

Code of Conduct of the Steiff Beteiligungsgesellschaft mbH

Steiff Beteiligungsgesellschaft mbH is the holding company of the group of companies in which the descendants of the company's founder Margarete Steiff have bundled their entrepreneurial activities. It currently comprises the following holdings:

- Margarete Steiff GmbH, Giengen (Group)
- AIGO-TEC GmbH, Giengen (Group)
- Steiff Schulte Webmanufaktur GmbH, Duisburg.

„ Wer an sich selbst glaubt, ist frei. “
(Margarete Steiff)

Our founder, Margarete Steiff, was a remarkable person in many respects. Quite unusual for the time, she fought for her place in life as a young girl against many obstacles and became an entrepreneur in her own right. Her life was characterized by an orientation towards clear values.

We are committed to these values. It is very important to us that the ethical guidelines that shaped her life continue to exist in our time. In order to preserve these values for future generations, we have created a Code of Conduct based on these values and Margarete Steiff's fundamental ethical business principles and beliefs.

These values and business principles are the guiding principles for our actions - in our own understanding, for our dealings with our customers, business partners and government agencies, as well as for our behaviour towards employees, society and the environment.

a) Guidelines for your own Work:

This Code of Conduct defines how we deal with the safety of the company and its employees in a legally correct, ethical and socially appropriate manner:

Health and Safety

The working environment of the employees must be safe and hygienic. Occupational health and safety regulations must be complied with. Occupational safety measures to prevent accidents and injuries must be implemented. Production facilities must meet at least the legally prescribed safety standards. Factory buildings that pose a threat to people due to structural defects or inadequate maintenance measures have not be used under any circumstances. For the safe handling of machinery, it is of particular importance that employees are instructed in the operation, hazards and effects as well as protective measures to avert them.

Adequate fire protection measures have to be taken: Emergency exits on all stages have to be clearly marked, well lit, and freely accessible and unobstructed along the entire escape route. Possible evacuation through the emergency exits has to be guaranteed at all times during working hours. All persons working on the premises concerned, including management and security personnel, have to receive regular training on the procedures to be followed in the event of a fire or other emergency. Require periodic evacuation drills for all workers. Evacuation plans and firefighting equipment must be in place.

Chemicals have to be stored safely, and lighting, heating and ventilation systems have to be kept in working order. In addition, each employee has to be provided with appropriate personal protective equipment for his or her job, and it has to be ensured that it is used.

In addition, employees must have access to sanitary facilities at all times, which have to be available in sufficient numbers and kept clean at all times.

Data Protection & IT-Security

Appropriate measures have to be taken to ensure that there is no misuse of data processing, that the individual's right to informational self-determination and that the personal rights of each individual are protected during data processing. The privacy of employees has to be protected. Confidential information and documents have to be appropriately protected from being disclosed to third parties. Personal data may only be collected and processed if there is a legitimate interest. The rights of employees to delete data, object to its use and block access have to be safeguarded at all times. Technical safeguards against unauthorized access to data have to correspond to the current state of the art. Employees should receive training on this at regular intervals.

When collecting and processing personal data, the General Data Protection Regulation (DSGVO) and the Federal Data Protection Act (BDSG) have to be observed.

The IT systems used have to be protected against unauthorized access. This goal is to be achieved by means of suitable security measures and by defining data access competencies.

Protection of intellectual Property and Trade Secrets

Intellectual property has to be protected by appropriate measures. Intellectual property is "property" within the meaning of Article 14 of the German Basic Law and Article 1 of the 1st Additional Protocol to the European Convention on Human Rights (ECHR). All data, drawings, work plans, parts lists, cuts, samples or other templates are the intellectual property of the companies of the Steiff Group and may not be made accessible to third parties. After termination of the business relationship, these must be returned to the respective Steiff Group company or deleted without being requested to do so. Subcontractors shall be obligated accordingly. Intellectual property also includes patent and trademark law as well as related industrial property rights.

Trade secrets and business secrets shall be protected by appropriate measures. All commercial and technical details which are not in the public domain and which become known as a result of the business relationship are trade or business secrets.

Handling of Business Assets

Operating assets have to be handled with care and diligence so that the normal expected useful life of these operating assets is not shortened. In particular, the operating instructions for machinery and equipment are to be applied. Company cars are to be operated in accordance with the procedural instructions for the use of company cars.

Avoiding Conflicts of Interest

Employees shall disclose to the Company any conflict of interest in which they are required to pursue two different, incompatible interests in a particular matter. Conflicts of interest are circumstances that create a risk that professional judgment or action related to a primary interest will be unduly influenced by a secondary interest.

b) Guidelines for dealing with Customers, Business Partners and Government Agencies

Furthermore, the Code of Conduct regulates that we comply with the law, refrain from illegal measures ("Compliance"), and that we apply a certain level of ethics in our dealings with our business partners: The Code of Conduct is the legal basis for every sales contract and every other contractual relationship we enter into with our business partners. We expect our business partners to respect our Code of Conduct and to comply with the standards and regulations contained therein. Ultimately, it serves as a guideline for our decisions and actions.

Compliance with Laws

The highest level of integrity is expected in all business activities and relationships. Any form of fraud or breach of trust, insolvency offences, corruption, granting of advantages, bribery or corruptibility must be refrained from. We and our business partners undertake to comply with all laws and regulations applicable to the business relationship with a company of the Steiff Group. This also applies to the regulations on product safety and product liability.

Fair Competition

Laws that protect and promote competition, in particular antitrust laws, must be observed. All parties have to ensure fair competition and comply with the prohibition of collusion among competitors and other measures that impede the free market.

Avoiding Conflicts of Interest

All parties involved are called upon to make decisions in their dealings with business partners exclusively on a factual basis and not to allow themselves to be influenced by personal and private financial interests. In addition, the acceptance of invitations, financial benefits and gifts of any kind, including for employees of our company, is prohibited if they exceed

the limits for favours and donations recognized by tax law. However, the acceptance of favours of low value, such as annual calendars and disposable ballpoint pens, is permitted.

Corruption

Any form of corruption is prohibited, i.e. the acceptance of money or non-cash benefits by a third party who hopes to gain advantages from this is to be refrained from. Furthermore, we do not grant third parties any monetary or in-kind benefits that exceed what is justifiable in order to gain direct or indirect advantages. The acceptable level for donations and contributions in kind is determined by the limits and guidelines relevant under tax law.

Prohibition of Money Laundering & Terrorist Financing

Money laundering is the smuggling of illegally generated funds into the legal financial and economic cycle. Money laundering is a criminal offense. The companies of the Steiff Group are obliged to take special care to identify suspected cases of money laundering as early as possible and to report them to the responsible authorities.

In order to avoid supporting terrorism, the data records of business partners and potential employees must be regularly compared with the entries in the so-called "blacklists" of the EU in order to be able to identify and exclude possible supporters of terrorism.

Prohibition of Insider Trading

Anyone who uses insider knowledge to enrich themselves personally may be liable to prosecution under the Market Abuse Regulation (MMVO). Insider trading is prohibited in the companies of the Steiff Group.

Compliance with Trade Sanctions

Trade sanctions are measures by which states attempt to use cross-border trade to achieve other goals, such as compliance with human rights or social standards. Classic trade sanctions are arms embargoes, tariffs on imports, or import bans. The companies of the Steiff Group are obliged to consistently observe the trade sanctions imposed by the European Union and the USA.

Ban on political Activities & Lobbying

The companies of the Steiff Group are not politically active. Furthermore, they do not engage in lobbying.

Donations & Sponsoring

The companies of the Steiff Group have issued a guideline specifying the narrowly defined areas in which donations and sponsoring may be made. This guideline must be strictly adhered to by those who are responsible.

c) Responsibility towards Employees, Society and the Environment

c1) Social Standards:

Wages / Salaries and Benefits

Wages/salaries must be at least equal to the statutory minimum wage or the prevailing industry wage, whichever is stricter. In addition, legally required social benefits have to be granted.

Compensation for overtime worked has to be provided in the form of overtime pay at the rate prescribed by law in the country of manufacture. In countries where such laws do not exist, overtime has to be compensated at a rate not lower than the regular hourly wage rate. Supplements for night work, work on Sundays and public holidays have also be granted in accordance with statutory provisions in the country of manufacture.

All potential employees have to be informed in writing and in a comprehensible manner of their working conditions, including details of remuneration, before they commence employment. In addition, details of wages and salaries have to be documented, e.g. by means of wage and salary statements, and made available to the employee with each payment period.

Working Hours

Employees' working hours have to comply with the applicable statutory provisions and collective bargaining agreements. Compliance with these provisions is not only based on the principle of legality, but also on the duty of care towards the employee. It is therefore important to the company that corresponding compensation periods and maximum working hours are observed.

Leadership & Employee Orientation

In the companies of the Steiff Group, we live a cooperative and cooperative management style. Each supervisor encourages and demands independence and personal responsibility from his or her employees. Agreements are made between supervisors and employees that give the employee scope for decision-making and action. By encouraging our employees, we create a good working atmosphere and at the same time lay the foundation for the continued existence of our company.

Freedom of Association and the Right to Collective Bargaining

Freedom of association and the effective recognition of the right to collective bargaining has to be upheld. It has also be ensured that employees can openly discuss working conditions with management without fear of disadvantage. The right of employees to join together, to join a trade union, to appoint a representative body and to be elected to such a body shall be respected. Employee representatives shall not be discriminated against and shall be allowed to perform their representative functions in the workplace.

Employment of Children

All legal restrictions on the employment of persons under the age of 18 ("children") have to be observed. We recognize the right of every child to be protected from the following:

- economic exploitation,
- performing work that is dangerous,
- performing work that interferes with a child's education, and
- work that may jeopardize a child's health or physical, mental, spiritual, moral or social development.

c2) Moral-Ethical Principles:

Human Rights

Internationally recognized human rights are to be respected and their observance is to be promoted. In all business activities within their own sphere of influence, those responsible shall ensure that they themselves, their business partners and their suppliers do not commit or are not involved in human rights violations.

Forced Labour

Forced or compulsory labour in any form, such as prison labour, servitude, debt bondage and slavery, is not permitted. No employee may be forced to work by force, intimidation or as political forced labour or as punishment for holding or expressing political views. Requiring "bail" or withholding identification papers from employees is also impermissible. Every employee has to have the freedom to terminate the employment relationship with reasonable notice. This also applies if suppliers are located abroad and such unethical production methods are legally or factually tolerated in the respective country.

Child Labour

The Steiff Group does not tolerate child labour. No person may be employed who is younger than 16 years of age or younger than the minimum legal working age in countries where this age is higher than 16 years. The Group undertakes to take the necessary preventive measures to ensure that no person under the minimum legal age of employment is employed. This also applies if suppliers are located abroad and such unethical production methods are legally or factually tolerated in the respective country.

Discrimination and equal opportunities

Employees shall be treated with respect and dignity. No employee shall be subjected to physical, sexual, psychological or verbal harassment or abuse. Equal employment opportunity shall be maintained and discrimination of any kind shall be prohibited. Decisions about hiring, compensation, benefits, training opportunities and advancement have to be based on job skills and not on personal characteristics or beliefs such

as race, origin, gender, religion, age, disability, marital status, parental status, association membership, sexual orientation, political opinion, illness or pregnancy.

Property Rights

Irrespective of the legal provisions, we respect property rights. We reject theft and evasion, and we sanction such misconduct under labour law if it originates from employees.

c3) Environmental Protection:

Sustainability

We are aware of our responsibility towards society and the environment. For this reason, our actions, within the scope of our possibilities, go beyond the fulfilment of existing laws and regulations. We treat our planet and its finite raw materials with care. For us, responsible use of natural resources means incorporating the concept of sustainability into all business decisions, such as the design and development of products and the use of environmentally friendly materials and technologies.

All employees are obliged to use all resources sparingly. Our partners, suppliers and their subcontractors also have a responsibility to integrate the concept of environmental protection into their business processes and to ensure that these principles are observed.

Acting in an ecologically responsible manner

Optimum environmental protection has to be ensured in all phases of production, at least in accordance with current and local legal environmental requirements. The consequences of accidents that can have a negative impact on the environment have to be avoided or minimized by proactive, forward-looking action. Particular importance is attached to the application and further development of energy- and water-saving technologies - characterized by the use of strategies for emission reduction, reuse and recycling.

All products manufactured along the value chain have to meet the relevant environmental protection standards. This includes the entire product life cycle and all materials used. Chemicals and other substances that could pose a risk if released into the environment have to be identified. Hazardous materials management has to be established for them so that they can be safely handled, transported, stored, reprocessed or reused and disposed of through appropriate procedures. Resource-conserving consumption of materials, proper disposal of chemicals, management of waste, and consideration of reuse and recycling are very high priorities for us.

Measures and Consequences in the event of Violations

The basic prerequisite for establishing and maintaining a business relationship with a company of the Steiff Group is compliance with all legal requirements and standards when conducting business. Business partners have to confirm compliance with and observance of all documented requirements and standards prior to the establishment of a business relationship. The business

partner has the obligation to inform the Steiff Group immediately in the event of non-compliance with any part of the Code of Conduct.

In order to verify compliance with the Code of Conduct, the Steiff Group is entitled to conduct audits at any time. Contractual partners are obliged to behave in a cooperative and transparent manner during such an audit and to grant unrestricted access to the individual relevant areas. Any violation or non-compliance may result in the immediate termination of the business relationship. Furthermore, the Steiff Group reserves the right to extraordinarily terminate the contractual relationship in the event of a violation or non-compliance with the aforementioned minimum standards or to initiate measures and sanctions under labour law, civil law or criminal law.