called upon to comply with these standards of conduct at all times.

**Example:** You are in a meeting where a younger colleague cannot directly answer the senior manager's questions. The supervisor rudely snaps at the colleague with reference to "this stupid generation that can't handle anything".

**Recommendation:** Depending on the situation, you should ask everyone present to calm down and focus on the matter at hand. If necessary, speak to the older colleague privately after the appointment and give open feedback on their behavior. If you feel unable to confront the colleague yourself, you can discuss the process with your supervisor or HR if necessary. You could also report the process anonymously to our whistleblower hotline.

## **We Obey The Law**

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### **Occupational Health and Safety, Environmental Laws and other Regulations**

We are committed to creating a healthy and safe work environment. Each and every one of us must adhere to the applicable safety standards. We give safety in the workplace a high priority and strive for a zero accident rate. Pollution must be avoided or reduced as much as possible. We strive to improve environmental protection as part of our business activities, to minimize our resource consumption (in terms of energy, water, etc.) and to conserve natural resources.

## **We Obey The Law**

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### **Political Commitment**

All employees can get involved politically and socially in their free time within the scope of the given possibilities. As a company, we value political neutrality and therefore do not make any financial contributions such as donations or sponsorship measures with political objectives. This means that we do not make any donations or similar contributions to political parties, party-like organizations, individual elected representatives, or candidates for political office in Germany or abroad.

## **We Obey The Law**

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## Corruption and Bribery

We condemn all forms of corruption and bribery, whether active or passive, direct or indirect. We do not offer or grant any personal benefits to representatives or employees of other companies or public administrations in connection with official activities. In particular, we only grant gifts or invitations of an appropriate form and amount. We also do not accept any personal benefits in connection with our business activities for Lacroix + Kress, in particular no gifts or invitations of an inappropriate form or amount. Even the appearance of corruption and bribery must be avoided at all costs.

**Example 1:** The law firm that supports us in a business transaction invites you to dinner together. When you take a closer look at the invitation, you realize that it is a very expensive 3-star restaurant.

**Recommendation:** You should decline the invitation and discuss the situation and how to proceed with the Compliance Officer and/or management.

**Example 2:** You support the finance team in accounting. When reviewing the payouts, you notice the payment of a higher amount to an advisor you do not know. From your point of view, the invoice stored with the payment documents does not contain any conclusive proof of activity that would justify a payment of this amount. You ask the responsible colleague for further information and documents. No further documents on the business relationship can be found and the colleagues only refer to the good relationship that the consultant maintains with the customer.

**Recommendation:** Question the business relationship and the services provided by the consultant. If necessary, have them explain how the business relationship with the consultant was initiated. Discuss the matter with the compliance officer and/or management if you still have doubts about the legitimacy of the payment or the business relationship as a whole.

## We Obey The Law

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### Dealing with Conflicts of Interest

We communicate honestly and transparently. We disclose potential or actual conflicts of interest in the workplace in a timely manner for review and definition of necessary actions. A conflict of interest exists when an employee's private interest could collide with the interests of Lacroix + Kress. This can also mean that a life partner or close relative has conflicting interests, for example working in a responsible position for a competitor.

Business decisions should only be made on the basis of objective business criteria and not under the potential influence of personal interests or relationships.

**Example:** You are working on a potential new customer when you realize that a competitor is being advised by your partner.

**Recommendation:** Discuss the situation with your supervisor and the Compliance Officer. Together you should define the situation and any necessary measures.

## **We Obey The Law**

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### **Handling Confidential Information**

We protect confidential information from unauthorized disclosure and use. We only use sensitive or confidential data, information and documents from Lacroix + Kress or third parties in connection with our professional tasks. We also take into account any usage restrictions imposed by the owner of the information.

Employees will not disclose confidential information to third parties unless they have express permission for such disclosure from Lacroix + Kress management or a clear legal obligation to do so.

Inquiries from media representatives must always be referred to management.

**Example:** You receive an email from a business partner. Attached is a document with highly interesting information from a potential supplier. At first glance, you

won't see any confidentiality markings on the document. However, the quality of the information contained leads you to assume that it is a matter of business secrets of the potential supplier.

**Recommendation:** Do not forward the information to other colleagues. Ask the business contact to explain where and for what purpose they obtained this information. If in doubt, contact the compliance officer and/or management to discuss how to proceed and any next steps that may be required.

## We Obey The Law

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### Handling of Personal Data

We respect the privacy of our employees and business partners. We therefore protect the personal data of employees and third parties. Therefore, we collect, store, use and transmit personal data and information only in accordance with the applicable laws and guidelines. We note that the collection, storage, processing and other use of personal data may only take place with the consent of the person concerned or on the basis of a contractual or legal basis. We will keep such information confidential both during and after our employment with Lacroix + Kress.

**Example:** There is a vacancy in your team and you have already received some promising applications. After you have conducted a few interviews, you decide on a candidate. She happily accepts the offer. You consider keeping the CV and contact details of the second-best applicant so that you can contact them if there is another vacancy to be filled.

**Recommendation:** The CV and contact details of applicants are personal data that we may only store, use, transmit or process in any other way only for the intended purpose. In the case of application documents, the purpose is solely the application itself. As soon as we have decided on another candidate, the purpose no longer applies and the personal information of the other applicants is no longer required. They must therefore be deleted. Alternatively, you would have to ask the applicant for permission to keep their data for a certain period of time, for example. If in doubt, you should involve the Compliance Office and, if necessary, ask the Lacroix + Kress data protection officer for support.

## **We Obey The Law**

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### **Dealing with each other and with our Business Partners**

We always behave fairly and treat each other and others with integrity and respect.

We do not tolerate any form of bullying, coercion or other harassment. Neither on a sexual nor on a physical, psychological or other level. Lacroix + Kress is committed to granting all qualified employees and applicants equal professional opportunities.

All employees must comply with all laws and regulations that prohibit discrimination based on age, physical appearance, gender, race, national origin, religion, medical condition, disability, marital status, sexual orientation, political or philosophical beliefs, union membership or other Laws and regulations prohibit protected features.

If any form of abuse or harassment is observed or suffered, this can be reported to Human Resources Management or via the Whistle Blower Hotline. Employees are not disadvantaged if such reports are made in good faith.

We expect our business partners to comply with applicable laws. Suppliers must observe the principles of fair competition.

Respect for others means respect for their dignity and personal integrity, their self-esteem, their property and their contribution to the overall success of Lacroix + Kress.

We protect the reputation of our company in our public statements. We conduct our business responsibly and do not engage in practices that damage Lacroix + Kress' reputation or are contrary to our values.

We meet the highest standards of ethics and integrity in the performance of our work. Even when doing something that is lawful or not regulated by law, we

always ensure that our actions are honest and ethical. Lacroix + Kress assets may only be used for their intended business purposes and not for improper personal, illegal or other unauthorized purposes.

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