



CODE OF CONDUCT

CONRAD GROUP





There is a big birthday fast approaching: in 2023 we will be able to look back on 100 years of Conrad Electronic. As the current CEO, it is my honourable task to lead this family-run concern, so rich in tradition, into the next century of its history. A task I meet with respect and gratitude. Respect, because the footprints left by my predecessors are large. And gratitude, because Conrad Electronic stands for entrepreneurial values that are aligned with my convictions.

The pioneer spirit and the courage to change have been a feature of Conrad Electronic from the start. The transformation from a classic technical retailer to the Conrad Sourcing Platform confirms this readiness for innovation. We aspire to achieve lasting and sustainable added value for everyone involved. This goal guides us on our way to becoming Europe's leading procurement platform for technical business needs. Here, we consistently place our bets on digitisation and automation - but without losing sight of the human factor and our social responsibility as a company.

Particularly today, it is important to act in a way that is sustainable, cooperative and with a long-term perspective. This especially includes treating all staff and business partners, and likewise the environment, resources and society as a whole with respect. These guiding principles are defined unequivocally and incontrovertibly in this Code of Conduct - a clear commitment for us all with the call for this also to be required of both internal and external stakeholders.

Together we take the necessary measures to ensure that all of the processes within our supply chain match our principles. Together we issue a declaration to respect human rights. In terms of sustainability, we do everything we can to enable a circular economy that makes sense. A complaints mechanism that can be used internally and externally serves to help us all identify any breaches of our Code of Conduct early on and to rectify them immediately.

As Conrad, we are aware of our responsibility as part of society to make a contribution to shaping the future for all so that it remains one worth living for.

A handwritten signature in black ink, appearing to read 'Ralf Bühler'. The signature is stylized and fluid, with a long horizontal stroke extending to the right.

Yours, Ralf Bühler, CEO of Conrad Electronic



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1. HUMAN RIGHTS AND FAIR WORKING CONDITIONS

Human rights are rights that can be derived from and be based on human dignity.

They are rights that are inalienable, indivisible and indispensable. Everyone is entitled to them regardless of where they live and regardless of how they live. For us, abiding by human rights and the applicable laws is a matter of course. Our obligation is to adhere to humanitarian, ethical and moral principles. All human beings are born free and equal in dignity and rights. They are endowed with reason and a conscience and should act towards one another in a spirit of brotherhood (UDHR, Article 1). In our actions as a company we also undertake to respect each other and meet on an equal footing and a level playing field. We undertake to observe the applicable human rights and labour laws and to support the ten principles of the United Nations Global Compact (www.globalcompact.de), the Universal Declaration of Human Rights adopted by the United Nations (www.un.org), the International Labour Organization Declaration (www.ilo.org) on fundamental principles and rights at work, and the creation of fair working conditions.

Every employee is to observe the statutory provisions of the legal system in which they are acting.

Breaches of the law are to be avoided under all circumstances. In the case of a violation due to the breach of the obligations arising from their employment contract, every employee must face disciplinary consequences.



1.1 Interactions with each other

We respect the personal dignity, private life and personal rights of all human beings. These principles apply to both internal cooperation and the behaviour towards customers, business customers, suppliers and business partners.

We exclusively make decisions regarding employees, customers, business customers, suppliers and business partners based on objective considerations and never due to other, irrelevant motives such as discrimination or duress. We are open and honest and stand by our responsibility. We only make promises we can keep. We advocate a fair and cooperative working environment and expect the same conduct from our employees.

1.2 Ban on discrimination

At Conrad we work with people of different descent, ethnic origins and nationalities, religions, cultures and world views, genders, sexual orientations and ages, people involved in different political or union activities, and people with different disabilities or illnesses. In accordance with our company principles, we do not tolerate discrimination of any kind whatsoever, sexual harassment or any other personal attacks on individuals. Under no circumstances is information to be retrieved or circulated that supports racial hatred, the glorification of violence or other criminal offences, or incites others in this regard or whose content is sexually obnoxious. We comply with the labour laws and principles of equality of the countries in which we are active.

1.3 Minimum wage and requirements regarding working hours

Conrad recognises the right of its employees to fair pay and complies with the minimum wage in the respective labour markets that is guaranteed by law. We likewise abide by the national provisions of the laws on working hours. The wages and salaries agreed must correspond to at least the statutory minimum wage or that customarily prescribed in the respective industry, and must be based on the applicable laws.

1.4 Health and safety

We guarantee occupational health and safety at the workplace and are committed to ensuring a working environment that is good for the health. We comply with all the applicable local and national provisions concerning health and safety at work. Employees must be regularly informed of applicable health protection regulations and receive regular instruction and training in this regard. The medical treatment of work-related illnesses and injuries is to be guaranteed.

1.5 No child labour

We recognise the right of every child to be protected from economic exploitation or tasks that are detrimental to their health, social development or education. Dangerous, unsafe work or work that is harmful to the health must not be performed by children or teenagers. We do not employ any children under the age of 15. If the national regulations prescribe a higher age limit, this higher age limit is decisive (ILO Convention No. 138, www.ilo.org). We ensure that the ban on child labour is upheld in our company and likewise expect our suppliers and business partners to comply with the guidelines preventing child labour (ILO Convention No. 138, www.ilo.org).

1.6 No forced labour

We do not accept any form of forced or compulsory labour (ILO Convention Nos. 29 and 105). We ensure that the ban on forced labour is upheld in our company and likewise expect our suppliers and business partners to adhere to the guidelines against forced labour in the context of our contractual relationships. We are aware that forced labour can also arise through the coercion to deposit bailments, collateral, identification documents, deprivation of liberty or other personal effects, and we forbid such measures.

2. SUSTAINABILITY

For us, sustainability means that we act responsibly and in a way that is geared to the long term with a view to the livelihood of future generations.

To make our world one that is worth living in for coming generations as well, we expect the best possible commitment from our employees, customers, suppliers and business partners. It is absolutely essential for sustainability and sustainable development to be a matter that is involved in all business activities.

The delivery of sustainable services and products and the implementation of business processes is a development that satisfies the needs of the present without overburdening these so much that they have a negative effect on future generations. We see ourselves as under the obligation to consider economic growth, ecological compatibility and social security in equal measure and to bring them into alignment with each other for our social activities to develop successfully and sustainably. When we develop products in our brands, what we also pay attention to in addition to product efficiency is en-

vironmentally-friendly and sustainable properties in the product design and packaging that also minimize material consumption. We comply with statutory obligations, environmental provisions and environmental protection regulations ourselves and also require this of our suppliers throughout the supply chain in the context of our contractual agreements.



2.1 Environmental and climate protection

For us as retailers, environmental and climate protection are important business objectives. We abide by all the applicable laws, regulations and standards concerning environmental and climate protection and operate a system for identifying and removing potential environmental perils. We see compliance with the prescribed low-impact threshold values for admissible emissions as a minimum requirement. We use natural resources economically and considerately. When we develop products in our brands, our fixed objectives are environmentally friendly and sustainable design as well as technical safety, product conformity and health protection. We handle hazardous substances professionally to protect the environment, the climate and our employees as well. Every employee must contribute to these goals sustainably by their own conduct.

We expect our suppliers and business partners to comply with the applicable laws, regulations and standards concerning environmental and climate protection. Our suppliers and business partners are obligated to implement suitable and sustainable measures to protect the environment and the climate and to improve them on a continual basis. zu verbessern.

2.2 Handling resources and waste

Conrad strives to handle the resources it uses responsibly, economically and considerately. That is why we place as little a burden as possible on the environment, the climate and people. Our goal is to avoid waste and to manage materials in a way that conserves resources. We always prefer recycling to destruction. If possible, we develop new products in our brands so that they are recyclable. As far as we can, we dispense with the use of raw materials, materials and production processes that are harmful to the environment. We heighten and develop our employees' awareness of the importance of handling natural resources sustainably. We also expect our suppliers and business partners to handle and dispose of resources and waste in a way that is environmentally friendly and sustainable.

3. AVOIDING CONFLICTS OF INTEREST

We are aware that decisions connected to Conrad's professional activities must not be shaped by private interests or personal relationships.

Situations which could lead to conflicts of interest should therefore be avoided. Conflicts of interest arise where employees pursue their own activities or personal interests at the expense of Conrad's interests. Employees are to notify their manager of any personal conflicts of interest which could exist in connection with the performance of their official duties.



3.1 Spare-time jobs

Spare-time jobs can lead to conflicts of interest between Conrad and its employees. Therefore, spare-time jobs which could lead to conflicts of interest always require Conrad's consent. A conflict of interest is assumed in all cases where spare-time jobs are performed for or at companies that are in competition with Conrad. If a paid spare-time job is to be taken up, the Human Resources department and the manager responsible are to be notified. The acceptance of such work requires prior written consent. Consent to a spare-time job will not be granted if this conflicts with Conrad's interests. The acceptance of a spare-time job can likewise be withheld if the employee deals with the company in question in an official capacity. Consent that has already been granted can be withdrawn if such reasons exist.

3.2 Investment in third-party companies

Employees who have or acquire an interest in one of Conrad's competitors directly or indirectly must notify their manager and the Human Resources department to this effect if the interest exceeds a 5% share of the competitor's total capital. Employees who have or acquire an interest in one of Conrad's business customers, suppliers or business partners or a company in which Conrad participates, directly or indirectly, must likewise notify their manager and the Human Resources department of this if they also deal with the respective company in an official capacity. With regard to interests in listed companies, this only applies if the interest exceeds a share of 5% of the total capital. After notification regarding the interest in third-party companies, Conrad can take suitable measures to eliminate a possible conflict of interest.

3.3 Commissioning of business partners for private purposes

The commissioning of our business customers, suppliers and business partners by employees for private purposes may lead to conflicts of interest between Conrad and its employees, business customers, suppliers and business partners. In order to exclude the possibility of a clash of interests between companies and the private sphere, employees are not permitted to use business partners that are closely connected to their area of responsibility for private purposes.

4. FAIR COMPETITION

Free and sustainable market development is based on fair competition.

As well as complying with statutory regulations, we are guided by the rules of fair competition. This also applies to the competition for shares in the market. We object to arrangements being made between business customers, suppliers, business partners, competitors or third parties with the aim of distorting or restricting competition.



4.1 Corruption and bribery

Corruption and bribery constitute a gross abuse of the position of trust in a function or organisation with the goal of obtaining a material or non-material advantage to which there is no justified claim.

We exclusively obtain our customer orders fairly by means of the price, service and quality of what we offer. The demanding, obtaining of promises, acceptance or offering of the acceptance or offer of advantages of any kind, whether directly or indirectly, with regard to business partners, institutions, government facilities or third parties is prohibited and will not be tolerated.

Neither monetary payments nor other services are allowed to be used to influence official decisions or gain an unjustified advantage. The same applies with regard to unjustified advantages concerning members of the private sector. Therefore, no offers, promises, benefits or gifts may be given if these could be interpreted as an attempt to influence an official or bribe a business partner in order to obtain advantages as a result for Conrad or oneself. The definition of the term "official" includes all levels of representatives or employees of authorities or other public institutions, agencies or legal entities, and the public servants or employees of public enterprises and national and international public organisations. This term also includes representatives and employees of a political party, the political party itself and candidates for a political office.

4.2 Personal benefits and gifts

No employee is permitted to use their position in the company to demand or accept advantages, procure them for themselves, or have them promised to them. Benefits of any kind that are accepted or offered for personal use and that are directly connected to the employment relationship are prohibited. Violations will not be tolerated.

Exceptions to this include the acceptance of small gifts of symbolic value for special occasions, benefits given to all employees, or invitations to dine or attend events to a reasonable degree if this means that the local customs are respected. Over and

above this, all gifts or invitations to dine or attend events are to be refused.

With regard to the acceptance and offering of permitted material benefits, the maximum amount of EUR 15.00 is to be observed in European countries. All benefits received which exceed this maximum amount are to be passed on to the Compliance department. In all other countries, the amount is based on the customary practice in those countries, the standard or ethically impeccable business practices, and applicable laws.

The offering of non-material benefits (e.g. money, money equivalents, vouchers) and the costs for accompanying persons being defrayed (e.g. gifts, overnight stays at hotels) are to be refused with reference to this Code of Conduct. It is obligatory for the Compliance department to be informed if such benefits are offered.

4.3 Invitations and catering

We consider ourselves obligated not to accept or offer invitations from suppliers, business partners, government facilities or third parties to dine or to attend events (e.g. concerts, trade fairs, sports events) if these are inconsistent with what we understand to be appropriate.

In this connection, "appropriate" means that they are issued voluntarily and occur due to a business-related occasion. The frequent acceptance or issuing of invitations would be inappropriate if the invitation were no longer proportionate to the occasion or if it occurred in the run-up to a contract or business deal being awarded.

We regard the defrayal of costs for events, accommodation or travel by business partners, institutions, government facilities or third parties as being inadmissible on principle. We will not offer a defrayal of costs by Conrad for events, accommodation or travel in a private context. Exceptions to this are subject to an appraisal of the appropriateness and must be based on a contract in all cases (e.g. part of a training programme).

4.4 Facilitation payments

Facilitation payments (e.g. bribes) denote unofficial payments to cause, ensure, speed up or otherwise facilitate the carrying out of services.

The acceptance or offering of facilitation payments is prohibited and is not tolerated.

4.5 Kickbacks, discounts and commission

Kickbacks include all corrupt procedures whereby services which have not been performed are billed for in order for part of the inflated sum to flow back to a private individual or a company account in the form of discounts, commissions or similar payments. We process and document legally justified discounts, commissions or similar payments accountably and transparently. The acceptance or offering of kickback payments or payments with a similar purpose (e.g. in the form of discounts or commissions) is prohibited and is not tolerated.

4.6 Donations and sponsoring

Donations and sponsoring include voluntary payments or other services which do not involve the individuals or companies which have provided the money receiving a service in return for doing so. As a responsible member of society, Conrad makes monetary and material donations for education, science, sport promotion, art, culture and social and humanitarian projects in certain cases and considers itself to be under the obligation to be transparent with regard to the donation payment. Gratuities akin to donations - that is, benefits - which are apparently granted as remuneration for a service but which clearly exceed the value of the actual service breach the transparency requirement and are just as forbidden as donations or sponsoring to conceal corruption, bribery or other unjustified payments.

4.7 Payments

The making of payments without a clear, verifiable business objective and without any connection to a specific service or delivery is prohibited and is not tolerated. We process and document all payments accountably and transparently.

4.8 Cartel law and competition law

The making of agreements with competitors regarding prices and terms, or unethical manipulation of any kind are prohibited. The same applies to the exchange of information that is sensitive in a competitive context and to other types of behaviour which restrict or may restrict competition illegally. We consider ourselves committed to a zero-tolerance policy in this regard.

Employees are therefore not allowed to do the following, for example:

- talk about prices, production performance, capacities, sales, calls for tenders, profit, profit margins, costs, distribution methods or other factors that determine or influence Conrad's competitive behaviour;
- make agreements with trade rivals regarding non-competition, the restriction of business relationships to suppliers, the submission of fake tenders in the case of calls for tenders, or share business customers, markets, regions or production programmes;
- influence the resale prices of Conrad's business customers.

4.9 Foreign legal provisions

All violations of the Foreign Corrupt Practices Act (www.justice.gov) or the UK Bribery Act (www.gov.uk) will lead to consequences in criminal and civil law, are prohibited and are not tolerated. Here it is a question of laws in the USA and Great Britain which also take effect outside these countries.

4.10 Business relationships

We expect our suppliers and business partners to share our principles and comply with all statutory regulations. Furthermore, we expect our suppliers and business partners to do the following in their operational spheres:

- comply with all applicable laws,
- refrain from corrupt practices,
- respect human rights,
- comply with the laws against child labour,
- assume responsibility for the health and safety of their employees,
- comply with the laws on minimum wages and temporary employment,
- comply with the laws on working hours,
- comply with the laws and standards regarding environmental and climate protection,
- comply with the laws on data protection and information security, and
- comply with the request for these value principles to be put into practice and observed in their own supply chain as well.

5. INFORMATION SECURITY AND DATA PROTECTION

Information security and data protection are of essential significance to us.

Here, in addition to the statutory requirements, we pay particular heed to the right to informational self-determination, the protection against the abuse of data processing and protection of the privacy of our employees, customers, business customers, suppliers and business partners.



5.1 Information security

Information security has a decisive influence over our business success and public standing. We feel bound to protect the information of our company, employees, customers, business customers, suppliers and other business partners against the abuse of confidentiality, availability and integrity as well as we possibly can. To fulfil this task, we use all the technical and organisational means that are available. We continually abide by the European and national legislation as well as our internal requirements regarding information security.

5.2 Data protection

We are aware of the highly sensitive nature of the personal data entrusted to us. We only collect, process or use personal data if this is necessary for defined, clear-cut and legal purposes. Furthermore, we keep personal data safe and only transmit it under observance of the relevant laws and taking the necessary precautional measures. The data protection controllers will help the departments with this. We guarantee a high standard of data quality and technical safeguards to prevent unauthorised access. We show the data subjects transparently how data is used and uphold their rights as data subjects pursuant to the General Data Protection Regulations.

5.3 Business and trade secrets

Our business and trade secrets are relevant for the continued existence of our company and sensitive with regard to competition law. This not only includes information that is specifically marked but also all company information that is not publicly accessible (e.g. customer data, business opportunities, product specifications). We secure this information and store it, and protect it from access by unauthorised persons. We use our access authorisations to define which employee is authorised to use information as part of their role, and avoid disclosure to unauthorised persons. We undertake to maintain confidentiality regarding business and trade secrets entrusted to us and to do so without restriction. The requirement to maintain secrecy also continues after an employment contract has ended.

6. PROTECTION OF PROPERTY AND ASSETS

Our material and non-material company property and the business assets are means for us to reach our business goals.

They can only be used in the context of our employment contracts and the operational regulations.



6.1 Company property

The use of company property (e.g. operating supplies, equipment, buildings, business and trade secrets) for external purposes is prohibited and is not tolerated. We support the protection and appropriate use of company property. No employee is permitted to make recordings or reproductions or to create files or pictorial or audio documents without the manager's consent if this is not directly attributable to the professional activity.

6.2 Merchandise

For us as retailers, protecting merchandise is an important matter. The stealing of merchandise damages our employees, customers, business customers, suppliers and business partners to a considerable degree. Theft of our merchandise represents a breach of trust throughout the trade chain, is prohibited and is not tolerated. Theft not only has consequences with regard to labour law and civil law but is subject to criminal prosecution at the same time.

6.3 Intellectual property

Our intellectual property and that of our business customers, suppliers and business partners is a valuable asset which we protect against unauthorised use. This particularly concerns works protected by copyright and patent right, brands, logos, business and trade secrets and know-how connected to these.

7. DEALING WITH THE CODE OF CONDUCT

Our Compliance policy with respect to breaches and the disregarding of our Code of Conduct is one of “zero tolerance”.

In accordance with this policy, our express goal is not to tolerate any breach of the Code of Conduct whatsoever. We undertake to respect and abide by our Code of Conduct. It is a component of our employment and supplier agreements. We expect our employees, suppliers and business partners to abide by our Code of Conduct.



7.1 Tasks of the manager

Integrity begins with our company management. We expect our management to be conscious of the fact that they are acting as role models. Every manager is to fulfil their organisational and supervisory duties. Managers bear the responsibility for the employees entrusted to them. They gain recognition by their own exemplary conduct, commitment, openness and social skills. One of the things this entails is that each manager should always highlight the significance of sustainable and ethical conduct and the compliance with the law and legislation in day-to-day business, and promote this with their personal management style. The manager is also approachable if the employees are uncertain regarding the compliance with statutory provisions, or if they have questions or professional or personal worries. The manager's responsibility does not release the employees from their own responsibility, however.

The four most important management duties given below are intended to give our employees an idea of what actions they can expect from a manager.

- The manager must select the employees carefully according to their personal and professional qualifications and suitability. The obligation to exercise diligence increases with the significance of the task the employees are to fulfil (responsibility for selection).
- The manager must give precise, complete and binding instructions for the tasks, particularly with regard to compliance with the statutory provisions (instruction obligation).
- The manager must ensure that compliance with statutory provisions is constantly monitored (responsibility for monitoring).
- The manager must clearly communicate the significance of integrity and compliance with statutory provisions in day-to-day business clearly to their employees and advise them that statutory violations will not be accepted and will lead to disciplinary measures (responsibility for communication).

It is the task of every manager to ensure that all employees are acquainted with our Code of Conduct and comply with its regulations. In the case of uncertainty when dealing with our Code of Conduct, the manager, Human Resources and Compliance can be contacted.

7.2 Complaints procedure

Employees, customers, business customers, suppliers, business partners and third parties can submit a complaint to Conrad using a publicly accessible reporting system. This can also be done anonymously. Situations indicating a breach of the Code of Conduct or, above and beyond that, a violation of applicable law can be reported

- anonymously via the publicly accessible reporting system at www.conrad.de/de/ueber-conrad/rechtliches/hinweisgeberstelle or
- by post to the address Hinweisgeberstelle, Klaus-Conrad-Straße 1, 92240 Hirschau, Germany, or
- by email to hinweis@conrad.de or
- in person after an appointment has been arranged beforehand by post or email.

It is possible to report complaints confidentially and anonymously. All reports will be processed. The source of the report will receive confirmation of receipt as well as notification of completion. Regarding this notification, confidentiality will be maintained and the applicable data protection regulations observed. No statements will be made on the matter with regard to content. If necessary, corresponding measures will be taken and/or the competent authorities will be involved. All documents will be stored confidentially in line with the law. No reprisals of any kind against persons reporting complaints will be tolerated. Persons in question will be assumed innocent until proved guilty of a violation.

7.3 Sanctions

If we should learn of violations, we will react to this in a reasonable and level-headed manner. Breaches of our Code of Conduct may lead to disciplinary measures, the termination of the business relationship, or other consequences with regard to civil or criminal law.

7.4 Monitoring and constant improvement

The Compliance department reviews this Code of Conduct annually and constantly continues to develop it in coordination with all company divisions. The Conrad management actively fosters the communication of the current Code of Conduct across the board and sees to its implementation. Compliance with legislation and the observance of the Code of Conduct are to be monitored regularly in all companies comprising the Conrad Group. In addition, Conrad regularly participates successfully in an assessment of its Corporate Social Responsibility and sustainable procurement which is conducted by a renowned, external assessment platform. This methodology covers 21 sustainability criteria in four subject areas: environment, labour and human rights, ethics and sustainable procurement. It is monitored by an international scientific committee and is based on leading standards (GRI, UNGC and ISO 26000).

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