



Employee

Code of Conduct



Dear Colleagues,

At SMA, thousands of employees are working together to make renewable energy accessible to people all across the world. In Africa, Asia, North and South America, Australia and Europe, we make decisions every day in the course of our business and are in constant and close contact with our customers, suppliers, service providers and business partners.

Our success is based in large part on the trust that our business partners place in us. In order to continue to deserve that trust, we need clear and uniform guidance and principles to help us make the right decisions. This is the purpose behind this Code of Conduct.

Through our Code of Conduct, we not only want to emphasize our commitment to fully comply with all applicable legal and regulatory requirements, we also commit ourselves to fulfilling our corporate responsibility by always conducting business ethically, and to continuously improve our sustainability performance and treat others with respect. We also require our suppliers and business partners to comply with these principles and standards.

Each of us is responsible for upholding and actively promoting these principles and standards in our day-to-day work. If you have any questions or concerns, or if you see violations of this Code by others, please contact your manager or a member of the Group Compliance team.

The Managing Board

Dear Colleagues,

Our Code of Conduct ("Code") is a guide for how one should conduct oneself and is binding on all SMA employees worldwide. It must be followed together with compliance with all relevant laws, regulations and internal guidelines. Violations may result in disciplinary actions including termination.

Group Compliance developed this Code of Conduct together with the Managing Board and colleagues from diverse functions. We conduct annual training and provide real-life examples to explain these topics to you in greater detail. If you have any questions, you are always welcome to contact us. We will either support you directly or find someone who can.

When we all act in accordance with this Code, we maintain SMA's reputation in the market and ensure our continual success.

Your Group Compliance team

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We Take Responsibility

We must ensure that our conduct and decisions do not violate applicable rules – this includes those outlined in this Code of Conduct. Therefore, our actions and decisions are guided by the following:

/ We know the rules and follow them

We are all responsible to understand and follow the rules and processes that apply to our work. This includes in all mandatory training and proactively seeking out information and support.

We maintain an atmosphere in which all employees can ask questions and address mistakes openly.

/ We are careful in unclear situations

Most of the time, it is clear what the right decision is. But sometimes there are situations in which it is difficult to judge what is right and what is wrong. In such situations, we should take the time to come up with the best solution by asking ourselves the following:

- What does my intuition tell me?
- What do the rules say?
- What does my manager, my team or Group Compliance say?



/ We act when we see wrongdoing

Even if it sometimes takes courage, we do not look the other way when we see violations of the rules. We express concerns openly to protect SMA and our colleagues. Depending on the situation, we have the following options:

- We point out the mistake to those who are engaged in wrongdoing.
- We talk to our managers.
- We contact the responsible department or Group Compliance.
- We use the SMA Speak-Up Line to report misconduct anonymously.

/ We act sustainably

Our business should not be conducted at the expense of future generations. We want to integrate sustainable action into our business processes, taking into account economic, ecological and social considerations. Our sustainability goals define how we want SMA to improve its sustainability performance.

We actively ask ourselves how we can contribute to achieving these goals; for example, when selecting suppliers. Before making business decisions, we always check whether they are in line with SMA's sustainability goals.

Our Business Principles

SMA is committed to upholding the following ten Business Principles. They are based on applicable laws and global standards, such as the UN Global Compact. We are all responsible for ensuring they are followed.

We carefully select business partners who will commit to upholding our principles, which are also outlined in the SMA Business Partner Code of Conduct.

People & Environment

Respect for people and the environment is firmly established in our corporate culture. We actively commit to the rights and welfare of all people affected by our business activities. The same applies to the protection of our environment.

1. Human Rights & Fair Labor Practices

We respect the rights, privacy and dignity of all people. We conduct business in accordance with internationally recognized human rights and labor standards. These include the UN Universal Declaration on Human Rights, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and the eight core conventions of the International Labour Organization (ILO).

At SMA, all forms of exploitation of people for commercial gain (modern slavery) are prohibited. We do not procure any goods or services that use human trafficking, forced labor or child labor in their production or provision.

We strictly comply with applicable labor laws, including those regulating minimum wages, overtime pay and working hours. This applies regardless of whether work is mobile or performed at SMA. If there is no legal minimum wage, SMA pays at least a living wage. SMA also respects the rights of employees to freely associate and to conclude collective bargaining agreements.

2. Respect, Fairness & Diversity

We treat others fairly and with respect. This means:

- We do not tolerate discrimination of any kind and treat all people equally, regardless of race, ethnicity, national origin, social class, religion, belief, gender, language, sexual orientation, gender identity/expression, age or disability.

- We ensure that all employees are evaluated based solely on their abilities and performance, have equal opportunities to develop and advance their careers at SMA and are compensated fairly.
- We do not tolerate any form of violence, harassment, abuse, mental or physical coercion, bullying or public shaming.

We see diversity, especially gender diversity, as a building block for our success and actively promote it within the company.

3. Health & Safety

We do not compromise when it comes to the health and safety of our colleagues. We see compliance with and the implementation of all occupational safety, fire and health regulations as an opportunity to promote the achievement of our other goals. This is why we foster a global culture of safety in which everybody, especially managers, leads by example.

Therefore, we:

- Integrate occupation health and safety measures into our operational processes and decision-making,
- Evaluate possible safety hazards and take steps to reduce or avoid them prior to starting tasks,
- Observe requirements such as safety regulations, working time rules and warning notices,
- Use provided protective equipment and ergonomic aids,
- Report defective equipment and possible hazards in the workplace,
- Stop work activities that, when viewed objectively, pose a danger to our safety or health,
- Provide first aid in the event of accidents and report such incidents.



Additionally, doing business responsibly with sensitivity to the affected communities is very important to SMA. Therefore, SMA has implemented initiatives to prevent health, safety and other hazards to local communities and our customers that could result from the production process and operation of our products and services.

4. Environment & Product Responsibility

Our goal is to develop environmentally friendly and energy efficient products. We contribute to this goal along the entire value chain.

Goal of Climate Neutrality

The Managing Board considers the global climate crisis to be the greatest challenge currently facing mankind. It has aligned SMA's entire business model to support the achievement of the 1.5°C target of the Paris Climate Agreement. We, therefore, take care in our daily work to advance this goal as well as SMA's climate neutrality by using energy sparingly and efficiently, promoting the use of renewable energies and optimizing the way we perform our work accordingly.

Environmental Protection

In our day-to-day decision making, we strive to reduce negative impacts on the environment. We continuously reduce the use of resources in terms of raw materials, energy and waste throughout the value chain and increase our utilization of renewable energy, environmentally friendly materials and sustainable forms of transportation. We strictly comply with all applicable environmental laws, regulations and generally accepted standards.

Product responsibility

We follow the circular economy model and focus on sustainable design in the development of our products. We use secondary raw materials in our products and prioritize the reuse of components over disposal.

Definition

In the linear economy, natural raw materials are extracted, transformed into products and disposed of. In contrast, the **circular economy model** focuses on repair, the use of renewable energy and the avoidance of toxic chemicals and the elimination of waste through better design of materials, products, systems and business models.

Product Safety

Our customers expect safe, high-quality products from us. We, therefore, comply with all relevant product safety laws and regulations throughout the entire product lifecycle. We, likewise, comply with all internal quality and safety regulations, which exceed these requirements. We openly address potential risks to ensure that our products do not have potentially dangerous defects.

/ Fair & Proper Business

We conduct our business honestly, accurately and fairly.

5. Financial Integrity

Accurate Accounting & Reporting

As a publicly traded company, SMA is required to maintain complete and accurate accounting and financial reporting. All documents that we prepare regarding business transactions are likewise complete and accurate. We do not misrepresent facts.

We comply with all applicable capital market, accounting and financial reporting laws and regulations.

Trade Law & Anti-Money Laundering

As a global company, we understand the importance of complying with national and international trade and anti-money laundering laws. We, therefore, comply with all applicable regulations and restrictions in the areas of export and trade control, terrorist financing and sanctions. We report suspicious activities that could indicate money laundering, such as payment irregularities or unusual customer behavior through the designated internal process.

Tax Compliance

We want SMA to be an honest, fair and respected taxpayer. We therefore comply with the tax laws and regulations of the countries in which we operate, taking into account not only the wording of the law but also the intentions of the legislator. We reject tax evasion and tax avoidance involving aggressive tax planning and structuring.

6. Anti-Corruption

We do not tolerate any form of corruption, bribery or fraud. We strictly comply with all applicable international anti-bribery laws, including the UK Bribery Act and the US FCPA. SMA supports the Business Principles for Countering Bribery from Transparency International and implements appropriate controls and compliance programs to effectively counter corruption.

Definition

Corruption is an abuse of entrusted power for private gain. Corruption has serious negative consequences for many areas of society and threatens fair competition.





SMA employees are not for sale! We do not request personal benefits from business partners. We also do not accept any benefit that could have the purpose of improperly influencing our business decisions. Conversely, we do not attempt to improperly influence third parties through personal benefits. We do not make facilitation payments or pay bribes to public officials.

We also require our service providers to fully implement these standards.

7. Fair Competition

We conduct our business fairly and in strict compliance with competition law:

- We do not participate in cartels with competitors: we do not fix prices, manipulate offers or divide markets or customers.
- When exchanging information with competitors, we do not discuss prices, customers or other strategic information without the explicit prior approval of Legal Services or Group Compliance.
- We do not interfere with our customers' freedom to set their own resale prices.

8. Avoiding Conflicts of Interest

We always work in the best interest of SMA. We do not allow our private interests to influence the decisions we make during our work. We avoid even the mere appearance of a conflict of interest. Therefore, we disclose any potential conflict of interest to our manager.

Definition

A **conflict of interest** is any situation in which an employee has private interests that may not be aligned with SMA's interests.

Examples of conflicts of interest include negotiating with a customer's or supplier's employees with whom we also have a personal connection (like a family member) or a financial interest such as participating in a side business that competes with SMA.



/ Information, Data & Property

We protect the information and data entrusted to us and treat it with care, regardless of whether it comes from SMA, our colleagues or our business partners. The same applies to SMA's property.

9. Data Protection & Confidentiality

Protection of Personal Data

We are aware that everyone has the right to have their personal data protected against unauthorized use. We respect these rights and only use personal data to the extent permitted by law and our data protection policies. We always protect such data against loss, modification and unauthorized use, inspection or disclosure.

Definition

Personal data is any information that relates to a specific person, such as a name, address, photo, ID number or the data from a technical device (car, cell phone, inverter, etc.) that belongs to a single person or family.

Confidential Information

Information is valuable and must be handled carefully and responsibly. We protect confidential information about our company, products and customers from misuse. We share confidential information with colleagues and third parties only to the extent permitted and necessary for our business. We also ensure that we have the necessary confidentiality agreements in place with the party with whom we share information to ensure the protection of information on both sides.

Insider Information

As with every publicly traded company, SMA is subject to strict insider trading rules. Insider information is a special form of confidential information. Trading in shares on the basis of insider information is strictly prohibited.

Definition

Insider trading means buying or selling a security (like shares in a company) while aware of nonpublic information about that security that could significantly influence its market price (in other words, **insider information**).

Therefore, we do not pass on insider information to third parties, purchase or sell shares based on insider information or ask others to do the same.

10. Information Security & Safeguarding Property

Information Security & Cybersecurity

We must all be vigilant in protecting SMA's confidential information from unauthorized access. In doing so, we understand that threats are not limited to technical systems. We take great care to ensure that attackers do not obtain information, such as through telephone calls or unauthorized entry into our buildings.

Cybersecurity is a key priority for SMA. It is crucial to protect SMA's internal systems from cyberattacks. That is why we consistently report suspicious emails to the responsible department within the company. It is equally important to ensure a high level of protection for all of SMA's products, services and internal processes, as our products are part of the global critical infrastructure.

Definition

Cybersecurity is an area of information security focused on protecting networks, computers, programs and data from attack, damage or unauthorized access.

Safeguarding Property

We handle SMA's property with care and protect it from improper use, damage and theft. We only use company property for its intended purposes and to the extent permitted. In addition, we spend SMA's money sparingly and in line with our processes.

SMA also owns numerous patents and other property rights, such as trademarks and designs. They are among SMA's most important assets and enable us to remain competitive. We ensure that our intellectual property cannot be misused by third parties and do not use of third-party intellectual property without authorization.



Getting Support & Reporting Concerns

Getting Support

No Code of Conduct can cover every situation. You should always seek out support whenever you have questions or are unsure. Depending on the situation, you can contact your manager or the Compliance Helpline. Remember, it is always better to ask or get a second opinion than to take an unnecessary risk.

The **Compliance Helpline** can be reached by email at **Compliance@sma.de** or by phone at **+49 561 9522 424242**.

Reporting Concerns

If you notice or suspect violations of laws or our Code of Conduct, take action! One option is to report the violation. To do this, you can speak openly with your manager or use the Compliance Helpline.

You can also contact Group Compliance anonymously through the **SMA Speak-Up Line**, which can be accessed on the Group Compliance pages of the intranet and corporate website.

Definition

The **SMA Speak-Up Line** is a secure misconduct reporting system operated by an external service provider. Employees and business partners can use the SMA Speak-Up Line to report violations or misconduct. Incoming reports are forwarded anonymously to Group Compliance.

When making a report, you do not need to be sure that a rule was broken. You will be protected from retaliation or penalties when making reports in good faith.

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