



# **VARTA AG Group Code of Conduct**

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## Foreword

*"In essence, it is always the connections between people that give life its meaning"*

(Wilhelm Freiherr von Humboldt)

Dear Colleagues,

As an internationally active group of companies, the VARTA AG Group employs more than 4,500 people worldwide. Continuous growth and the successful stock market launch demand a high degree of reliability and perfectly coordinated organisation from everyone involved. For this reason, it is of great importance to the VARTA AG Group to establish a Code of Conduct that reinforces openness and transparency within the company, as well as clearly and transparently regulating the interaction between employees.

With the aim of being a reliable partner, the management of VARTA AG is guided by integrity, honesty, sustainability and transparency. In this respect, all the managers of the VARTA AG Group act as role models, also providing guidance and support so that the employees who report directly to them make the right decisions and align their actions with the principles of the Code of Conduct.

As an established market and technology leader, we pursue a strategy of long-term, sustainable, comprehensive growth and in this way, value enhancement. The company works towards the development and diffusion of environmentally friendly technologies and the promotion of sustainable consumption. We achieve our goals through, among other aspects, our high level of personal commitment, a strong team spirit, open communications, a focus on quality, innovation and the best possible customer orientation. In our dealings with our customers, suppliers, our staff and other business partners, we feel bound by basic values and promises that we have summarised in this Code of Conduct. The code is both a framework and a guideline for sustainable, responsible action at VARTA AG.

Morally, ethically and legally impeccable behaviour by all of our employees is crucial for us.

The Code applies to all employees of the VARTA AG Group.

We encourage each individual to comply with the rules of conduct set out in this document.

The Executive Board of VARTA AG

February 2023



## Preamble

In all areas of business activity, VARTA AG and its affiliated companies ("VARTA") are subject to laws, regulations and other legal rules. These are international, supranational, national and regional regulations. They form the framework for VARTA's business activities, e.g. by setting norms and standards for production as well as for products and services and by regulating behaviour in different markets and the interaction of the players involved. As a member of the amfori BSCI initiative and signatory of the United Nations Global Compact, we have committed ourselves to compliance with human rights and environmental principles, and integrate these into our own corporate principles of conduct.

In order to create the conditions for continued existence and sustainable growth, it is essential for VARTA to operate within these framework conditions and to be able to adapt flexibly to any changes in these conditions.

It is therefore a matter of course that all employees within VARTA comply with the laws and rules that are relevant to them, or work towards compliance with them on the part of other employees.

VARTA's Code of Conduct defines the essential rules of behaviour that are fundamental to VARTA's national and international business activities. Even if these business activities, particularly in the international area, often involve working with people from different cultural circles and who are sometimes subject to different systems of norms and values, these standards of conduct are universally valid.

The present Code serves as a uniform guideline for VARTA's business activities at all locations worldwide. Should legal provisions or other rules apply in individual countries in which VARTA companies are active, which deviate from the provisions of the Code, the stricter local provisions in each case must be complied with.

If necessary, supplementary guidelines will be issued to the present Code to specify it more precisely and these must be observed in the same way as the present Code of Conduct. All employees will be informed of the entry into force and contents of these supplementary guidelines.

In order to work towards successful implementation, employees will receive annual training on the Code of Conduct as a whole as well as on its individual components, such as the grievance mechanism.

This Code of Conduct has been developed and implemented in consultation with several stakeholder groups, including a number of Employee Councils. Its successful implementation is jointly monitored.

## 1. Fair and honest conduct

**Principle 1: We are honest and fair in our relationships with customers, suppliers, competitors, other partners and in our relationships with each other.**

### 1.1 Interacting with business partners and employees

VARTA's business activities focus on our business partners (in particular customers, sales partners, suppliers and service providers). The cornerstones for sustainable success are objective and comprehensible decisions as well as fair, respectful and reliable interactions with these business partners. We respect human rights and have made it our mission to promote them in our own business, in our business relationships and beyond. In doing so, we refer to international standards and work according to generally accepted guidelines. These include, but are not limited to, the International Bill of Human Rights, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. In our own business sector, we incorporate these values both in our operational business and in special activities, such as construction projects. We expect that our values are also supported and taken up by our business partners as well as their business partners, and work towards this goal together with them.

This also applies to the way in which employees, who create the basis for the successful actions of VARTA, treat each other. It affects employees at the same level as well as in their role as line managers in their interactions with their staff. Employees with responsibility for personnel in particular have to live up to their role model function to a special degree.

### 1.2 Anti-discrimination

VARTA is present in around 75 countries around the world and employs people from different socio-cultural backgrounds. These employees and their diverse ideas, perspectives and skills form the basis for VARTA's sustainable success. VARTA aims to benefit from this diversity and promote an inclusive, safe and productive working environment. Consequently, VARTA does not tolerate any discrimination, harassment or hostile behaviour in the working environment, be it, for example, on the basis of background, origin, nationality, gender, gender identity, gender expression and/or sexual orientation, religion and belief, disability, age, political or trade union activity. Protecting the rights of women, ethnic groups, minorities and disadvantaged groups is important to us. Employees who are particularly in need of protection include expectant mothers, people with disabilities and young people under the age of 18. We stand up for equal rights, equal opportunities and tolerance, and live these values in harmonious cooperation.

The personal rights of each individual employee are protected. Respect and mutual consideration are important prerequisites for cooperation within the Group.

VARTA takes measures to create fair working conditions. The total weekly working hours of our employees shall not exceed 60 hours, except in exceptional circumstances, including overtime. Overtime must be mutually agreed and remunerated or compensated and must not be demanded on a regular basis. National statutory provisions as well as applicable collective bargaining provisions that provide for shorter total working hours shall take precedence.

We consider fair remuneration, depending on the place of employment, which should at least ensure subsistence, including social and cultural participation, along the principle of "equal pay for work of equal value", to be self-evident. Recruitment and promotion of our employees is based on qualifications and skills.

### **1.3 Rejection of child and forced labour**

Child labour and forced labour are prohibited.

Based on the conventions of the International Labour Organisation (ILO), VARTA only employs staff who are at least 15 years old. If a higher minimum age for employment applies in a country in which an operating site is maintained, this must be complied with. Exceptionally, a minimum age of 14 years shall apply if a legal minimum age of 14 years applies in the country of employment based on International Labour Organisation (ILO) Convention No. 138. We observe the prohibition of the worst forms of child labour for children under the age of 18 based on ILO Convention No. 182.

VARTA does not employ any person to perform work or services under the threat of a penalty and for which they have not volunteered, i.e. forced labour as defined in the International Labour Organisation (ILO) Convention No. 29 is not permitted.

The prohibition of all forms of human trafficking, slavery, slave-like practices, servitude or other forms of domination or oppression in the workplace environment, such as extreme economic exploitation and humiliation, is strictly observed at VARTA.

### **1.4 Freedom of association and assembly**

Employees are free to join and form organisations such as employee associations and trade unions. Members, and in particular representatives of these associations, shall be protected from discrimination and retaliation. The right to strike and the right to collective bargaining shall be respected. If national laws restrict employee rights to freedom of association and collective bargaining, alternative options for independent, free association and collective bargaining must be created. The related ILO Conventions 87 and 98 are taken into account.

### **1.5 Fair competition and compliance with competition and antitrust laws**

Regulations protecting fair competition are an essential part of a free market economy. To this end, almost every country has enacted corresponding laws. In particular, they prohibit competitors from agreeing on prices, dividing up customer groups or production quantities. Price fixing in relation to sales intermediaries and the ban on the abuse of a position of authority are also the subject of these laws. In addition, merger control regulations also aim to prevent the emergence of dominant structures.



Almost every legal system devotes special attention to prohibited agreements between market participants which have as their object the restriction of competition. Success is immaterial in this context. Even "informal" discussions, informal "gentlemen's agreements" or similar practices are not permissible if they are intended to agree on or implement a restriction of competition.

For the reasons mentioned above, even the appearance of such conspiratorial activity must be avoided. Consequently, in discussions with competitors, confidential information, in particular on prices and imminent price changes or customer and supplier relationships, may not be disclosed or even exchanged.

All employees and managers must observe the legal requirements on competition and antitrust law in their activities.

### **1.6 Protection of intellectual property**

We respect the intellectual property of third parties and will not use or publish it without authorisation. This applies in particular to intellectual property protected by patents, copyrights or trademarks. We position ourselves strictly against product piracy and trademark counterfeiting, and expect the same from our business partners. Therefore, the use of plagiarism and brand counterfeiting is prohibited at VARTA.

### **1.7 Combating money laundering**

VARTA aims to maintain business relationships solely with business partners whose business activities comply with the statutory regulations and whose financial resources are of legitimate origin. VARTA does not support money laundering. Suspicious behaviour of business partners shall be reported to the authorities mentioned in section 7.

Anti-money laundering laws must be followed by all employees. Employees are also required to comply with applicable record keeping and accounting requirements for cash and other transactions and contracts.

### **1.8 Trade controls**

VARTA complies with all export control and customs laws and regulations applicable in the respective countries in which VARTA conducts business.

## 2. Conflicts of interest

**Principle 2: We avoid conflicts of interest that may arise due to very close relationships with business partners, competitors and other persons or institutions outside VARTA.**

### 2.1 Potential conflicts of interest with business partners, competitors and other persons or institutions

Conflicts of interest arising from very close relationships with business partners, competitors and other persons or institutions outside VARTA may damage the integrity, professionalism and reputation of VARTA. Therefore, potential conflicts of interest must be identified and avoided as early as possible.

### 2.2 Potential conflicts between private interests of employees and the interests of VARTA

VARTA employees are required to devote their work performance to the service of VARTA.

Ancillary activities or professional advisory activities may not impair the interests of VARTA and require the prior written approval of a line manager and the personnel department. Insofar as such activities are not prejudicial to the interests of VARTA, such approval will be granted.

This also applies to the exercise of official mandates in other companies which are not part of VARTA (e.g., supervisory board, advisory board posts, etc.).

Separate remuneration for lecturing or teaching activities within the scope of professional activity for VARTA must be reported to the line manager and the human resources department and approved in writing.

### 2.3 Potential conflicts of interest between employees and business partners

For the purposes of unbiased representation of the interests of VARTA, all VARTA employees are expected to maintain neutral and conflict-free business relationships with business partners.

This neutral attitude towards business partners is endangered if employees are directly or indirectly legally, financially or personally connected with a business partner, in particular if there are capital participations or if there is other legal potential for undue influence with business partners.

Therefore, employees may only acquire and hold shares and participations in business partners if holdings are kept to a small scale and there is no potential for a conflict of interests or the appearance thereof.

This regulation may not be circumvented by the shareholding being acquired or held by third parties on behalf of the employee.



## 2.4 Relationships with competitors

As a matter of principle, no employee of VARTA shall directly or indirectly hold shares in a competitor or have any other legal influence on competitors whose products compete with VARTA's products (micro batteries, household batteries, energy storage solutions, etc.).

Therefore, employees may only acquire and hold shares and participations in competitors if holdings are kept to a small scale and there is no potential for a conflict of interests or appearance thereof.

VARTA employees may not provide a competitor with services.

## 3. Bribery, venality and corruption

Principle 3: We do not tolerate any form of bribery, venality, extortion or any other form of corruption.

We do not grant business partners and other third parties inappropriate gifts, hospitality, benefits, entertainment or other advantages of any kind.

**We do not accept such advantages.**

VARTA wins orders on the quality and price of its products and services.

### 3.1 No offering or granting of benefits

No employee of VARTA may offer, promise or grant unlawful advantages to others in connection with business activities - directly or indirectly. No monetary payments or other advantages may be granted in order to influence decisions or to obtain unlawful advantages.

This applies in particular to public officials, but also to persons in the private sector. The term public official includes representatives or employees of public authorities and other public institutions as well as civil servants and employees of state-owned enterprises and public international organisations. It also means candidates for political office, official representatives and employees of a political party and political parties themselves.

Any offer, benefit, invitation or gift must comply with applicable laws, the present Code of Conduct and other internal VARTA regulations.

Any appearance of dishonesty and impropriety must be avoided. Therefore, no offers, promises, gratuities, invitations or gifts may be made if they may be understood as an attempt to influence a public official or to bribe a business partner. This does not include customary occasional gifts of symbolic value (in terms of amount and circumstance) or invitations to dinners or events within reasonable limits, provided that local customs and applicable laws are observed. Gifts or invitations to meals or events in excess of this must be refrained from.



### 3.2 No soliciting or accepting of benefits

VARTA employees may not use their official position to demand, accept or procure benefits for themselves, family members or other third parties, or to solicit the promise of such benefits.

This does not include customary occasional gifts of symbolic value (in terms of amount and circumstance) or invitations to meals or events in an appropriate context, provided that local customs and applicable laws are observed, as well as invitations from business partners, providing these are given voluntarily and serve a business purpose. Additional benefits, gifts or invitations to meals or events may not be accepted. The definition of a specific amount for appropriateness is waived, as this would vary due to VARTA's worldwide presence. If there are any questions or uncertainties, the Compliance Officer should be consulted.

### 3.3 Donations

Donations or other contributions to organisations and institutions, but not to individuals, may be granted under certain conditions. The minimum requirement for donations from VARTA is that these organisations and institutions are entitled to issue officially recognised donation receipts.

Donations without donation receipts are not permitted. No donations may be made to organisations that are prejudicial to the company's reputation.

In the case of donations, the impression of potential undue influence must also be avoided under all circumstances. Such an impression may arise, for example, if the recipient of the donation is very close to a business partner.

The rules for the granting of donations are decided exclusively by the Board of Directors of VARTA AG in consultation with the Compliance Officer. When awarding such donations, we observe the principle of altruistic action and clearly differentiate this from sponsoring. VARTA does not make political donations (donations to politicians, political parties or political organisations).

Donations that exceed the limits per organisation and year specified in Appendix 1 are generally organised via the Corporate Marketing department and require the approval of at least two members of the Executive Board as well as the Compliance Officer of VARTA AG. Requests for donations must be forwarded to the Compliance Officer. Donations with a value below the limits per organisation and year specified in Appendix 1 are at the discretion of the respective country management.

This donation policy does not apply to appropriate support of local sponsorship activities in the vicinity of our plants, such as support of sports' clubs or other recognised organisations. Such sponsorship activities require the approval of two Board members. Sponsorship is defined by a consideration such as advertising for VARTA or another VARTA brand.

## 4. Confidentiality and discretion

**Principle 4: We comply with our duty of confidentiality and discretion at all times.**

### 4.1 Confidentiality

VARTA's internal affairs must be kept confidential. This applies in particular to planned projects, the internal organisation or production processes as well as to figures and data of the internal and external reporting system, as long as this information has not been published.

The obligation to maintain confidentiality also exists beyond the end of the employment relationship. Details on this are regulated in the respective service contracts.

The duty of confidentiality must also be observed in the private sphere and when dealing with social networks.

### 4.2 Data protection and data security

For VARTA, the integrity, availability and confidentiality of information are of great importance.

Every employee must be aware of the need for information security and act accordingly.

The collection, processing and use of personal data must comply with the statutory requirements.

All employees are required to actively participate in the defence against and combating of material and immaterial damage, and to handle the information systems, the data stored and processed on them and all non-electronic information with care.

### 4.3 Insider trading rules

Persons in possession of insider information relating to a VARTA company or another company, e.g. a business partner whose shares are traded on a stock exchange or other organised market, may not trade in shares or financial instruments of such companies whose price depends directly or indirectly on the shares of such companies (insider stock).

Insider information is concrete information that is not in the public domain, that relates to an issuer of insider stock and that is capable of significantly influencing the stock exchange or market price if it becomes publicly known.

In case of uncertainty or questions on topics of insider law and / or market abuse regulations, the Corporate Legal department is available to assist employees.

## 5. Safety, health and environmental protection

### **Principle 5: Safety in the workplace, the safety of our products and environmental protection are key principles.**

In order to ensure these principles, all employees share responsibility for the protection of people and the environment in their working environment. Our employees shall comply with the laws, regulations and internal guidelines on environmental protection and on health and safety in the workplace, and shall work towards ensuring that other employees comply with these. The company and its employees follow the precautionary principle and work towards promoting environmental awareness within the company and beyond. In order to protect physical and mental health, VARTA creates suitable working conditions and complies with applicable health and safety in the workplace obligations. This also includes compliance with appropriate working and rest times based on national legal requirements. Among other aspects, VARTA provides employees with suitable framework conditions, work equipment as well as effective personal protective equipment free of charge, and also takes into account the needs of particularly vulnerable employees.

The following apply in particular:

- Employees must act prudently and in this way bear responsibility for ensuring that their own health and the health of others is not endangered.
- In terms of health and safety in the workplace, the respective local and national regulations are regarded as the minimum standards.
- Aspects of product, health and safety in the workplace and environmental protection must be strictly observed in the development, production, storage, transport, distribution and use of our products.
- Environmental pollution such as, in particular, causing harmful soil contamination, water pollution, air pollution, harmful noise emission or excessive water consumption must be prevented. In our sphere of action, we shall contribute to the preservation of the natural biodiversity of flora and fauna.

## 6. Code of Conduct as the basis

### **Principle 6: The present Code of Conduct constitutes the basis of our operating behaviour and must therefore be strictly observed.**

The present Code of Conduct constitutes the basis for all VARTA Group guidelines.

All VARTA employees are obliged to comply with the laws, regulations, the content of the present Code and the guidelines supplementing the Code that are relevant to them, and to work towards ensuring compliance with them by other employees.



All VARTA employees are expected not only to formally comply with the Code of Conduct, but also to internalise its meaning and intent, and to apply it accordingly in their daily business life.

All employees are responsible for ensuring that the laws and internal company rules are observed. The respective line managers must ensure that employees are informed of the laws and internal company rules affecting them and that they are supported in their application. In case of doubt, employees shall seek advice from their line manager or from one of the parties mentioned under section 7 hereof.

**Principle 7: If we believe or find that the above rules are not being or have not been followed by a line manager or an employee, we will not hesitate to report the matter.**

Every employee is required to report any violations of the present Code of Conduct to one of the offices listed in section 7. This also applies in the case of sufficiently concrete suspicions.

In the case of identified or potential violations of the statutory regulations, the persons responsible at VARTA will do everything necessary to clarify the facts and to initiate the necessary consequences, which may lead to the termination of an employment or business relationship. In any event, VARTA reserves the right to take further legal action.

Any employee reporting potential breaches of the Code of Conduct in good faith need not fear any disadvantages, not even if the report should turn out to be unfounded.

## 7. Contacts

The following persons are responsible for receiving information on potential violations of the present Code of Conduct and are the contacts for all questions relating to the basic rules of the Code of Conduct:

- The Chief Compliance Officer: Ms Julia Weber
- If appointed: the Compliance Officer of the individual national companies

Information on misconduct, in particular violations of applicable laws and internal instructions and procedures, can be submitted via

- The anonymous whistleblower system at <https://varta.integrityline.org/>,
- Email addressed to [compliance@varta-ag.com](mailto:compliance@varta-ag.com),
- Email or phone call to the Compliance Officer (Ms Julia Weber)
- In writing (also anonymously) sent using the internal post system to the Compliance Officer in a sealed envelope (marked COMPLIANCE / CONFIDENTIAL on the envelope).

Whistleblowers are subject to special protection and do not have to fear any negative consequences from VARTA for their disclosure of information. It is immaterial whether the employee's suspicions prove to be true or not. Retaliation within the workforce is not permitted, regardless of whether the breach of the Code of Conduct has been reported or if there existed an intention to report it. Employees who violate the Code will be subject to disciplinary action. Retaliation includes, for example, coercing an employee not to report an alleged violation.

**Annex 1**

Local limits for donations in accordance with section 3.3:

Germany	€5,000.00
USA	€5,000.00
Singapore	SGD 8,000.00
Remaining countries	€ 1,000.00