

# Guidelines of



# HEINRICHS

HIGH QUALITY METAL PARTS

## CODE OF CONDUCT JUNE 2021

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## Introduction

At HEINRICHS GmbH & Co. KG, the introduction of the Code of Conduct set out below is a further consistent step towards accepting our global and local responsibility. In this context for the sake of public interest we undertake to shape the future with products that reflect individual requirements, ecological issues and economic demands. The company HEINRICHS GmbH & Co. KG has set itself the goal of manufacturing products that meet customers' requirements and expectations. In that respect prime importance is attached to customer satisfaction. To that end methods, procedures and production facilities are used that are in line with the latest technological developments. All product development phases are carefully planned. In that respect, we comply with current standards, sets of agreements and statutory requirements. The statutory environmental protection regulations are our minimum requirement in that respect.

To achieve our goal

- We act responsibly for the benefit of our customers and employees,
- We consider compliance with international conventions, laws and internal regulations as the basis for sustainable, successful, economic operations,
- We act in line with our statements,
- We assume responsibility for our actions.

In addition to international conventions, laws and internal regulations, our actions are also based on our company values. The company values "customer proximity, maximum output, respect, responsibility and sustainability" form the basis of our collaboration and have been incorporated in our Code of Conduct.

By way of our Code of Conduct we are giving our employees a guideline that largely summarises the key basic principles of our actions and supports our employees in meeting the legal and ethical challenges of their daily work. The Code of Conduct constitutes a company-wide guiding principle that applies to all employees. Each individual employee is equally responsible for complying with the Code of Conduct. We stand for respectable and honest conduct in line with the regulations in day-to-day business operations and are committed to the Code of Conduct below.



Mathias Tanklage



ppa. Andreas Friedrichs

## Scope

The Code of Conduct applies to HEINRICHS GmbH and specifies the fundamental principles. The subsidiary companies may issue their own Code of Conduct provided they are not contrary to the Code of Conduct of the parent company. When issuing an own Code of Conduct, the subsidiaries are to take into consideration corresponding involvement by the employee representatives.

## General requirements in respect of conduct

### Responsibility for the reputation of HEINRICHS GmbH & Co.KG

The reputation of HEINRICHS GmbH & Co.KG is largely characterised by the manner, actions and conduct of each individual employee. Inappropriate conduct by even a single employee can in itself seriously damage the company's reputation. Every employee is to ensure that their manner in public does not damage the reputation of HEINRICHS GmbH & Co.KG. The way in which they perform their tasks must be geared towards this in all respects.

We also understand the responsible implementation of the respective work contents to mean the assumption of financial responsibility for all actions. In our view, this includes "dumping prices" in offers, counterfeit components ("fake parts") in the context of the procurement of parts and "cheap offers" from suppliers. For this reason, internal guidelines have been drawn up to counteract these issues. These include, among other things, coordination with customers and bid comparison guidelines.

### Responsibility for the social basic rights and principles

We respect the internationally-recognised human rights and support compliance with these. Our actions are based on the relevant requirements of the International Labour Organization. We acknowledge the basic right of all employees to establish trade unions and employee representation. We reject any wilful use of forced or compulsory labour. Child labour is prohibited. We comply with the minimum age for employment in accordance with the government obligations. The remuneration and services that are paid or rendered for the normal working week comply at least with the respective, national, statutory minimum standards or the minimum standards of the respective national economic sectors.

### Equal opportunities and mutual respect

We provide equal opportunities and equal treatment irrespective of ethnic origin, skin colour, gender, disability, ideology, religion, citizenship, sexual orientation, social origin or political views, provided these are based on democratic principles and tolerance towards those who hold different views. As a matter of principle, our employees are selected, appointed and promoted on the basis of their qualification and capabilities. Every employee undertakes to refrain from any kind of discrimination (e.g. by way of discrimination, harassment or mobbing) and facilitate co-operation characterised by respect and partnership.

For this reason we would similarly like to draw attention to the fact that we use unisexual terms exclusively for the sake of better clarity in all documents, Social Media, activities or public statements. We do this without discriminating against any group of persons and at all times mean male, female as well as other genders.

### Employees and employee representation

We create an environment that provides personal and occupational perspectives so that our employees can render outstanding services and obtain outstanding results. That environment also nurtures the employability of our staff. We invest in the qualification and skills of our employees. At the same time we expect that all our employees place high demands on themselves, their performance and health, and play an active role in their further development. We are committed to collaborating with employee representatives in a manner characterised by openness and trust, entering into constructive and co-operative dialogue and working towards a fair balance of interests. A professional approach to employee representation that is neither preferential nor discriminatory is part of our company culture.

### Management culture and collaboration

Every superior is responsible for their employees. Every superior should lead by example and base their actions, in particular, on the Code of Conduct. By way of furnishing regular information about and clarifying the obligations and powers relevant to the work area, superiors promote conduct of their employees in line with the regulations. Superiors place trust in their employees, agree on clear, ambitious and realistic goals and grant their employees as much own responsibility and freedom as possible. Superiors pay attention to the performance of their employees and acknowledge performance. They particularly appreciate maximum performance. As part of the management task, superiors prevent unacceptable conduct. They ensure that there are no violations of regulations in their area of responsibility that could have been prevented, or hampered, by way of appropriate supervision. Successful collaboration characterised by trust thrives amid mutual and open information and support. Superiors and employees inform each other in full of facts and operational contexts so that they can act and decide. Employees and, in particular, superiors ensure that information is exchanged quickly and smoothly. To promote collaboration, knowledge and information are to be forwarded without alteration, in a timely manner and in full as part of the given powers.

## Avoiding conflicts of interest and corruption

### Conflicts of interest

We attach importance to our employees not facing conflicts between their private interest and those of HEINRICHS GmbH & Co.KG. Therefore, any situation that could result in a conflict of interest is to be avoided. Any type of corruption or prohibited agreements are strictly rejected.

### Sideline employment

Every employee undertakes to make their working capacity available and perform the tasks assigned to them to the best of their knowledge and ability. Sideline employment that has a detrimental effect on this obligation is not permitted. We support and promote honorary activities on the part of our employees.

### Interests in other companies

Every employee who is involved in companies that maintain business relations with HEINRICHS GmbH & Co.KG, or works or renders services for these, is to report such activity independently to the Personnel Department or another relevant department. In the event of a risk of a conflict of interests, such involvement is to cease.

### Combating corruption

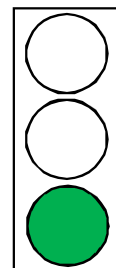
By way of the goal of a successful and sustainable business activity, we have a winning strategy in the market in the form of the quality and lasting value of our products and services. We support the national and international efforts of not influencing competition by way of bribery or falsifying information, and reject any corrupt conduct that has a detrimental effect on the company. None of our employees may exploit the business connections of the company for their own or third party benefit, or to the disadvantage of the company. This means, in particular, that in business dealings none of our employees grants or accepts unauthorised advantages (e.g. money, material assets or services) that are capable of influencing an appropriate decision. To avoid legal consequences for HEINRICHS GmbH & Co.KG, for involved business partners but also for themselves, each employee should obtain information at their own responsibility about internal regulations before handing out or accepting gifts, or extending or accepting invitations or entertainment. Every employee undertakes to seek advice or assistance in the event of suspicious circumstances or legal doubt regarding the existence of corruption or white collar crime. Supervisors and the relevant internal specialist departments (e.g. Personnel Department) provide advice or assistance. In addition, all employees can also contact the Works Council.

### Regulations for handing out gifts

#### Permitted without authorisation:

Advertising and courtesy gifts of low value

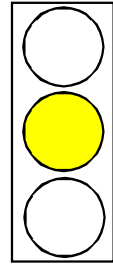
- Guideline: Highest amount for tax deductibility or maximum: € 75
- The allowance must be marked as a gift from HEINRICHS GmbH & Co.KG (logo – printed text or card etc.).



**Subject to authorisation:**

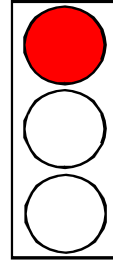
Higher value gifts that comply with the principles of HEINRICHS GmbH & Co.KG

- Value > € 75.
- Authorisation in advance by the respective superior.
- Documentation: Type and value of the gift, recipient.
- The allowance must be marked as a gift from HEINRICHS GmbH & Co.KG (logo – printed text or card etc.



**Not permitted:**

Any kinds of monetary allowances (cash, transfers, loans or unauthorised credits etc.) any other gifts that do not comply with the above **principles of HEINRICHS GmbH & Co.KG.**

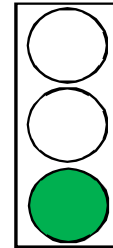


[Regulations for accepting gifts](#)

**Permitted without authorisation:**

Advertising and courtesy gifts of low value

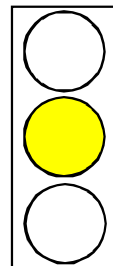
- Maximum value for each gift: € 75
- Maximum value of the gifts received from a business partner each year: € 75



**Subject to authorisation:**

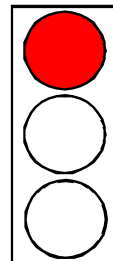
High-value gifts

- Individual value > € 75.
- Total value of the gifts received from one business partner > € 75
- Authorisation by respective superior required, obligation to document.



**Not permitted:**

Any kind of monetary allowances, pecuniary benefits (e.g. use of company property, utilising concessions), requesting gifts, all other gifts that do not comply with the above **principles of HEINRICHS GmbH & Co. KG.**



**Comment:** The management recommends that received gifts be made available for the annual Christmas tombola to the benefit of all employees.

## Dealing with business partners and third parties

### Fair competition

We are committed to fair dealings with our business partners and third parties, and support fair and unadulterated competition by way of complying with competition and cartel law. Every employee undertakes to comply with the competition and cartel law regulations. This means, for example, that none of our employees conducts discussions with competitors in which prices or capacities are agreed. Similarly, agreements with business partners and third parties regarding the waiving of competition, making sham offers in tenders or distributing customers, territories or production programmes are not permitted. Inappropriate preferential treatment or the exclusion of contracting parties is not permitted. Furthermore, we expect our business partners to act in full at their own responsibility to guarantee fair competition.

### Dealing with donations and sponsoring

We make donations, i.e. allowances on a voluntary basis without expecting counter-performance, and provide sponsorship money, only in line with the respective legal system and in compliance with the internal regulations that apply in that respect. We donate money and give contributions in kind for science and education, culture and sport and for social issues. We make donations only to recognised charitable organisations, or those that are authorised to accept donations as a result of special regulations. Donations are made transparently. The purpose, donation recipient and confirmation of the donation by the donation recipient are documented and verifiable. None of our employees makes donations that could damage the reputation of HEINRICHS GmbH & Co.KG. Every employee who intends to make sponsoring arrangements is to approach the relevant company departments (e.g. Sales) in advance.

### Safeguarding interests

We safeguard our interests, and advertise accordingly, as a company and members of society. In that respect we incorporate the wishes and requirements of various interest groups in our considerations. We respect and follow the principles of freedom of expression, the principles of the right to obtain information, the independence of the media and protection of personal rights. Every employee is to ensure that their manner and expression of opinions in public do not damage the reputation of HEINRICHS GmbH & Co.KG. In the case of expressing opinions, employees should refrain from referring to their own position or activity at the company. Every employee is to only use honest and legal means to communicate and realise interests. We all undertake to state the truth in dealings with political institutions, the media and the public. Every employee is to respect the performance of their partners in a discussion and respect their professional standing and personal appearance.



## Dealing with information

### Data protection and data security

Protecting confidential, secret and personal data ranks among the principles on the basis of which we organise our relations with our employees (including former employees) and their relatives, applicants, customers, suppliers and other groups of persons. We collect, process or use personal data only provided this is necessary for specified, clear and lawful purposes. We ensure that the use of data is transparent for the data subjects, and that their rights in respect of obtaining information and rectification and, where applicable, objecting, blocking and erasure are safeguarded. Every employee undertakes to comply with the data protection law provisions and the statutory and company regulations regarding information security, and to protect the confidential, secret and personal data entrusted to HEINRICHS GmbH & Co.KG against misuse. We undertake to guarantee an appropriate standard in respect of securing the processing of information. All aspects of information processing must be secure to an extent that confidentiality, integrity, availability and verifiability of the information worthy of protection are guaranteed, and unauthorised internal and external use is prevented.

### Secrecy

Every employee undertakes to maintain secrecy regarding business and company secrets entrusted to them as part of their professional activity, or of which they otherwise gain knowledge. Secrecy is to be maintained regarding work and procedures at the company that are key to HEINRICHS GmbH & Co.KG or its business partners, and have not been placed in the public domain, e.g. in respect of developments, planning and trials.

## Work and health protection

We accept our responsibility for the health and safety of our employees. We guarantee work and health protection as part of the respective valid national provisions and on the basis of the health and safety policies in place at HEINRICHS GmbH & Co.KG. We maintain and promote the health, efficiency and work satisfaction of our employees by way of continually improving the working environment and a variety of preventive and health-promoting measures. Every employee is to play a part in promoting their health, and is to comply with the work and health protection requirements.

## Environmental protection

We are responsible for the continual improvement of the environmental-compatibility of our products or processes, and reducing the strain placed on natural resources with consideration given to economic aspects. We therefore use environmentally-efficient and progressive technologies. To that end energetic and other environmentally-relevant aspects and criteria are evaluated as part of acquisitions and the selection of bought-in materials. With regard to the organisation of a socially and ecologically sustainable, positive, development, we engage as partners for society and politics at

all locations. Every one of our employees is to use the natural resources expediently and economically, and ensure that their activities exert only the least possible influence on the environment.

## **Protection and proper use of the property of HEINRICHS GmbH & Co.KG and its customers**

Every employee is to use the property of HEINRICHS GmbH & Co.KG, and that of our customers, for business purposes only provided special regulations do not permit private use. Every employee is to treat the property of HEINRICHS GmbH & Co.KG and its customers appropriately and with due care and protect it against loss or destruction.

## **Applying the Code of Conduct**

### [Responsibility of the subsidiary companies for implementation](#)

The subsidiary companies are responsible for implementing this Code of Conduct with consideration given to the laws and peculiar cultural features in the various countries and at the various locations. The companies actively promote the distribution and communication of the Code of Conduct, and ensure that it is effectively implemented, e.g. by way of training. In implementing the Code of Conduct they ensure that no employee suffers a disadvantage from compliance with the Code of Conduct, and that appropriate action is taken in the case of violations of the Code of Conduct. With regard to the assessment of violations of the Code of Conduct, the respective, valid, statutory and company regulations in place at the subsidiary companies are authoritative. The company is free to put in place regulations that extend beyond the Code of Conduct provided they are not contrary to the Code of Conduct agreed upon here. Furthermore, we support and encourage all other holding companies and our business partners and suppliers to consider the Code of Conduct in their company policies.

### [Responsibility of suppliers for adequate implementation](#)

The manner in which we prepare contacts with our suppliers means they undertake to implement this Code of Conduct accordingly in their own operations and apply it to their suppliers. In this respect the country-specific laws are to be supplemented and incorporated by way of analogy with the individual points of this Code of Conduct.

### [Responsibility for compliance](#)

Each employee is to comply with the relevant laws and requirements, as well as internal regulations, which apply to their working environment, and shall take the company values and Code of Conduct as a basis for their actions. Every one of our employees who fails to act in line with the regulations must expect appropriate consequences as part of the company and statutory regulations, which may

include termination of the employment relations and claims for damages. Each superior is to ensure that the employees in their division are aware of and comply with the Code of Conduct.

### Complaints in respect of compliance and implementation, whistleblowing, protection against retaliation

Complaints in the case of failure to comply in part or in full with this Code of Conduct as well any other kind of complaints may be made by any person directly to our management or the employee representatives. All people who wish to remain anonymous with regarding their complaints are assured of this (principles of the EU Whistleblowing Directive apply). In any case of complaints, the complainant is assured not to suffer any form of retaliation (e.g. termination, cancellation of supply contracts, ...). Therefore: Have the courage to point out grievances.