



## **KtsB Code of Conduct Compliance**

# Message of the Management

KtsB Automotive is an independent engineering service provider in the international automotive industry. Our interdisciplinary team, consisting of engineers and specialists from different fields, develops innovative and individual solutions for partner companies. Customer-oriented, professional and targeted service is a matter of course. Fair dealings with our business partners are always our top priority. In order to continue to ensure fair dealings, it is important that each of our employees, suppliers and business partners is aware of and complies with all the guidelines and ethical principles of our company.

The following Code of Conduct is intended to enable everyone to familiarize themselves with our company's compliance guidelines, to internalize them and, in the event of violations, to make the appropriate and correct decision and report them to the responsible office and the management. Our Management believes it is its duty to comply with all applicable laws and to promptly investigate and resolve any complaints. Confidentiality and integrity are our top priorities. In order to ensure that the long-standing success of our company continues into the future, every employee, regardless of his or her location, must feel obligated to adhere to the values and guidelines of KtsB Automotive and to actively live them in daily business. Only in this way can we continue to maintain the professional image we have built up over more than a decade.

The Management Board of KtsB Automotive GmbH

July 2023

Nurittin Kara

CEO

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# Preliminary note

Our Code of Conduct is a central component of our corporate policy. It sets out the standards and rules that guide our ethical actions, the protection of human rights and environmental protection. This corporate policy forms the framework for our shared understanding of responsibility and integrity in our organization.

We encourage you to know and respect this Code, as it is the foundation for our daily conduct and reflects our commitment to society and our environment.

# Scope

This Code of Conduct is binding for all employees of KtsB Automotive GmbH. It applies to all company divisions and operating procedures, both within the business premises of KtsB Automotive GmbH and, in the case of mobile work, outside. It also applies to all suppliers, external service providers and partner companies of this company, unless otherwise specified in the individual sections. Such measures are mandatory for all employees and operating procedures, which is why non-compliance may result in disciplinary consequences under labor law.

## Corporate policy

At KtsB-Automotive, we are aware of our responsibility, not only as a leading player in the automotive industry, but also as a member of the global business community and society. Our corporate policy forms the firm foundation on which our conduct and actions are based.

## Behavior and action

We are committed to the highest levels of integrity and ethical conduct in all our business activities. Every employee at KtsB-Automotive contributes to creating a corporate culture characterized by trust, respect and fairness. We create an environment where ideas and innovation are encouraged and where each individual can give his or her best.

## Compliance with laws, regulations and internal policies

We strictly comply with all applicable laws and regulations in the countries in which we operate. In addition, we develop and maintain strict internal policies to ensure that our business practices meet the highest ethical standards. This includes the protection of customer and business partner data, environmental protection measures, and respect for human rights.

Adherence to this corporate policy is non-negotiable and an essential part of our mission to provide excellent products and services while fulfilling our social and environmental responsibilities. We are convinced that only strict adherence to these principles will ensure our long-term success and contribution to society.

# Social responsibility

## Human rights

At our company, respect for and promotion of human rights is of fundamental importance. We are strongly committed to ensuring that all our employees and business partners respect and protect these inalienable rights. As an international company, we abhor any practices that violate human rights, be it child labor, slavery or human trafficking. Discrimination of any kind, whether based on gender, race, religion, ethnicity or sexual orientation, is not tolerated in our organization.

We are committed to ensuring that our workplaces are free from harassment, exploitation and forced labor. Our employees have the right to fair pay, reasonable working hours and a safe working environment. We promote diversity and equal opportunity to ensure that every person at KtsB-Automotive receives equal opportunity and recognition. For us, adherence to these principles is not only an obligation, but also a moral conviction. We are committed to helping protect and promote human rights worldwide.

## Sustainability

Sustainability is a central element of our business strategy at KtsB-Automotive. We are aware of our responsibility towards future generations and the environment. Our goal is to continuously improve our business practices in order to minimize environmental impact and use resources efficiently.

We are committed to reducing emissions, using natural resources responsibly and promoting environmental initiatives in our communities. Our supply chain is carefully selected and monitored to ensure that it meets our sustainability standards.

# Prohibition of bribery and corruption

KtsB-Automotive is committed to maintaining the highest standards of business ethics. We prohibit any form of bribery, corruption or undue influence in our business relationships. Our employees must not directly or indirectly accept or offer bribes or gifts that could influence the integrity of our decision-making.

Invitations and gifts are part of human interaction and polite dealings. The employees of KtsB Automotive GmbH may extend invitations and give gifts to business partners and accept invitations and gifts from them, as long as these are within reasonable limits. When examining and deciding whether a gift is to be considered appropriate, our company is guided by the corresponding tax allowance of currently EUR 35.00 per calendar year. Employees of KtsB Automotive GmbH must refuse invitations and gifts if they are obviously or presumably connected with a concrete expectation of a consideration of some kind. They must also refuse invitations and gifts if acceptance would violate laws or internal directives.

We strictly comply with all applicable anti-corruption laws and regulations worldwide. If there is any suspicion of corrupt behavior, a prompt investigation is conducted and appropriate disciplinary action is taken, including possible reporting to the relevant authorities.

# Avoidance of conflicts of interest

At KtsB-Automotive, we recognize the importance of avoiding conflicts of interest to ensure the integrity of our decision-making and business practices. A conflict of interest may arise when personal interests of our employees conflict with the interests of the company.

We expect all employees to disclose and actively avoid potential conflicts of interest. This includes personal financial interests, sideline activities and business relationships with our suppliers and competitors. Avoiding conflicts of interest ensures that our decision-making is objective and in the best interests of the company.

If you find yourself in a situation where a conflict of interest may arise, do not hesitate to report it immediately to your supervisor or Human Resources. Not reporting or resolving conflicts of interest may result in disciplinary action.



# Anti-money laundering

KtsB-Automotive is determined to actively participate in the fight against money laundering and illegal financial activities. KtsB Automotive GmbH only works with reputable business partners who operate within the framework of legal regulations and do not use illegal financial resources. We are committed to carefully reviewing all transactions and business relationships to ensure that they meet the highest anti-money laundering standards.

Our employees are responsible for identifying suspicious transactions and reporting these suspicions to the relevant authorities. We comply with all applicable anti-money laundering laws and regulations. Should there be any anomalies in transactions, our company is willing to work closely with law enforcement authorities to ensure that our company has no involvement in illegal financial activities.

Combating money laundering is of paramount importance, not only to preserve the integrity of our business, but also to contribute to the global effort against illegal financial practices.

# Foreign trade and export and import control

KtsB-Automotive is subject to the foreign trade and export and import control laws of various countries. We are committed to strictly complying with these laws and regulations and to ensuring that our business activities are conducted in accordance with the respective export and import control regulations.

This includes compliance with sanctions, embargoes and restrictions on the export or import of certain goods and technologies. Our employees are required to obtain all necessary permits and licenses and to ensure that our products and technologies do not fall into the hands of unauthorized parties.

Foreign trade and export and import controls are critical to protecting national security and international relations. We encourage our employees to keep abreast of current laws and regulations and to seek assistance from management or the Legal Department if they have any questions or uncertainties.

# Cooperation of customers and suppliers

At KtsB-Automotive, we consider our customers and suppliers to be important partners in our business. Our cooperation is based on mutual trust, fairness and a long-term perspective. KtsB Automotive GmbH expects employees, customers and suppliers to comply with all applicable laws, to refrain from corruption, to observe human rights, to comply with the laws against child labor, to observe the legal provisions of international trade, in particular compliance with export and import bans and embargo regulations, protection of the health and safety of all employees, compliance with the relevant national laws and international standards on occupational safety and data protection and that these points are also implemented and complied with in its own supply chain.

We are committed to promoting fair business practices and ensuring that our customers and suppliers are treated fairly. This includes transparent contract negotiations, timely payments and compliance with supply agreements.

We expect our suppliers to share our values and standards, including our commitment to sustainability and environmental protection. Our customers can rely on us to deliver high-quality products and services that meet their requirements.

Our cooperation with customers and suppliers is of great importance for our business success and our responsibility to society. We are proud of our partnerships and strive for a win-win situation that is beneficial for all parties involved.

# Trade secrets and intellectual property protection

The protection of trade secrets and intellectual property is of central importance to KtsB-Automotive. We are committed to safeguarding our own and our customers' and suppliers' trade secrets and protecting intellectual property.

Our employees are required to keep information that is considered trade secrets or intellectual property confidential and to use it only in accordance with applicable contracts and regulations. This includes patents, copyrights, trademarks and technology.

We respect the intellectual property rights of third parties and encourage the reporting of infringements. Protecting trade secrets and intellectual property is not only a legal obligation, but also an essential factor for our competitive advantage and long-term success.

## Conduct towards competitors

At KtsB-Automotive, we strive to maintain fair and transparent business practices towards our competitors. We believe in competition as a driver of innovation and quality in our industry.

Our employees are required to comply with all applicable competition laws and regulations and to act fairly and ethically in their interactions with competitors. We avoid anti-competitive practices such as price fixing, market collusion or unfair trading.

We respect the intellectual property of our competitors and prevent any form of intellectual property theft or plagiarism. Our competitiveness is based on innovation, quality and outstanding customer service.

Adherence to fair competitive practices and respect for the intellectual property of others are key elements of our business philosophy and contribute to the integrity of our company.

## Disclosure of information

The protection of confidential information is critical to the success of KtsB Automotive GmbH. It is our duty to ensure that all confidential information obtained in relation to our business is appropriately protected and is neither misused nor disclosed in an unauthorised and unlawful manner.

We have an obligation to maintain reliability and confidentiality in the handling of non-public information entrusted to our business partners. This responsibility extends beyond the end of our business relationship. We recognise that confidential information is a valuable asset and that misuse or unauthorised disclosure can result in significant consequences, including legal sanctions.

We strictly adhere to confidentiality agreements with our business partners and all applicable laws to ensure the protection of trade secrets. Every employee in our company is required to ensure the security of confidential information and our expertise within his or her area of responsibility.

# Occupational safety and environmental protection

Protecting the safety and health of our employees is a top priority at KtsB-Automotive. We are committed to providing a safe working environment and ensuring that all statutory occupational health and safety regulations are complied with.

We are also actively committed to protecting the environment. Our business practices are designed to minimize environmental impacts, use resources efficiently and achieve environmental awards.

Our employees are required to work safely, report risks and contribute to the environmental compatibility of our processes. For us, occupational safety and environmental protection are not only legal obligations, but also an expression of our commitment to sustainable and responsible business management.

## Data privacy

Privacy and data protection are of utmost importance at KtsB-Automotive. We recognize our responsibility to keep personal information secure and confidential. Our privacy practices are designed to ensure the integrity and protection of information entrusted to us.

We are committed to complying with all applicable data protection laws and regulations worldwide. This includes complying with data privacy policies, collecting and processing data only for legitimate business purposes, and ensuring appropriate security measures.

Our customers and employees can trust that their personal data will be treated confidentially and used only for legitimate purposes. If you have any questions or concerns about data protection, we are available to clarify them.

Privacy and data protection compliance are essential elements of our business practices and our responsibility to our community.

## Donations and sponsoring

KtsB-Automotive is committed to making a positive contribution to our society by supporting donations and sponsorship activities. We believe that companies should have a social responsibility and contribute to the communities in which they operate.

Our donations and sponsorship activities are conducted transparently and responsibly. We support non-profit organizations, educational initiatives and charitable projects that share our values and goals.

Our employees are encouraged to participate in community service activities and get involved in their communities. We believe in the power of collaboration and social engagement to bring about positive change.

Donations will only be made with the prior written approval of the respective Managing Director in accordance with the applicable rules of procedure. Sponsorship and the making of donations shall only be made in accordance with the applicable laws and the above regulations to avoid corruption and conflicts of interest and to protect the company's assets.

KtsB-Automotive's donations and sponsorship activities are an expression of our commitment to sustainable and socially responsible business. We are proud to help improve the world around us and make a positive social impact.

# Plagiarism prevention and detection

At KtsB-Automotive, we place the highest value on integrity and respect for the intellectual property of others. Plagiarism is unacceptable and contrary to our ethical principles.

When creating content and work, our employees are required to always ensure that they do not use content that has been illegally copied or adopted. We respect the intellectual property and copyrights of others and expect the same from our employees. Every employee is required to report suspected cases of plagiarism or copyright infringement to management immediately. Reports will be treated confidentially at all times.

To prevent and detect plagiarism, we use advanced technologies and tools. These are used to check content for originality and source citations to ensure that we maintain the highest standards of integrity and intellectual property.

Plagiarism is not only a violation of trust, but can also have legal consequences. At KtsB-Automotive, we are committed to preventing and combating plagiarism in all its forms. We encourage our employees to seek assistance from management or the Legal Department if they have questions or uncertainties about the authorship of content.

# Publicity

We put great emphasis on our appearance and behavior in public. Our employees are ambassadors for our company and play a key role in shaping our image and reputation. We expect every member of our team to uphold the highest standards of professionalism and ethics in public.

Our employees should be aware in public that their actions and statements may have an impact on the reputation of KtsB-Automotive. In this regard, it is important to emphasize that personal or politically expressed opinions never represent the official position or opinion of our company. We respect the individual freedom of expression of our employees, but expect them to make it clear when making public statements that they are speaking in their personal capacity and not on behalf of KtsB-Automotive.

Our conduct in public should be characterized by respect, courtesy and integrity. We comply with all applicable laws and regulations and avoid any form of discrimination, harassment or discourteous behavior. Our goal is to build and maintain positive relationships with our stakeholders, customers, business partners and society at large.

In the case of public appearances or statements related to our professional activities, it is important that they are made in accordance with our corporate values and objectives. This includes not disclosing confidential information, trade secrets or intellectual property of our company.

For us, public responsibility means presenting our company in a positive light and demonstrating our commitment to ethics and integrity in every interaction and communication with the outside world. We are proud of our role as a responsible company and are committed to upholding this image in the public eye.



# Questions and consultation

At KtsB-Automotive, we believe in transparency and openness with regard to the application of our Code of Conduct. We recognize that in some situations there may be questions or unclear cases that require clarification. We actively encourage our employees to ask such questions and resolve uncertainties to ensure that the Code of Conduct is followed in all aspects of our business operations.

**1. Ask questions:** If you have questions about the application of the Code of Conduct or are in a situation where you are unsure of how to act, please do not hesitate to contact your supervisor, Human Resources or the Legal Department. We are available to answer your questions and provide assistance.

**2. Complaint Mechanism:** We have also established a complaint mechanism on our website through which you can anonymously report concerns or violations of the Code of Conduct. This mechanism provides a confidential way to report issues without concern for potential consequences.

**3. Discussion and clarification:** We encourage open dialogue and discussion of ethical and behavioral issues. If you have concerns about the application of the Code of Conduct, do not hesitate to discuss them with colleagues or supervisors. Sharing opinions and perspectives can help provide clarification.

**4. Training and resources:** We provide training and resources to ensure that our employees understand the Code of Conduct and know how to act ethically. These trainings are a valuable source of information to clarify potential issues.

It is important to emphasize that questions about the application of the Code of Conduct or ambiguities are never seen as a sign of weakness or lack of compliance. On the contrary, they are an expression of commitment and a sense of responsibility. We value the commitment of our employees to ensure that we uphold the highest ethical standards in our business.

# Violations of the Code of Conduct and consequences

KtsB-Automotive's Code of Conduct is the backbone of our corporate culture and business practices. We expect all employees to adhere to the principles and standards set forth in this Code. The Code forms the foundation of our ethical and legal obligations.

Violations of the Code of Conduct are taken extremely serious by KtsB-Automotive and have consequences. These consequences can range from disciplinary action, including warnings and suspensions, to termination of employment.

The nature and severity of the consequences will depend on the nature of the violation. We strive to evaluate violations fairly and equitably, taking into account the circumstances and extent of the misconduct. Our objective is always to select a disciplinary action that is appropriate and proportionate.

We encourage all employees to report violations or potential violations of the Code of Conduct immediately, whether directly to supervisors, the Human Resources department or through our complaints mechanism. Reporting violations is a sign of integrity and helps us identify and remedy problems at an early stage.

You may submit any tips, concerns or complaints related to compliance or Code of Conduct violations to the following email address:

**[complaints@ktsb-automotive.de](mailto:complaints@ktsb-automotive.de)**

KtsB-Automotive is committed to building a corporate culture in which ethical behavior is encouraged and violations of the Code of Conduct are dealt with consistently. We are convinced that only strict adherence to these principles will ensure our long-term integrity and success.



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