
 <p>SERONG FALTSCACHTELWERK</p>	<p align="center">Code of Conduct for sustainable corporate governance</p>	
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Dear Employee,
dear Business Partner,

This brochure describes and explains the Code of Conduct at

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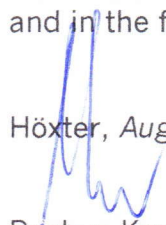
In addition to legal requirements and standards, the rules of conduct are also subject to a voluntary commitment.

Our Code of Conduct focuses on and continuously enables protection against breaches of the law, criminal acts and unethical behaviour, *and encompasses sustainable corporate governance.*

At the same time, we expect all our business partners to fully accept the "Code of Conduct for Sustainable Corporate Management" that we have defined. We expect not only a realization of the general business principles, but also fair competition, labour and social standards, environmental protection, *energy efficiency* and product safety for a trusting business relationship.

With responsible management that focuses on long-term value creation, economic success, *ecological* and social responsibility and environmental protection are possible. Only then can we honour *our responsibility to nature and resources* and meet the demands of our society today and in the future.

Höxter, August 31, 2023



Rochus Kramer
(Director)





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1. Definitions

1.1 Corporate Social Responsibility (CSR)

is often also referred to as social responsibility. One element of this is the Code of Conduct.

1.2 Code of Conduct

covers the rules of good conduct in the company. It contains the essential values and fundamental beliefs. Compliance with the Code of Conduct is a voluntary commitment on the part of the company. The Code of Conduct is based on the company's principles and visions and creates the basis for further concrete guidelines and regulations.

1.3 Compliance = adherence

1.4 Supply chain management = in-house and along the supply chain

1.5 KPIs = Key figures of corporate management

2. International codes and agreements

2.1 Principles of the Universal Declaration of Human Rights of the United Nations (UN)

2.2 United Nations Global Compact

(Code of Conduct for a Globalized Economy)

2.3 OECD Guidelines for Multinational Enterprises

2.4 Core labour standards of the International Labor Organization (ILO)

2.5 Code of the international Business Social Compliance Initiative (BSCI)

2.6 UN Convention on the Rights of the Child

2.7 UN Convention on the Elimination of All Forms of Discrimination against Women

2.8 International Trade: Specifications Business Social Compliance Initiative (BSCI)

2.9 Procurement, Supply Chain Management and Logistics: Code of Conduct of the German Association of Supply Chain Management, Procurement and Logistics (BME e. V.)

2.10 Federal Data Protection Act (BDSG)

2.11 General Data Protection Regulation (GDPR)

2.12 Supply Chain Due Dilligence Act (LkSG)

2.13 Minimum Wage Act (MiLoG)

2.14 General Equal Treatment Act (AGG)

2.15 Whistleblower Protection Act (HinSchG)

2.16 Commercial Waste Ordinance (GewAbfV)

3. Social responsibility



3.1 Human rights - child and forced labour

There is an obligation to adhere to internationally recognized human rights; these are to be respected and warranted as a matter of principle. Child and forced labour must be strictly rejected in any form.

3.2 Occupational safety and health protection

Health and safety-at-work processes that are consistently applied and verified are the basis for all business processes. Any need for improvement can be identified, in addition to internal and



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external procedures, via the company suggestion scheme, see form "Internal error message". In addition to the legal requirements, aspects relating to safety, health, hygiene and energy must be observed as a matter of principle. Their implementation is expected from all business partners.

3.3 Fair remuneration

The remuneration for regular working hours and overtime must correspond to the national statutory minimum wage or the minimum standards customary in the industry, whichever is higher. In any case, the remuneration for overtime must exceed the remuneration for regular hours. Insofar as the remuneration is not sufficient to cover the costs of ordinary living and to build up a minimum level of reserves, the remuneration must be increased accordingly. Employees must receive all the benefits prescribed by law. Payroll deductions as a penalty are not permitted. It must be ensured that employees receive clear, detailed and regular written information on the composition of their remuneration.

3.4 Fair and flexible working hours

Work hours must comply with applicable laws or industry standards. Overtime is permitted only if it is performed on a voluntary basis and does not exceed 12 hours per week, while employees must be granted at least one day off after six consecutive working days. The customary weekly working time must not exceed 48 hours.

Taking into account operational requirements, flexible working hours and options must focus on the interests of employees to ensure a proper balance of work and family life.

3.5 Freedom of association

The right of employees to form and join organizations of their choice, to collective bargaining and to strike must be respected. In cases where freedom of association and the right to collective bargaining are restricted by law, alternative means of independent and free association of employees shall be provided. Employee representatives must be protected against discrimination. Employees shall not be discriminated against because they have formed, joined or are a member of such an organization. Workers' representatives shall be granted free access to the workplaces of their colleagues to ensure that they can exercise their rights in a lawful and peaceful manner.



3.6 Prohibition of discrimination

Discrimination, unequal treatment of employees, in any form, is inadmissible, unless it is justified by the requirements of such activity. This applies, for example, to discrimination on the basis of gender, race, caste, national, ethnic or social origin, skin colour, disability, health status, political conviction, origin, ideology, religion, age, pregnancy or sexual orientation. The personal dignity, privacy and personal rights of each individual are respected; for details, see the General Equal Treatment Act (AGG).

3.7 Complaint management - reporting incidents

Informants must be able to report possible violations of laws or internal standards without fear of reprisals via a company reporting system; the legal basis for this is the Whistleblower Protection Act



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(HinSchG), through which Germany has implemented the EU Whistleblower Directive. The Act is meant to protect whistleblowers in companies when reporting certain violations and provide a transparent framework for the processes surrounding whistleblowing.

3.8 Guidance for conflict-prone decisions

In case of doubt, the following questions must be answered by the decision-makers internally or even externally (business partner, public) with “yes”. Only then will practice be in accordance with the Code of Conduct.

- Is my decision lawful, ethically correct, and in line with the vision, values, and rules of the company and/or the business partner?
- Can I make the decision in line with the company's or business partner's objectives and free from other interests?
- Is the decision consistent with my own values and conscience, can it stand up to third-party scrutiny, and does it set an example for others?
- Do I understand potential risks of my decision and will it protect the company's goodwill and reputation?

4. Ethical business conduct

4.1 Leadership and considerate interaction - compliance with ethical principles

We practice and also expect from our business partners a healthy corporate culture characterised by respect, trust, honesty and frankness. These ethical principles and values must be protected and communicated, while being implemented in our day-to-day business with business partners and employees.



4.2 Dealing with third parties - employees or business partners

no arrangements contrary to competition law.

To do business, you need partners. These exist both internally (employees) and externally (suppliers, cooperations, etc.). In doing so, the following must be ensured:

- Trust and respect: Amicable relations should be maintained internally and externally, for example in face-to-face conversations or when addressing someone personally in an e-mail.
- Communicating good news: Professional and personal reflection are part of the open corporate culture and enable growth both internally (employees) and externally (suppliers, cooperation partners).
- Positive error management: Handle errors in a transparent manner and analyse and define potential for improvement, so that errors are eliminated in a targeted manner by means of documented measures and effectiveness checks.
- Communicate on an equal footing: This is the basis for a trusting relationship with employees and also business partners.
- Illegal arrangements: This applies, for example, if at least two companies agree to submit a specific pre-arranged offer.



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4.3 Dealing with gifts and invitations - corruption

One needs to apply the standards of reason and/or assess the risk (issues related to accepting gifts and presents), hence limits do exist in this respect. Money gifts are taboo; Gifts in kind < 30 € may be accepted by a person. Anything exceeding this threshold requires consultation with the management.

4.4 Giving donations and decision on sponsorship

By and large, consider the following:

- Sponsoring decisions must be based on tangible criteria. The reasons for a decision must be plausible to provide transparency throughout the company. In addition to the social aspects of sponsorship, potential economic consequences for the company must not be overlooked.
- Limits must also be observed when inviting business partners beyond corporate boundaries. You should never be under the impression that a specific decision is meant to be bought from the recipient, in favour of the giver. For reasons of transparency and documentation, the invitation must be submitted to the management. Invitations or gifts should always be sent to the business address of the recipient.
- a) Internal Policy: Give gifts to business partners only upon consultation with the management; gifts or greetings at Christmas time are coordinated centrally as instructed by the management (attention: customer's own rules need to be observed, too).
- b) Internal Policy: Gifts in kind of less than 30 € from business partners may be accepted by a person. Any exceeding gifts or invitations must be submitted to the management; transparency is indicative for the legitimacy (decency) of an invitation, see section 4.3.

4.5 Handling of information (business secrets, sensitive data)



Many decision-makers are aware that they have to handle sensitive data with particular care. But "sensitive data" also has another meaning in every day's language.

Those seeking to express themselves in a legally correct manner should therefore speak of "special type of personal data". Ultimately, both stand for the same type of data (§ 3 (9) German Federal Data Protection Act, *BDSG*). In the event of misuse of these data, there is an above-average risk that the data subject's right to informational self-determination is affected. Therefore, the legislator has determined that special types of personal data must be awarded a higher level of protection. The details, among others on the basis of the GDPR, are available on our homepage at www.serong.de "Privacy". In addition, all employees are subject to the processing information and commitment declarations they have signed.

4.6 Economic activity in the global context - fair competition

Our focus should be on preserving our markets in the long term, i.e. conserving the markets for the benefit of all stakeholders. *The standards of fair business, fair advertising and fair competition must be observed. Terms and arrangements between customers and suppliers that aim at restricting customers' freedom to autonomously determine their prices and other conditions for resale are not allowed.*



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5. Environmental responsibility

5.1 Responsibility towards nature and resources - environmental protection

In this context we take into account sustainability in a wide variety of processes. In addition to a controlled approach to the use of materials, see also FSC®- or PEFC-certified raw material (cardboard), resource-conserving and energy-efficient production processes and efficient logistics must be taken into account. This also includes avoiding emissions and waste and increasing resource efficiency. We believe it is important to have a functioning management system that considers process control and risk analyses with comprehensible and transparent measures based on standards or similar mechanisms.

5.2 Handling waste and hazardous substances

Systematic disposal of all waste generated along the manufacturing chain is required on the basis of current legislation and guidelines for achieving waste management objectives (reuse and recycling of waste and thus also for resource conservation) in accordance with the type of waste generated or ensures the operational handling of the same in compliance with the law.

5.3 Handling energy consumption/efficiency

Energy consumption must be monitored and documented. Economically sound solutions must be found that improve energy efficiency and minimize energy consumption.

6. Economic responsibility

6.1 Holistic product stewardship



The products and integrated solutions must be tailored to the customer's needs, i.e. prior to production, they must be assessed in close consultation with the distributor for legal requirements, and possibly industry-specific and country-specific laws. Mutual support regarding the *creation of economic value must be a given. Product stewardship must be viewed holistically. These are the underlying principles:*

Ensure that products are developed, sourced, manufactured, stored, transported and used in a responsible manner.

Furthermore, we must continuously ensure protection of the environment, health and safety of employees during production.

In addition to manufacturing processes and labelling rules and regulations, the targeted use of raw materials and auxiliary materials must be assessed as specified by management. This requires transparent communication, also with the suppliers that are under the obligation to provide up-to-date verification of the quality and properties of the materials supplied.




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7. Implementation/basis for cooperation

7.1 Employees

Employees are informed about the existence of the company's Code of Conduct as part of our human resources policy. The requirements are communicated for the responsible employees by means of a letter of commitment, together with a documentation of acknowledgement.

7.2 Business partners

This Code of Conduct applies to all suppliers and service providers with whom we maintain a direct business relationship, i.e. their own employees must be aware of it and follow it accordingly. If a company has its own code of conduct, evidence of compliance must be provided upon request. We reserve the right to check, or have checked, the requirements defined by us on site if necessary. Non-compliance with the above obligations may be considered a violation of contract and may require further legal assessment, in which case we may grant our business partners the opportunity to apply appropriate remedies.

7.3 Information and communication

Our Code of Conduct can be found on the Internet at <http://www.serong.de> where it can be read, printed and forwarded to the relevant employees.