



AVA Group Code of Conduct

Our Guidelines for Collaboration and Integrity

Dear employees,

Since the very beginning, when my father, Klaus Alms, founded our company in 1972, we have been committed to conducting all our business activities responsibly and legally. Given our current corporate structure and international business relationships, it is even more important to document this responsibility and commitment in writing. This Code of Conduct has been created for this purpose.

Our Code of Conduct contains important rules of conduct for us all. They are intended to assist us in addressing the ethical and legal issues arising in our day-to-day business, strategic considerations, and decision-making processes correctly and appropriately. Where regional conditions require it, local standards supplement our Code of Conduct.

It applies to all companies of the Armaturen Vertrieb Alms Group, both domestically and internationally. It applies to each and every one of us: the management, the executives, and every employee.

It describes essential rules and principles that guide our business activities and our collaboration. Values such as correct, ethical and lawful behaviour, honesty, transparency, and personal responsibility play a particularly important role here. The reputation and trust we enjoy can be tarnished by inappropriate behaviour, even by individuals. Violations of legal provisions, and thus also of our Code of Conduct, will therefore be prosecuted and appropriately punished.

An honest and open exchange of information and mutual support are the foundation for trusting and positive cooperation. Our commitment to conducting all business in an ethically and legally sound manner is inextricably linked to the way we conduct our daily work. We therefore expect all employees, without exception, to comply not only with internal rules but also with all laws, avoid conflicts of interest, protect AVA's assets, and respect the customs, traditions, and social values of the countries and cultures in which we do business. Incorrect

behaviour, which naturally also includes evasive or circumventive solutions, is never in AVA's interest.

Our guiding principle, „Where quality meets sustainability,“ embodies our commitment to combining economic success with social responsibility. We view sustainability as a commitment to meeting the needs of the present without compromising the resources and opportunities of future generations. In doing so, we place particular emphasis on customer satisfaction, health and environmental protection, the safety of our employees, suppliers, and customers, as well as compliance with ethical principles and social standards.

To meet the growing demands of a globalised economy, AVA GmbH has established subsidiaries in the Netherlands and the United Kingdom. This not only lays the foundation for efficient support of local markets, but also enables globally operating companies within Europe to receive comprehensive services from a single source. Our goal is to combine local responsibility with global commitment. The Code of Conduct is also published online and is supplemented by our management principles, which document our company's vision and strategies.

Our Code of Conduct thus forms the bridge between our philosophy, our vision, and our long-term goals. It defines clear expectations for our employees and encourages them to implement our values. At the same time, we communicate our commitment to an economically efficient, socially just, and ecologically sustainable future.

Should there be a conflict between local laws and the principles of our Code of Conduct, local law takes precedence. Nevertheless, we expect our employees to adhere to the spirit and principles of this Code as far as possible and to develop transparent solutions. In addition, employees are responsible for complying with applicable local and international laws and contributing to minimising potential risks.

With over 50 years of experience, we stand for tradition and innovation in equal measure. Together with our subsidiaries and partners, we are shaping a sustainable future – with the firm conviction that quality, responsibility, and vision are inextricably linked.

AVA Group



Frank Alms
Managing Director
Ratingen, April 2025

The AVA Group Code of Conduct includes the following elements:

- I. Introduction/Preamble
- II. Requirements
 - II. 1 Social Responsibility
 - II. 2 Environmental Responsibility
 - II. 3 Ethical Business Conduct
- III. References
- IV. Implementation of Requirements

I. Introduction/Preamble

The AVA Group is committed to ecologically and socially responsible corporate governance. We maintain open and transparent business practices to strengthen the trust of our stakeholders. We expect our own employees to observe the principles of ecological, social, and ethical behaviour and integrate them into our corporate culture. We also strive to continuously optimise our business activities, as well as our products and processes, in the spirit of sustainability and encourage our employees to contribute to this through a holistic approach.

The Code of Conduct is based on national laws and regulations as well as international conventions such as the United Nations Universal Declaration of Human Rights, the Guiding Principles on Children's Rights and Business Conduct, the United Nations Guiding Principles on Business and Human Rights, the International Labour Standards of the International Labour Organisation (ILO), and the United Nations Global Compact (UN Global Compact).

II. Requirements

II. 1 Social Responsibility

• Human Rights

Human dignity is inviolable. The AVA Group is committed to respecting and protecting this dignity. The AVA Group is committed to the United Nations Universal Declaration of Human Rights. Our employees are also obligated to respect it.

• Exclusion of Forced Labor

AVA does not tolerate forced labour, slave labour, or similar labour. The work performed by us is voluntary and without threat of punishment. Employees can terminate their work or employment at any time. Furthermore, unacceptable treatment of workers, such as psychological hardship, sexual and personal harassment, and humiliation, is prohibited. The commissioning or use of security forces is prohibited if, during their deployment, individuals are treated or injured in an inhumane or degrading manner, or if their freedom of association is impaired.

• Prohibition of Child Labor

Child labour may not be used at any stage of our processes or service provision. AVA adheres to the ILO Convention's recommendation regarding the minimum age for the employment of children. Accordingly, the minimum age for employment should not be lower 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, AVA must document the measures that must be taken to remedy the situation and enable the children to attend school. The rights of young employees must be protected, and young employees under the age of 18 will not be employed in work that is harmful to their health, safety, or morals. Special protective regulations are observed accordingly.

• Fair Remuneration

Remuneration for regular working hours and overtime complies with the national statutory minimum wage or industry minimum standards, whichever is higher. Approved overtime is paid separately in accordance with legal requirements. Our employees are provided with all legally required benefits. Deductions from wages as a penalty are not permitted. AVA ensures that employees receive clear, detailed, and regular written information about the composition of their remuneration.

• Fair Working Hours

Our working hours comply with applicable laws or industry standards. This includes overtime, rest breaks, and vacation time. AVA ensures that regular weekly working hours, plus maximum permissible overtime, are not exceeded and that working time regulations are adhered to.

• Freedom of Association and Freedom of Expression

AVA respects the right of employees to form and join organisations of their choice, to bargain collectively, and to strike. In countries of employment where freedom of association and the right to collective bargaining are restricted by law, alternative means for employees to organise independently and freely for the purpose of collective bargaining are provided. Employee representatives are protected from discrimination. Employees must not be discriminated against because of their formation, joining, or membership in such an organisation. Their employee representatives are granted free access to their colleagues' workplaces to ensure that they can exercise their rights in a lawful and peaceful manner. We are also committed to protecting and fulfilling the right to freedom of opinion and expression. Our employees have the right to express their opinions freely at any time and without fear of reprisal.

• Diversity and Inclusion

The AVA Group values the diversity of its employees and promotes equal opportunities in all areas of the company. AVA is committed to promoting a diverse and inclusive work environment. Discrimination, unequal treatment, abuse, and harassment of employees in any form is prohibited. This applies, for example, to disadvantages based on gender, race, ethnic or social origin, skin colour, disability, health status, political opinion, ideology, religion, age, pregnancy, or sexual orientation. This also includes any unwanted behaviour that could be considered offensive, intimidating, or degrading, as well as any form of sexual harassment. The personal dignity, privacy, and personal rights of every individual must be respected. Regular training on our AVA Group Code of Conduct is therefore conducted within our company to ensure compliance with this Code of Conduct.

• Occupational Health and Safety

AVA is responsible for a safe and healthy working environment. By establishing and implementing appropriate occupational safety systems, necessary precautions are taken against accidents and health damage that may arise in connection with AVA's activities. Excessive physical or mental fatigue must be prevented through appropriate measures. Furthermore, employees are regularly informed and trained on applicable health and safety issues and safety measures. Employees are provided with access to sufficient drinking water and clean sanitary facilities.

• Preservation of Natural Resources

AVA will not, in violation of legitimate rights, deprive people of land, forests, or water resources whose use secures their livelihoods. AVA must refrain from harmful soil changes, water and air pollution, noise emissions, and excessive water

consumption if doing so could harm people's health, significantly impair the natural basis for food production, or prevent people's access to clean drinking water or sanitation facilities.

• Complaint Mechanisms

AVA strives to provide employees with the necessary information to avoid violations of laws or this Code of Conduct. If they have any questions, suggestions, notifications, or reports, we ask employees to contact their supervisors or the Human Resources department immediately. Applicable laws must also be observed for notifications. This means that knowingly making false statements may be punishable. AVA will not retaliate against employees who report violations. AVA also does not tolerate any actions intended to prevent employees from reporting such violations. Reports of violations can be made verbally/by telephone, in writing, or by email. These reports will be pursued and punished in accordance with legal provisions. In addition, AVA has established an appropriate grievance mechanism, accessible to employees and external parties via the AVA website, while respecting confidentiality, identity, and effective protection against discrimination.

• Handling Conflict Minerals

For the conflict minerals tin, tungsten, tantalum, and gold, also known as 3TG, as well as for other raw materials such as cobalt and mica, the AVA Group has established processes in accordance with the guidelines of the Organisation for Economic Cooperation and Development (OECD) for fulfilling due diligence obligations to promote responsible supply chains for minerals from conflict-affected and high-risk areas. To this end, we regularly survey our suppliers about conflict minerals from smelters that have been classified as compliant according to the standards of the Responsible Minerals Assurance Process of the Responsible

Minerals Initiative (RMI) or an equivalent, recognised assessment. Smelters and refineries without appropriate, audited due diligence processes are thus to be avoided.

AVA ensures that product and packaging requirements, unless already defined in customer material or delivery requirements, include proper environmental compliance marking and labelling in accordance with applicable laws, including but not limited to CE.

II.2 Environmental Responsibility

As part of the CSRD Transition Plan, we commit to assuming environmental responsibility and promoting sustainable practices. Our goal is to minimise the environmental impacts of our supply chain and contribute to mitigating climate change. Efficient use of resources, promoting the use of energy-efficient technologies, and responsible management and prevention of waste, wastewater, air emissions, including greenhouse gases, animal testing, and biodiversity loss are critical to this. AVA is therefore actively working on measures to reduce our ecological footprint. This also takes into account the principles of the circular economy, the promotion of reuse, and the recycling of materials. We also take measures to track and continuously improve our environmental performance across all business areas, products, and services. To this end, we set short- and long-term targets to address relevant issues related to climate, nature, water, energy consumption, and the circular economy in our offices and throughout our value chain.

• Treatment and Discharge of Industrial Wastewater

Wastewater from operational processes, manufacturing processes, and sanitary facilities is classified, monitored, tested, and treated if necessary before discharge or disposal. In addition, measures are analysed and implemented to

reduce wastewater generation. General emissions from operational processes (air and noise emissions) and greenhouse gas emissions are classified before release, routinely monitored, tested, and treated if necessary. Exhaust gas cleaning systems, where available, are monitored, and cost-effective solutions are sought to minimise any emissions. AVA follows a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle solid waste. The prohibitions on the export of hazardous waste in the current version of the Basel Convention are observed. Chemicals or other materials that pose a hazard if released into the environment must be identified and managed in a manner that ensures safety during handling, transport, storage, use, recycling or reuse, and disposal. Requirements for the use of mercury are being rolled out into our supply chain in accordance with the bans of the Minamata Convention, and persistent organic pollutants (POPs) in accordance with the Stockholm Convention, as amended.

• Resource Conservation and Consumption

The use and consumption of resources during production and the generation of any type of waste, including water and energy, are reduced and, where possible, avoided. This occurs either directly at the point of origin or through procedures and measures, for example, by changing production and maintenance processes or company procedures, by using alternative materials, by saving resources, by recycling, or by reusing materials. Our energy consumption is monitored and documented. We also strive to find cost-effective solutions to improve energy efficiency and minimise energy consumption.

• Responsible Procurement

The AVA Group promotes and encourages resource-efficient and environmentally friendly procurement. This includes, among other things, the use of sustainable

materials and the deployment of environmentally friendly technologies. AVA ensures that all regulations governing the import and export of goods, services, and information are complied with. We comply with the obligations of customs and foreign trade laws in all countries in which we do business, including compliance with sanctions lists. The AVA Group has established a process to ensure that parties subject to sanctions (e.g., by the EU or the United Nations) are not accepted as business partners for our procurement activities.

II.3 Ethical Business Conduct

• Fair Competition

We adhere to the standards of fair business conduct, fair advertising, and fair competition. We also apply applicable antitrust laws, which, in particular, prohibit collusion and other activities that influence prices or conditions when dealing with competitors.

• Confidentiality and Data Protection

AVA is committed to meeting the reasonable expectations of our clients, suppliers, customers, consumers, and employees regarding the protection of private information. The AVA Group complies with data protection and information security laws and regulatory requirements when collecting, storing, processing, transmitting, and sharing personal information. We respect intellectual property rights. Technology and know-how transfers must therefore be conducted in a manner that protects intellectual property rights and customer information. We are committed to complying with applicable data protection laws and ensuring that all personal data is processed responsibly and securely. We have also implemented appropriate security measures to ensure adequate protection against cyberattacks and data theft. All cybersecurity incidents, breaches,

or suspected compromises that could impact the AVA Group, our customers, suppliers, or other stakeholders will be reported immediately to the responsible parties.

• Integrity, Bribery, and Acceptance of Advantage

The highest standards of integrity are applied in all business activities. The AVA Group and all its employees pursue a zero-tolerance policy regarding the prohibition of all forms of bribery, corruption, extortion, embezzlement, money laundering, and terrorist financing. Appropriate monitoring and enforcement procedures are in place to ensure compliance with anti-corruption laws. Appropriate financial records and reports are maintained in accordance with applicable laws. Conflicts of interest or situations that could create the appearance of a conflict between personal and business interests must be avoided. Provided that the professional impartiality of our employees is not compromised, gifts and entertainment that are within the bounds of customary hospitality, custom, and courtesy may be given or accepted. Any unlawful offers of payment or similar gratuities to government officials will not be tolerated. To this end, the AVA Group adheres to the U.S. Foreign Corrupt Practices Act, the UK Bribery Act, and all other local or otherwise applicable laws relating to the bribery of government officials. The AVA Group acts as a good neighbour to the region and is politically neutral. Cooperation with authorities is characterised by openness, honesty, and commitment. We recognise the right of employees to actively participate in political opinion-forming, although employees do not represent the AVA Group in doing so.

III. References

- ILO Guide on Occupational Safety and Health
- ILO International Labor Standards
- OECD Guidelines for Multinational Enterprises
- UN Convention against Corruption
- UN Global Compact
- UN International Bill of Human Rights
- Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda
- ISO 14001, ISO 45001
- SA 8000
- AVA Group Core Principles

IV. Implementation of Requirements

Risks within the supply chain are identified and appropriate measures are taken. In the event of suspected violations and to secure supply chains with increased risks, AVA will promptly and regularly report on the identified violations and risks, as well as the measures taken. The AVA Group monitors compliance with the standards and regulations listed in this document using a self-assessment questionnaire and risk-based audits at AVA locations. The results of such surveys and audits are part of AVA's performance and contribute to our development. Upon request, we provide environmental data, such as key figures on carbon, nature, water, or energy, to support our customers and stakeholders in pursuing and achieving their own goals. This includes the annual preparation of a greenhouse gas balance sheet for all areas, as well as the calculation of key figures on the CO2 footprint of products, water consumption, and the use of renewable energies. AVA quantifies and reports environmental indicators using established methods, such as the Greenhouse Gas Protocol.