

# Code of Conduct of the Diamant-Gesellschaft Tesch GmbH

Preliminary remark on the language: In order to make it easier to read and to save resources, the genus masculinum is mostly used in this text. This only applies to the linguistic level and has no other meaning, neither biologically nor socially.

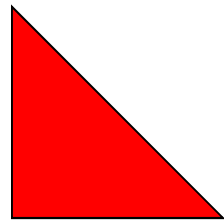
## Preamble

Diamant-Gesellschaft Tesch GmbH (Tesch) was founded in 1902 and has since grown as a family business from generation to generation. This successful company history is due to technical innovation and the motivation of the employees, but it is only possible because the company follows the meaning and the spirit of the laws of the state and the moral and ethical rules on which the laws are based from the very beginning.

We are convinced that all human beings are born equal and that it is human nature to treat one another as acting individuals with respect and regard. This includes passing our world on to the next generation in good shape.

Therefore, sustainability has always been an indispensable principle for Tesch.

In the recent past there have been incidents – not at Tesch – that show that sustainability cannot be taken for granted. In individual cases, short-term advantages for the respective company were achieved with unethical and also illegal actions. In the end, they paid dearly in money and loss of reputation.



**With this guideline, Tesch assures that the highest standards for responsible business operations - socially and environmentally conscious, sustainable action that complies with the law and, if possible, goes beyond it - are a core concern of the company. They are a central element of our self-image and a fundamental part of our corporate strategy.**

**In this guideline, Tesch defines the individual aspects of sustainable action.**

## **Jurisdictions to consider**

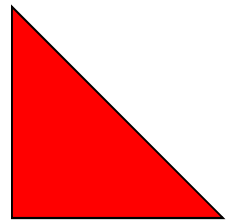
Tesch manufactures in the Federal Republic of Germany. All applicable laws and regulations of the United Nations, the European Union and the locally responsible authorities at federal, state and local level are therefore applicable and are of course observed. Tesch does business internationally. All applicable laws and regulations of all participating countries are observed. If a German regulation may have higher requirements than an international one, Tesch will always apply the German regulation.

## **Effectiveness and Enforcement**

This policy applies to all Tesch employees in all business activities. Tesch communicates this policy to all employees and expects them to make the content their own concern, comply with it and actively promote it, internally and in cooperation with business partners. The enforcement of this policy by all employees in the company is in line with the spirit of the management and is actively encouraged at all levels of the company.

We also have these expectations of our business partners. In particular, we require our suppliers to have the same expectations of their own suppliers.

Any suspicion of deviations from the policy must be reported to supervisors or management; the person who expresses this suspicion is never disadvantaged.



# Conduct with people

All people are born equal and the same rules apply to everyone. We do not differentiate between superiors, subordinates, employees, business partners, internal or external people.

## Human Rights

Of course, we observe internationally recognized human rights and ensure that they are protected.

## Open Door Policy

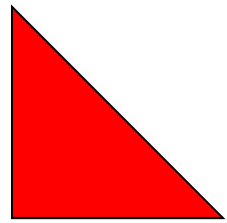
Every person in the company has the right to contact the management with any concerns they consider legitimate. Management will treat the concerns confidentially, listen to them, examine them and, if possible, respond to them in a helpful manner.

## Privacy

What is private is none of the company's business. People have the right to privacy and to protection against interference or disturbance with it, in accordance with the UN Declaration of Human Rights and local laws. We do not invade or interfere with people's privacy. We protect it as far as possible by treating personal data confidentially.

## Child Labor

We only employ people who have reached the minimum age required to do work according to the applicable national legislation. We observe and respect the rights of children. Local, or at least German, laws and regulations apply to the employment of young employees, and we comply with them.



## Forced Labor

Since all people are born equal, no one may force, enslave or sell their fellow human beings to work. We reject any kind of forced labor and respect the principle of freely chosen employment. Apart from that, the local laws apply - or at least the laws of the Federal Republic of Germany, if local laws are more generous - which criminalize any form of forced labour, slavery and human trafficking.

## Freedom of Association

We respect freedom of association and the right to form interest groups. Employees have the right to protect their interests based on national legislation.

## Prohibition of Discrimination

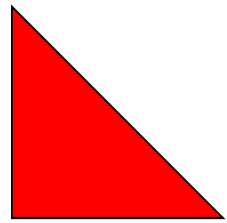
We do not tolerate any form of discrimination against people. This applies to discrimination, for example, based on gender, ethnicity, appearance, caste, skin color, disability, union membership, political beliefs, origin, religion, age, pregnancy or sexual orientation.

## Ethical Recruitment

Tesch hires without discrimination and without bias and treats every candidate equally with respect and honesty. Communication with applicants is transparent and open and includes the timely information of applicants about their status.

## Fair Working Conditions

Inspiring products require satisfied employees. Remuneration and social benefits at Tesch correspond at least to national and local legal standards, regulations or agreements such as the applicable collective agreements. The applicable regulations on working hours, vacation and rights to time off are of course observed.



## Occupational Safety and Health Protection

Tesch complies at least with the respective national standards for a safe and hygienic working environment and takes appropriate measures to ensure health, safety and ergonomics at the workplace within this framework, so that health-friendly employment conditions are guaranteed. The measures include training, the free issue of protective equipment and health examinations.

External forces assess whether these measures are actually appropriate: At Tesch, the occupational safety committee *[required and defined by federal law]*, meets regularly in accordance with local regulations, which includes external specialists in the areas of occupational safety and fire protection as well as doctors specializing in occupational medicine. In addition, Tesch is subject to monitoring by the statutory association for health and security at work and employer liability insurance *[a corporation, being a juridical person under public law]* and the business inspectorate *[a government agency on state level]* in accordance with local laws. When it comes to the care provided by the company medical service, Tesch goes beyond the legal requirements. The company medical service is available to every employee at any time as a trustworthy, discreet contact person. Machines and systems are regularly checked for safety and condition, both in-house and externally by business inspectorates and the statutory association for health and security at work and employer liability insurance.

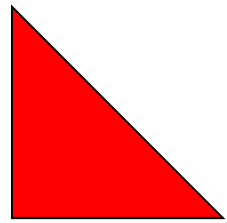
Emergency precautions, accident and fault management are regulated in operational instructions.

## Women's Rights

Tesch operations were suspended during World War II, and the company building in Berlin was destroyed in the final days of the war. We owe the reconstruction in southern Germany and the growth to today's size, the development of technological knowledge and application technology expertise to Dr. Gisela Kübler-Tesch. Under her leadership, women's rights have been integrated into the company from the start, and Tesch will continue to do so. In the case of locally more generous laws, we apply the stricter German laws.

## Rights of Minorities and Indigenous Peoples

Tesch naturally respects and observes the rights of minorities and indigenous peoples. Here, too, we make no distinction between different people or different countries and apply the stricter German laws in the case of locally more generous laws.



## Land, Forest and Water Rights and Evictions

Tesch observes and respects all land, forest and water rights in Germany and worldwide. In the case of more generous local laws, we are guided by the stricter German laws. Tesch rejects any participation in, any profiting from, land grabbing, water grabbing and similar practices, the expulsion of people from their homes, the destruction of livelihoods, forced evictions for these motives.

## Use of Private and Public Security Forces

Tesch currently uses private security forces only to monitor burglary and fire alarms - as a security firm that alerts the police or fire brigade in an emergency. Tesch will do the same when doing business abroad and will never commission or use private or public security forces to violate human rights intentionally or due to deficits in training or control.

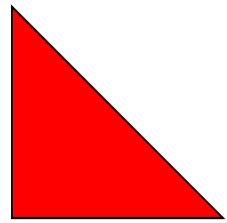
## Disclosure of Information

Tesch discloses financial and non-financial information in accordance with applicable regulations and standard industry practices and, where appropriate, information about its workforce, occupational health and safety, environmental practices, business activities, financial condition and performance, in accordance with the data protection regulations of the Federal Republic of Germany.

# Environmental Policy

Tesch has an environmental management system certified according to ISO 14001. This means, among other things: Tesch is fully committed to legal action, to continuous measurement and continuous improvement of environmental performance. We monitor and, as far as possible, improve energy and resource consumption, greenhouse gas emissions, water quality and consumption, and air quality. We avoid hazards to people and the environment, keep the impact on the environment low, especially greenhouse gases and other emissions, use resources (water/air/raw materials) sparingly, maintain the soil quality and reduce noise emissions.

We generally recycle all metallic materials and any other suitable material after use. All other waste and residues, if offered, are recycled appropriately, otherwise professionally disposed of. We work exclusively with certified disposal companies and keep disposal records. We operate responsible chemical management at the highest level. Our processes, operating facilities and resources comply at least with the applicable legal requirements and standards for fire and environmental



protection. Tesch exceeds the legal requirements for environmental protection, for example by using waste heat and renewable energies, preferably uses renewable resources and operates an energy management system in accordance with DIN EN 16247.

Tesch respects animal welfare and promotes biodiversity, for example by designing the green spaces on company premises. Our sustainable land use aims to preserve the biological diversity of species and ecosystems. Tesch does not process goods related to deforestation and forest degradation. Tesch has never deforested an area and, if it ever happens, will at least comply with the regulations in force in the EU. Tesch is currently determining the CO<sub>2</sub> footprint and will use the data collected to develop targets for decarbonization.

## Business Relationships

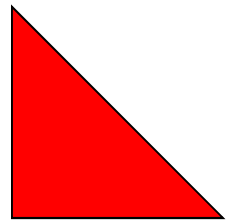
We act with integrity and expect the same from all companies and people with whom we do business. We check the integrity of these companies and people, as far as we can, through questionnaires and audits.

### Avoiding Conflicts of Interest

We make decisions solely on the basis of factual considerations and do not allow ourselves to be guided by personal interests in an inadmissible manner. If unexpected conflicts of interest arise, we will disclose them.

### Fair Competition

We behave fairly in competition and comply with the applicable legal regulations that protect free competition. We do not enter into any agreements or concerted practices with other companies or people that have the purpose or effect of obstructing, restricting or distorting competition in accordance with applicable antitrust laws and do not exploit any dominant market position.



## Financial Responsibility (Accurate Record)

Responsible decision-making requires accurate records and reports of financial information. We record everything accurately and legally in accordance with local laws and regulations. We do not engage in, and do not tolerate in others, concealment, "slush fund", false, incomplete, misleading entries, fraudulent transactions and other practices that contravene the law and generally accepted accounting standards. Tesch works openly with auditors and the responsible tax authorities without any restrictions.

## Foreign Trade, Export and Customs Controls

We observe all foreign trade, embargo, customs and terrorism control regulations as well as payment transaction regulations that apply in the respective countries of business activity. We do not participate in any way in bypass deliveries.

## Corruption, Extortion, Bribery

Our products sell because they optimally meet customer needs. If we win the contract for any other reason, customer requirements will not be met and our reputation will be ruined. We ensure compliance with the applicable anti-corruption laws. In particular, we ensure that nobody offers, promises, grants or accepts advantages with the aim of obtaining an order or other preferential treatment in business dealings. Extortion and bribery, both active and passive, are criminal offenses and inherently incompatible with our business activities. They will be prosecuted according to local laws. These principles apply to every collaboration, whether inside or outside of Tesch. Any suspicion must be reported to the responsible departments or management.

## Trade Secrets and Privacy

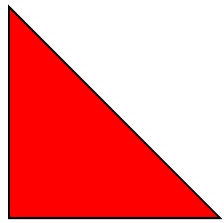
Tesch is a technologically leading company with technologically leading business partners. The confidential treatment of information is the basis of cooperation and the basis for the future.

We ensure that Tesch is keeping confidential information secret. We make no distinctions between Tesch company data and the data of our business partners.



# DIAMANT-GESELLSCHAFT TESCH GMBH

DIAMANT- UND CBN-SCHEIBEN · DIAMANT- UND CBN-WERKZEUGE · INDUSTRIEDIAMANTEN



## Money Laundering

Money laundering is a serious side effect of crime, and we are not involved in it in any way. Of course, we comply with all legal provisions on money laundering prevention.

## Safety and Quality

All products and services must meet the contractually defined quality and safety criteria upon delivery and be safe to use for their intended purpose. If deviations do occur, we communicate openly about them and solve the problem.

## Plagiarism and Counterfeit Parts

Fakes or copies lead to the destruction of progress and development. Intellectual theft, both of products and of works or software, thus harms society as a whole. This is unethical and against the law. We do not participate in the production, procurement, distribution or forwarding of plagiarism or forgeries. If we find plagiarism or counterfeiting, we notify the original manufacturer or creator.

A handwritten signature in black ink, appearing to be 'I. L.' followed by a stylized flourish.

Ludwigsburg, 21.03.2023

Diamant-Gesellschaft Tesch GmbH