

Code of Conduct of the Papp Logistics Group - for business partners -

of

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1. Introduction

This Code of Conduct reflects the environmentally and socially responsible corporate governance of the Papp Logistics Group. The Papp Logistics Group requires its business partners to behave ethically.

The Code of Conduct is based on national laws and regulations such as the Supply Chain Due Diligence Act (LkSG) as well as international conventions such as the United Nations Universal Declaration of Human Rights, the Guidelines on Children's Rights and Business Conduct, the United Nations Business and Human Rights Guidelines, the International Labour Organization international labour standards and the United Nations Global Compact.

The Papp Logistics Group strives to optimize its business activities and services in terms of sustainability and asks its business partners to contribute to this in terms of a holistic approach.

We also expect any violations of the Code of Conduct to be reported via our whistleblower portal on our homepage (www.papp-logistics.com).



The rules and guidelines derived from this provide the necessary security and orientation in everyday working life. It shows our customers and delivery partners that the Papp Logistics Group is a trustworthy partner.

2. Ethical Business Conduct

■ Fair competition

The standards of fair business, fair advertising and fair competition must be observed. In addition, the in force antitrust laws must be applied, which prohibit collusion and other activities that influence prices or conditions in dealings with competitors. Furthermore, these rules prohibit agreements intended to restrict customers and suppliers in their freedom to determine their prices and other conditions autonomously at the time of resale.

■ Principles of national and international trade

The business partners of the Papp Logistics Group undertake to comply with the laws and regulations governing the export or import of goods, products, and services, with a focus on foreign trade and customs regulations, in particular with regard to valid embargoes on persons, countries or goods.

■ Confidentiality/Data Protection

The business partners of the Papp Logistics Group undertake to meet the reasonable expectations of its client, service providers, customers, consumers, and employees with regard to the protection of private information. The business partner must comply with the laws on data protection and information security and official regulations when collecting, storing, processing, transmitting, and disclosing personal information.

■ Intellectual property

Intellectual property rights are to be respected, Technology and Know-how transfer must be carried out in particular in such a way that intellectual property rights and customer information are protected.

■ Integrity/bribery, taking advantage.

The highest standards of integrity must be applied in all business activities. The business partners of the Papp Logistics Group must pursue a zero-tolerance policy for all forms of bribery, corruption, extortion, and embezzlement. Common procedures for monitoring and enforcing standards must be used to ensure compliance with anti-corruption laws.

Our employees are prohibited from accepting money, monetary benefits, or objects of value of any kind. The acceptance, demand or promise of money, monetary benefits, or objects of value in return for the purchase of services or products is also not

permitted. The giving or acceptance of benefits of any kind is strictly prohibited if they could give the impression of an inadmissible obligation or influence. This also applies to hospitality and invitations to events that go beyond customary and permitted practices.

The giving and acceptance of customary courtesy and promotional gifts up to a value of € 40 are permitted. The issuing and acceptance of invitations to business dinners and events with a direct business connection is also permitted.

■ **Exclusion of forced labour**

No forced labour, slave labour or such comparable labour may be used to provide services and manufacture products. All work must be voluntary and without threat of punishment. Employees must be able to terminate their work or employment at any time. In addition, there must be no unacceptable treatment of workers, such as psychological hardship, sexual and personal harassment, and humiliation. The assignment or use of security forces is to be refrained from if persons are treated inhumanely or degradingly or injured during the operation or if the freedom of association is impaired.

■ **Prohibition of child labour**

Child labour may not be used at any stage of business processes. Business partners are required to comply with the recommendation of the ILO conventions on the minimum age for the employment of children. Accordingly, the age should not be less than the age at which compulsory schooling ends under the law of the place of employment and in any case not less than 15 years. If children are found at work, the business partner of the Papp Logistics Group must document the measures to be taken to remedy the situation and enable the children to attend school. The rights of young workers must be protected. Under 18 years of age, they may not be used for work that is damaging to health, safety, or morals. Special protective regulations must be observed.

■ **Fair remuneration**

Remuneration for regular working hours and overtime must comply with the national statutory minimum wage or industry minimum standards, whichever is higher. In any case, the remuneration for overtime must exceed the remuneration for regular hours. If the remuneration is not sufficient to cover the costs of ordinary living expenses and to build up a minimum level of reserves, the business partners of the Papp Logistics Group are obliged to increase the remuneration accordingly. Employees shall be provided with all benefits as required by law. Wage deductions as punitive measures are not permitted. The business partners of the Papp Logistics Group must ensure that the

employees receive clear, detailed, and regular written information on the composition of their remuneration.

■ Fair working hours

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

■ Discrimination

Discrimination, unequal treatment of employees in any form is inadmissible unless it is justified by the requirements of employment. This applies, for example, to discrimination based on gender, race, caste, national, ethnic, or social origin, skin colour, disability, health status, political conviction, origin, ideology, religion, age, pregnancy, or sexual orientation. The personal dignity, privacy and personal rights of each individual are respected.

■ Environmental protection

As a business partner of the Papp Logistics Group, you undertake to comply with all applicable laws for the protection of the environment, the same applies to the subcontractors commissioned by you. You avoid any danger to people and the environment and work to continuously reduce your environmental impact.



3. Implementation of requirements

We expect our business partners to identify risks and take appropriate measures. In the event of suspected violations and to safeguard supply chains with increased risks, the business partner will inform the Papp Logistics Group promptly and, if necessary, regularly about the identified violations and risks as well as the measures taken.

Compliance with the standards and regulations listed in this document shall be verified by the business partner with regard to its own employees and service providers. If a violation of the provisions of this Code of Conduct is identified, the business partner will report this immediately, in any case, however, within one month, in writing and set the service provider a reasonable grace period in order to bring its conduct into line with these regulations. If a remedy is not possible in the foreseeable future, the business partner must report this immediately and work together with the respective service provider to draw up a concept with a timetable for terminating or minimizing the violation.

Code of Conduct of the Papp Logistics Group – Awareness for Business Partners

For business partners of one of the companies of the Papp Logistics Group, the above-mentioned regulations in the Code of Conduct apply. This Agreement shall be the basis for all future business relationships.

The contractors undertake to comply with the principles and requirements of the Code of Conduct and to endeavour to contractually oblige their subcontractors to comply with the standards and regulations set out in this document.

The business partner undertakes to communicate the content of this Code to employees, agents and subcontractors in a manner that is understandable to them and to take all necessary precautions to implement the requirements.

The Code of Conduct published on the Internet of the Papp Logistics Group is valid and binding. (www.papp-logistics.com).