

/ Code of Conduct

A company is always part of society: A significant part if it is a major employer in the region. Like us – Wipotec. It's about resource-saving use of materials, climate and environmental protection, and local social commitment. It's about an employee-oriented human resources policy and dealing fairly with suppliers. It's about exercising social and environmental responsibility in all areas of our business activity.

Using our technologies, we support other companies around the world. But it's not simply what we do, it's how we do it that shapes our reputation with our customers and suppliers and contributes to our success in the long term. One of our most valuable assets is our excellent reputation. Like all other assets, our name must be promoted and given special protection.

We make a large positive contribution to our social obligation by making sustainability into an element of our strategy. We regularly discuss what sustainable corporate management means on many levels of the company. The results are implemented promptly. We have the implementation of far-sighted corporate strategy decisions to thank for our position in the market. Our innovative strength is also an important factor in this. Applying good corporate governance is essential to our survival. It means that the management follows its own codes of conduct. We ensure compliance by regular audits. In 2021, a SMETA audit took place at our Kaiserslautern production site. This audit helped us to further improve in the areas of workforce, health and safety, environment and ethics in our own company.

This Code of Conduct is a valid guideline for us and all stakeholders of Wipotec.

These guidelines are also a vital element of our expectations regarding suppliers and business associates. The international guidelines were used as the basis for all the points listed.

If you observe any instances of non-compliance with the code of conduct contained in this document, please feel free to contact us at any time: compliance@wipotec.com.

/ Social aspects



As a fundamental and universal requirement, we support and respect the protection of internationally proclaimed human rights and the rights of children.

Health and safety

The health and safety of our employees take top priority. Alongside the quality of our products and our economic success, health and safety are equally important corporate goals. Occupational safety and health protection are an integral part of all operating processes and are taken into account together with technical, economic and social factors right from the start – even during the planning stage. Each of our employees promotes health and safety in their work environment and complies with occupational health and safety regulations. All members of the management team have the obligation to instruct and support their employees to fulfill this responsibility.

- > The machinery and equipment we produce, such as Wipotec checkweighers, sustainably ensure the quality of products which are in everyday use. Our X-ray inspection systems guarantee the quality of food, thus protecting the lives of many people around the world.
- > As a manufacturing company, our workforce is exposed to a number of occupational health and safety risks. These include physical, chemical and ergonomic hazards associated with the various operating processes, as well as other potential risks in the production process.
- > Complying with the applicable legal regulations on accident prevention and high safety standards are a high priority for our company. All supervisors in our company are aware of the importance of occupational safety and the use of appropriate tools, and this awareness is well established in the workforce. This is backed up by the very low incidence of accidents.
- > The impact of our operations on employees is identified and minimized by detailed safety risk analyses, controls, and preventive maintenance.
- > Employees are periodically instructed regarding the specific hazards at their workplace caused by operating materials, hazardous substances and work equipment. They also receive further instruction on generally applicable subjects such as emergency planning, fire protection and first aid.
- > In addition, we equip the employees concerned with suitable and appropriate protective equipment.
- > Furthermore, our employees operate in a well-organized, ergonomic and clean working environment. Preventive occupational medical examinations are performed in areas where impairments may arise.
- > To ensure the health of our employees, we have established a health and safety committee and a formalized health and safety procedure.
- > In the interest of continuous improvement and to identify potential issues at an early stage, we regularly check whether targets relating to occupational accidents and illnesses are being met.

Working conditions

- > We provide safe working conditions and a healthy working environment based on openness, tolerance, appreciation and fairness. We attach great importance to bright workspaces and climatically balanced conditions in all buildings, including large assembly bays. To ensure our employees' satisfaction, we strive to achieve the best possible general conditions.
- > We rely on cooperation between management and employees that is built on trust. In our internal dealings with each other and with other people involved in our business activities, we cultivate a culture that is characterized by openness and tolerance, appreciation and fairness.
- > The weekly working hours of our employees, as well as our suppliers' employees, must not exceed the legal maximum limit.
- > We grant leave to employees to the extent provided by law (including maternity leave, paternity leave, special leave for bereavement or other urgent family reasons, and annual leave).
- > For contract staffing we adhere to the Equal Pay Directive, which places temporary employees on an equal footing with permanent employees. Thanks to our growth, we are able to hire the majority of people we employ on a temporary basis to cope with order peaks as permanent employees after only a short time.
- > We rely on highly motivated, competent employees who remain loyal to us over the years and are enthusiastically committed to our company.
- > To increase employee satisfaction, we offer employee benefit programs that go beyond the minimum legal requirements.
- > In an endeavor to harmonize work life and family life, we maintain an in-house daycare center in cooperation with Lebenshilfe e.V. As part of our company health management scheme, we also offer our employees a comprehensive health course program under qualified supervision. The WipoFit program promotes employees' health and mobility. In addition to fitness programs and physical therapies, Wipotec also offers psychological support and system integrated coaching.
- > As a compensation for the current high inflation rate, regionally linked non-cash vouchers are issued to employees every month.
- > To boost our employees' mobility and work-life balance, we offer flexible working hours and various part-time models.

Social dialogue

Compliance with social standards is very important to us, both on site and when selecting business associates.

- > The employer is open to trade union activities and organizational operations.
- > We recognize the right to engage in social dialogue and collective bargaining. For this reason, we have a works council that represents the interests of our employees.
- > Employee representatives are not discriminated against and can perform their representative functions at the workplace without hindrance, taking into account their obligations under labor law.
- > The management and site managers work together with the employee representatives in a trusting and constructive manner.

Career management and training

Motivated and qualified employees are a prerequisite for success. Lifelong learning thus also becomes the responsibility of the employer, who provides employees with development plans and modern training opportunities.

- > We consider the training of young people to be a special responsibility. A high level of training and good skilled labor potential enhance not just our own company but also the overall economic attractiveness of the region. We organized a significant number of actions to train and develop our employees over the past business year. These included technical and IT training, administration and leadership for employees with HR responsibility. In addition, we work in close cooperation in a number of technical subjects with both the University of Applied Sciences and the Technical University.
- > In the competition for the best talents in the regional labor market, we offer the more attractive jobs. In return, our investment in training, our support of universities and the promotion of dual study programs are rewarded by the fact that we are able to attract many qualified specialists and people with great potential.
- > By promoting young people, Wipotec is also able to meet the demand for management trainees of a rapidly growing company.
- > Continuous training is also of great importance for our permanent staff. That is why we offer a wide range of career and qualification opportunities, which we define together with our employees as part of the annual appraisal meeting.
- > Training courses prepare our managers, team leaders and group leaders for their role. These training courses have been constantly expanded and adapted to the growing demand.
- > In certain departments/areas, our employees have the opportunity to receive project-related, performance-based bonuses.

Child labor, forced labor and human trafficking

In view of progressive globalization and the increasing complexity of value and supply chains, we acknowledge our global responsibility which includes the protection of human rights. By publishing its Modern Slavery Act Statement, Wipotec takes a stand against slavery and human trafficking, servitude and forced labor. Our statement is valid for all business units of Wipotec and their value chains. We believe that all human beings are born free and equal, and that the worldwide prohibition of slavery and forced labor is one of the absolute human rights. The United Nations and other global organizations have adopted legally binding conventions that are supposed to protect against slavery, servitude, forced labor and human trafficking. We take a zero-tolerance approach to any form of modern slavery. We do not knowingly do business with companies that violate these conventions or condone slavery, servitude, forced labor, child labor and human trafficking.

Today, modern slavery is also understood as the way in which people are dominated, how even today people are exploited. This is why we constantly strive to treat all our employees with respect and fairness. We are committed to acting ethically and responsibly and we focus on integrity and transparency in all our business activities.

We use systems to identify signs of modern slavery in our Group's companies and in our supply chain in order to prevent it.

This procedure is an elementary part of our Group's corporate culture. Our guidelines are part of our quality management system which all employees must adhere to. Above all, we understand that we bear the responsibility for all effects that our decisions and activities have on society and the environment.

All employees perform their work without coercion. The scope of work and conditions are documented in an employment contract. Agreed overtime is compensated accordingly. Personal documents, such as identification papers, are not retained.

Wipotec does not employ any employees aged below the current legal minimum of 15 years. However, by providing internships, we help support students in their career choices. Children and young people under the age of 18 will not be employed at night or under dangerous conditions. We offer employees, suppliers and business associates a means to report possible compliance violations or to express their compliance concerns via our compliance e-mail address.

Diversity, equity, and inclusion (DE&I)

We believe that diversity is an important element in the success of our company. We are committed to treating everyone fairly and with respect, regardless of gender, age, race, ethnicity, religion, sexual orientation, disability or other differences.

Our company strives to create a culture of diversity, equality and inclusion where everyone is an important member of our team.

- > With their skills, personality and commitment all employees contribute to Wipotec's success.
- > We promote all employees in line with their abilities and performance. With regard to national, European and international regulations, we are committed to offering all employees and applicants full equal opportunities. We do so irrespective of their gender and age, ethnic origin, membership of a trade union or political group, sexual orientation and possible disabilities, religion or beliefs.
Employees are promoted based on their suitability for the proposed activity.
- > Irrespective of the respective occupational group, we have a standardized recruitment process to ensure that we remain an attractive employer for our employees in the long term.
- > In the interests of Wipotec's customers, we strive to have a diverse workforce ready to perform at all locations worldwide. The diversity of our employees is an opportunity for the entire company.
- > In the future, we aim to actively promote a diverse and fair working environment through various preventive initiatives and measures, such as anti-discrimination awareness training, corporate guidelines and anonymous whistleblowing procedures.
- > We ensure the successful integration of all employees with disabilities through a disabled employees' representative body.
- > In addition, disabled employees' workplaces are adapted suitably to enable them to perform their activities.
- > We try to keep the age structure of our employees balanced. At the end of the reporting period in December 2022, 17 % were under 30 years of age, while 24 % were older than 50. We also hired eight people over the age of 50 – which demonstrates our efforts to implement diversity and equal opportunities across the generations.

Stakeholder engagement

We are committed to fulfilling our social responsibility beyond our actual business activity by solving social problems. This includes our commitment to the community in the form of donations of cash, goods or time. Employees we release from work take on tasks adapted to the situation by contributing their expertise and supporting charitable or social organizations with their labor.

Our company is committed to maintaining and promoting transparent, ethical and responsible relationships with our stakeholders. Stakeholders are all individuals or organizations that are or may be affected by our activities. They include customers, employees, suppliers, local communities, government bodies and society in general.

We are committed to observing the following principles in stakeholder engagement:

- > Openness and transparency: We will maintain open and transparent communication with our stakeholders to better understand their concerns and expectations and to respond to their questions and concerns in an appropriate manner.
- > Inclusivity and diversity: We will strive to include all relevant stakeholders in our decision-making process and ensure that their diversity and uniqueness are respected and protected.
- > Responsibility and accountability: We will promote responsibility and accountability in all our stakeholder relationships and ensure that we meet our commitments to our stakeholders.
- > Sustainability and long-term perspective: We will adopt a sustainable and long-term perspective in our stakeholder engagement activities and ensure that our decisions and activities take into account the needs of current and future stakeholders.
- > Ethical standards and integrity: We will maintain ethical standards and integrity in our stakeholder relationships and ensure that we comply with applicable laws, regulations and industry standards.
- > Continuous improvement: We will continuously strive to improve our stakeholder engagement practices by soliciting feedback from our stakeholders, establishing key performance indicators, and aligning with best practices.
- > We strive to ensure that our stakeholder relationships are built on a solid foundation of openness, responsibility, transparency and integrity to gain and maintain the trust and support of our stakeholders.

/ Environment



Conserving resources and, especially in the case of food, preventing waste are some of our systems' most important quality features. Our systems are not only globally competitive, they are also at the top of their respective product classes. This is how they establish our reputation as a world market leader.

We are constantly working on projects to reduce the consumption of resources such as water, energy and materials in the company. As far as possible, Wipotec uses all the potential of digitalization to design business processes as well as products and services sustainably.

Our environmental policy, which exists to conserve resources and the environment, is also expected by external stakeholders.

Energy consumption and greenhouse gases

Sustainable production processes are very important and are clearly one of our corporate goals. The energy we use comes almost exclusively from renewable sources. Not only the energy requirement of the production plants but of the entire infrastructure is geared towards sustainability (due to the low-energy construction of production halls with underfloor heating). Because no expensive energy has to be purchased, self-sufficiency is a means of safeguarding the site in the long term.

- > Almost all of the company's buildings were built or retrofitted in accordance with the passive house standard.
- > At our only production site in Kaiserslautern, we obtain most of our electricity from renewable energy sources and, in this respect, we are aiming to achieve full self-sufficiency in the foreseeable future.
- > To this end, we have made considerable investments in our own solar farms and geothermal energy plants (on our own land) to achieve our goals.
- > As part of the current expansion of the company buildings, large-scale solar collectors are also being deployed for thermal cooling and to support our heating needs during the cooler season.
- > We utilize waste heat from technically necessary processes, such as compressed air generation and heat radiation from the server room.
- > To reduce our energy consumption even more, we regularly review potential savings and have, for example, converted to LED lighting.

- > In 2022, we added more electric vehicles to our fleet and increased the number of charging stations significantly. Energy is fed into the grid from the company's own solar parks. In the field of e-mobility, we are also involved in a joint research project with Kaiserslautern University of Applied Sciences.
- > The efficient management of raw materials and energy is environmentally and economically worthwhile and desirable. The special vertical integration of the Wipotec value chain determines the energy requirements of our production. It is therefore particularly worth our while to identify potential energy savings in our production processes.
- > Our resource-saving management of upstream products, semi-finished products and energy takes the pressure off our environment and at the same time reduces the costs for production materials, energy, emissions and disposal.
- > We use energy-efficient equipment, systems and production facilities.

Water

Water is a precious resource, but available water resources are declining. We are aware that water is becoming scarce, so we endeavor to optimize and reduce our water consumption and increase water efficiency whenever possible.

- > Water consumption must be minimized or the environmental impact must be reduced through recycling.
- > To minimize our water consumption, we use the water contained in rainwater retention basins for regenerative preconditioning of outside air for air conditioning purposes.
- > We rely on our employees to help us reduce water consumption. For this reason, we train our employees in the daily use of water and highlight opportunities to save water.
- > At the Kaiserslautern site, we use rainwater for toilet flushing purposes.
- > In our cutting machines, the coolant is recirculated after being cleaned. This allows the same water to recirculate through the cooling system several times.

Resource use, waste and circular economy

The increase in global waste generation is alarming and its associated environmental impact is enormous. Only a fraction of the world's waste is reused or recycled. It is therefore important to avoid producing waste as far as possible and to recycle materials more frequently – as far as technically feasible. Our impact on the environment does not end at our company gate. The entire value chain also has to be taken into account. We are changing the way we look at things: Waste is a valuable material.

The durability of our equipment is particularly important. Our machines conserve resources due to their long product lifetime.

Besides many Weigh Cells, even machines with a production date close to when the company was founded (35 years ago) are still in production use today. These exceptionally long service lives represent sustainability.

- > It is our goal to manufacture durable products of the highest quality. We do this using processes that are compatible both economically and ecologically. We endeavor to be as environmentally friendly as possible throughout the full life cycle, from development to disposal, including raw materials.
- > Damaged or obsolete devices are returned to our repair organization and reconditioned at the customer's request before being reintroduced into the economic cycle as tested equipment. In our internal processes, we ensure that spare parts are still available from us at least 10 years after a system type has been discontinued. Parts that can no longer be repaired are dismantled and recycled according to type.
- > Our production processes aim to be as resource saving as possible. Here, the "everything from a single source" principle helps to avoid unnecessary transport and storage expenses. Our level of vertical integration is exceptionally high and the number of suppliers is therefore limited. We cover the entire value chain with a level of vertical integration >85 %: From basic research in the software and hardware sector to development, design, production, sales and service. Everything under one roof.
- > In addition, our management and operational managers continuously improve the efficiency of our processes combined with sustainable use of raw materials. We make an important contribution by avoiding the use of non-renewable raw materials, carrying out proper waste disposal and consistently reducing pollutants and emissions. In the design of our products, preference is given to materials with lower overall environmental relevance.
- > Hazardous substances are to be minimized in terms of type and quantity.
- > Where hazardous substances cannot be avoided, the effects are minimized. This includes correct storage, use and disposal.
- > By taking appropriate action, waste generated on site must be minimized in terms of relevance and quantity. The residual materials are sorted and either disposed of or recycled in compliance with applicable laws.
- > In 2022, further business areas were digitized and "paperless" operations will be further expanded.

- > To minimize the risks of hazardous chemical emissions, we provide employees with work instructions that include specific requirements for the labeling, storage, handling and transport of hazardous goods.
- > We sort and dispose of waste properly. We label hazardous substances separately to minimize all risks to humans and the environment.
- > We are constantly working on innovations to improve customer satisfaction while ensuring sustainable development goals.
- > This also includes products that enable cost savings, extended service life, modular product design concepts, improved recyclability and optimized, environmentally friendly solutions.
- > Most of our suppliers are from the local region: 80 % come from within a radius of 150 km.

Customer health and safety

In many cases, our products contribute significantly to people's health and the safety of everyday products. It is also our aim to protect the health and safety of our customers and consumers who come into contact with our systems. We assess the health and environmental risks of our machines over their entire life cycle. We market and sell our machinery and systems in compliance with the relevant laws; we act sustainably in this respect and oblige our employees to adhere to ethical and moral principles.

/ Ethics



Our business ethics are also based on the principle that we do not tolerate corruption, bribery or fraudulent business practices of any type. Being successful together in a responsible manner is the motto here.

Integrity ensures that employees, business associates and customers have confidence in the Wipotec brand and our products. At Wipotec itself, integrity is part of the corporate philosophy. Our values are practiced by all staff, employees and managers. We promote integrity through staff selection and corporate culture.

In our company, integrity is also demonstrated by positive error management combined with working on solutions, by good communication with colleagues and customers, and by practicing quality on a daily basis. It is important here that we always keep our promises. This behavior results in customer loyalty and brand confidence; on the employees' part, it results in identifying with the company, synonymous with motivation.

Management and employees work closely together at the point of value creation. In this way, employees in production can improve their processes themselves and optimize their effectiveness. The result is optimum use of resources and more efficient communication.

Corruption

Corruption is a major problem in many industries and countries around the world. Companies that take action against bribery and corruption not only demonstrate their responsibility for fair business practices, but also help protect the reputation and trust of their organization – as we do.

- > We reject bribery and corruption and do not tolerate such behavior. Employees must ensure that no personal dependencies or obligations to customers or suppliers arise.
- > In particular, company employees may not accept or give gifts that could reasonably be expected to influence business decisions. If gifts are customary and courteous in a particular country, care must be taken to ensure that they do not give rise to any dependencies in respect of obligations and that national legal standards are respected. Violations will be punished by labor law measures.
- > All parties involved (suppliers, customers, employees) are requested to report abuses to the management, if necessary also anonymously.

- > Under no circumstances may bribes, kickbacks or other benefits of a material or immaterial nature be offered to public officials to secure a business deal or the performance of an order or transaction. It is also prohibited to demand or accept any of the above benefits from public officials or employees of private companies.
- > In future, our employees will receive training on the subject of corruption.

Anti-competitive practices

A violation of competition law regulations can have not only legal consequences, but may also undermine the trust of customers, suppliers and other business associates in the company. It is therefore very important that companies comply with applicable laws and guidelines and avoid anti-competitive practices.

- > We are committed to fair competition. Business with customers and suppliers is conducted in a responsible manner and in accordance with legal requirements, customer specifications and official regulations.
- > We actively encourage fair competition and consistently pursue all acts that contravene it. We comply with all applicable antitrust laws and in particular prohibit agreements on prices and conditions.
- > Our excellent reputation depends to a large extent on the independence of our decision-making processes and on the integrity of our employees. It is therefore critical to avoid connections or behaviors that obstruct objective and fair decision-making.
- > Every employee has a duty to make business decisions not on the basis of their personal interests, but in the best interests of our company.
- > Certain employee groups, such as sales, purchasing and all managers, are required by their area of responsibility to deal competently with compliance issues.
- > Our compliance management system is subject to regular review.

Responsible information management

Responsible information management is a vital component of corporate governance and contributes to information security and integrity. Effective information management ensures that information is confidential, accessible, integrable and authentic. It is important to protect information in order to protect customers, employees and other stakeholders and to strengthen trust in the company.

- > Our digital systems and the various communication technologies are provided to our employees exclusively for business purposes and must be used with care. Private use of the software provided and/or owned by Wipotec is prohibited without express permission. Copying software and/or data from the computerized systems for private purposes is prohibited, as is the installation of privately used or unlicensed software on company-owned hardware.
- > Our digital and communications infrastructure, systems and services may also not be misused for illegal or unethical purposes. Searching, retrieving and/or disseminating information or websites with content of a racist, propagandistic, pornographic or violence-glorifying nature is considered improper use in this sense and will be sanctioned consistently.
- > We have also implemented a comprehensive firewall system for data security.
- > To ensure information security, Wipotec also commissions an external data protection officer.

Fraud

Fraud describes the act of intentionally deceiving someone to gain an unfair or illegal advantage. Our employees are prohibited from intentionally deceiving or misrepresenting a situation to gain an unfair advantage at the expense of stakeholders.

In turn, we distinguish this from corruption and bribery, conflict of interest and money laundering, where the aspect of deception does not necessarily play a role. We refer here to the categorization made by Transparency International.

/ Sustainable procurement



Our company is aware of the importance of sustainable procurement and is committed to incorporating social, ecological and ethical aspects into all procurement processes. A separate guideline for sustainable procurement at Wipotec is firmly anchored in the international regulations specified by the principles of the UN Global Compact.

- > Protecting and preserving the environment is very important to us and we make a point of ensuring that our suppliers also understand and accept the environmental impact of their business activities. They should ensure a responsible approach to the environment and work continuously on reducing their environmental impact.
- > Our production processes aim to be as resource saving as possible. Here, the “everything from a single source” principle helps to avoid unnecessary transport and storage expenses. Our level of vertical integration is exceptionally high and the number of suppliers is therefore limited. From basic research in the software and hardware sector to development, design, production, sales and service, everything is united under one roof in Kaiserslautern.
- > We know our supply chain and where our supplier products come from. They are mainly manufactured by small and medium-sized German enterprises. Technical parts are sourced more than 95 % from Germany and Germany’s share of mechanical parts stands at 70 %. Our component suppliers are often much more than just suppliers: We maintain partnerships and, like our customers, profit from sustained, long-term business relationships that we, as a sound, founder-managed business, place in the foreground of our day-to-day actions.
- > We retain suppliers long term by involving them in our technology development and market success. This requires a close working relationship, combined with trust-based communication. Our suppliers have grown with us in the past and will continue to grow with us in the future. This approach builds trust and creates long-lasting partnerships. We focus on companies from the region. In many cases these business relationships have existed for decades and are based on mutual respect. They are distinguished by mutual fairness and frequently lead to technology partnerships and other forms of close cooperation.

- > We have formulated these guidelines for our suppliers in more detail in the Sustainable Procurement Guidelines. All suppliers and subcontractors are obliged to accept the Sustainable Procurement Guidelines.
- > To ensure that buyers better understand environmental and social issues in the future, Wipotec will conduct regular compliance training for buyers.
- > We involve our suppliers and take into account all applicable laws, such as the EU Chemicals Regulation REACH and RoHS, as well as the EU Directive on the restriction of the use of certain hazardous substances in electrical and electronic equipment.

This Code of Conduct applies to the entire Wipotec company and will be reviewed on an annual basis. Should amendments occur during this time, they will be adjusted independently of the regular review cycle. We offer various channels for questions about this code or compliance with it in general, and for reporting possible violations in particular. Individuals who report violations or concerns do not have to fear any negative consequences:

E-mail: compliance@wipotec.com

Kaiserslautern, January 10, 2023

[Place, date]

[Theo Düppre, CEO]

[Udo Wagner, Management]