

# Code of conduct of



# HEINRICHS

HIGH QUALITY METAL PARTS

## CODE OF CONDUCT MARCH 2023

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## Foreword

With the introduction of the following Code of Conduct, we, HEINRICHS GmbH & Co. KG, are taking a further consequent step towards perceiving our global and local responsibility. To this effect, we are committed to advancing the future in the interest of common welfare with products which satisfy the individual needs, ecological interests and economic demands. It is the goal of HEINRICHS GmbH & Co. KG to manufacture products which meet the demands and expectations of the customers. The satisfaction of the customers is our priority. For this purpose, we use methods, procedures and manufacturing facilities which reflect state-of-the-art technology. All stages of product creation are planned with care. In the process, the current standards, regulations and legal stipulations are observed. In this regard, the legal stipulations on environmental protection are our minimum requirement.

In order to achieve our goal,

- we act in a responsible manner for the benefit of our customers and employees.
- we regard adherence to the international conventions, laws and internal rules as the basis for sustainable, successful economic activity.
- we act in accordance with our declarations.
- we assume responsibility for our actions.

Alongside the international conventions, laws and internal rules, our corporate values form the basis for our actions. The corporate values of "proximity to the customer, maximum performance, respect, responsibility and sustainability" are the basis for our cooperation and have been incorporated into our Code of Conduct.

With our Code of Conduct, we provide our employees with a guide which summarises the essential basic principles of our actions, and gives our employees support when it comes to getting to grips with the legal and ethical challenges of daily work. The Code of Conduct represents a guideline which applies for all employees, adherence to which is the equal responsibility of each individual. We stand for reputable, honest and compliant actions in everyday business, and commit to the following Code of Conduct.



Mathias Tanklage

Andreas Friedrichs

## Scope of the document

The Code of Conduct is valid for HEINRICHS GmbH & CO. KG, and defines the basic principles. The subsidiaries can decree their own codes of conduct as long as they do not contradict the Code of Conduct of the parent company. When decreeing their own codes of conduct, the subsidiaries must take into consideration the respective participation of the employee representative bodies.

## General conduct requirements

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

The reputation of HEINRICHS GmbH & Co. KG is essentially influenced by the behaviour, actions and conduct of each individual employee. The improper actions of just one employee alone can lead to considerable damage to the company. Each of our employees makes sure that his/her public conduct does not damage the reputation of HEINRICHS GmbH & Co. KG. The completion of his/her tasks must be geared to this in all respects.

We understand responsible implementation of the respective work contents to also mean the assumption of financial responsibility for any actions. This includes what we regard as "dumping prices" in quotations, counterfeit components ("fake parts") within the scope of procurement of purchased parts, and "cheap offers" from suppliers. For this reason, internal stipulations have been made to counteract these matters. These include, for instance, consulting with customers and stipulations on comparing quotations.

### Responsibility for basic social rights and principles

We respect internationally recognised human rights and support adherence to them. We align our actions to the valid stipulations of the International Labour Organization. We recognise the basic right of all employees to form unions and employee representative bodies. We reject any use of forced or compulsory labour which the affected persons are not able to leave of their own accord as a result of threats, violence, force, deception and/or abuse of power. Child labour is prohibited. We adhere to the minimum age for admission to employment in accordance with state obligations. Remuneration and contributions (wages and social contributions) which are paid or awarded for normal working hours, are at least equal to the respective national legal minimum standards or the minimum standards of the respective national economic sector. The working hours comply with the national legal requirements.

### Equality of opportunities and mutual respect

We guarantee equality of opportunities and equality of treatment, regardless of ethnic background, skin colour, gender, disability, world view, religion, nationality, sexual orientation, social background or political views, as long as these are based on democratic principles and tolerance of those of a different mind. As a matter of principle, our employees are selected, appointed and developed based on their qualifications and their ability. Every one of our employees must refrain from any form of discrimination (e.g. harassment, bullying), and facilitate respectful, cooperative interaction.

We point out that we only use single-sex terms in all documents, social media activities or public communications in the interest of better readability. We do so without discrimination of any group of people, and in each case we always mean male, female and diverse.

We respect and consciously promote women's rights, diversity, equal rights, inclusion, minorities, indigenous peoples etc., in particular when it comes to applications from persons with the same qualifications.

There are neither ethical nor ethnic stipulations nor are there any restrictions of this nature when it comes to appointing and laying off staff.

### Employee representation

We create an environment which opens up personal and professional perspectives for our employees, in which outstanding performances and results can be achieved, and which promotes the employability of our employees. We invest in the qualifications and skills of our employees. At the same time, we expect that every one of our employees make high demands of himself/herself in relation to performance and health, and that he/she take an active part in his/her further development. We commit to working together with employee representation in an open and trusting manner, leading a constructive and cooperative dialogue, and aspiring for a fair balance of interests. A professional interaction with employee representation which does not allow any preferential treatment or discrimination, is a part of our corporate culture.

### Management culture and cooperation

Each superior holds responsibility for his/her employees. Each superior is a role model, and must take particular care to align his/her actions with the Code of Conduct. The superior regularly provides information and explanations on the duties and authorisations of the working area, thus promoting compliant conduct amongst his/her employees. The superior places trust in his/her employees, agrees clear, ambitious and realistic targets, and grants his/her employees as much autonomy and freedom as possible. The superior perceives and recognises the performance of his/her employees. He/she is particularly appreciative of instances of maximum performance. Within the scope of their leadership role, superiors prevent unacceptable conduct. They hold responsibility for making sure that in their area of responsibility no rules are broken which could have been prevented or impeded by appropriate supervision. Trustful and good collaboration is reflected in mutual and open information and support. Superiors and employees inform each other of issues and operational matters in such a complete manner that they are able to act and make decisions. Employees and in particular superiors ensure that there is a quick and smooth exchange of information. In order to promote collaboration, knowledge and information must be forwarded in an unbiased form, quickly and in full within the scope of the given authorisations.

## Prevention of conflicts of interest and corruption

### Conflicts of interest

It is important that our employees do not enter into a conflict between their private interests and those of HEINRICHS GmbH & Co. KG when carrying out their duties. Therefore, all situations from which conflicts of interest can arise, must be prevented. We strictly reject any form of corruption or prohibited agreements.

### Secondary employment

Every one of our employees is required to provide his/her labour and carry out the tasks assigned to him/her to the best of his/her knowledge and ability. Any secondary employment which adversely affects the fulfilment of this obligation, is not permitted. We support and promote voluntary work by our employees.

### Investments in companies

Any of our employees who invest in companies which have business relationships with HEINRICHS GmbH & Co. KG, work for these companies or provide them with services, must inform the Personnel department or another authoritative department in writing and of their own accord. In the event of a risk of conflicts of interest, these investments must be ceased.

### Fighting corruption

With the goal of successful and sustainable business activity, we use the quality and value of our products and services to impress in the face of competition. We support national and international efforts to prevent the influencing or manipulation of competition by way of bribery, and we reject any form of corrupt conduct and any conduct which is damaging to the company. Our employees must not exploit the corporate conditions of the company for their own benefit or for the benefit of others, or to the detriment of the company. In particular, this means that during business dealings, our employees must not grant or accept illicit private benefits (e.g. money, objects of material value, services) which serve to influence proper decision making. In order to prevent legal consequences for HEINRICHS GmbH & Co. KG, the business partners involved, and also for himself/herself from the outset, every one of our employees is responsible for familiarising himself/herself with the internal rules before giving or receiving gifts, extending or accepting entertainment or hospitality. Every one of our employees is obliged to seek advice or help in case of any suspicion or legal doubt in relation to possible instances of corruption or corporate crime. Advice or help is provided by the superior and the respective internal specialist departments (e.g. Personnel department). Furthermore, every employee can also contact the works council.

### Rules for the giving of gifts

Promotional and courtesy gifts in the form of objects of material value with a low value (< €50/year/person) may be awarded to business partners. Approval is provided and responsibility is held by the respective heads of department. The names of the recipients must be indicated on the receipts submitted to the Accounts department. If possible, when giving a gratuity, it should be recognisable (e.g. due to logos, cards etc.) that the gratuity is from HEINRICHS GmbH & Co. KG.

Exceptions to these regulations are only possible if the company's management approves them in writing.

### Rules for the receiving of gifts

Promotional and courtesy gifts in the form of objects of material value with a low value (< €50/year/person) may be received by any employee. The respective head of department must be informed of the receipt of a gratuity.

There are no exceptions to these regulations.

**Comment:** The company's management recommends that any gifts received be submitted as prizes in the Christmas raffle which takes place each year, so that all employees benefit from them.

## Treatment of business partners and third parties

### Fair competition

We commit to the fair treatment of our business partners and third parties, and we support fair and unbiased competition in compliance with the rules of competition and cartel law. Every one of our employees is obliged to adhere to the rules of competition and cartel law. This means, for example, that none of our employees conduct conversations with competitors in which prices or capacities are arranged. Agreements with business partners and third parties regarding the renouncement of competition, on the submission of sham offers within the scope of tenders or the allocation of customers, areas or product ranges are also inadmissible. The improper preferential treatment or exclusion of contractual partners is also inadmissible. Moreover, we also expect our business partners to fully assume their individual responsibility for ensuring fair competition.

### Handling of donations and sponsoring

We make donations, i.e. voluntary contributions, without expecting any reward and provide sponsor money only within the scope of the respective legal structures and in accordance with the internal provisions valid for this purpose. We make donations of money and in kind for academia and education, culture and sport, and for social issues. We only make donations to institutions which are recognised as non-profit organisations or are authorised to receive donations as a result of special rules. Donations are made transparently; the purpose, the recipient of the donation and the confirmation of the gratuity by the recipient of the donation are documented and verifiable. None of our employees arranges for donations which can damage the reputation of HEINRICHS GmbH & Co. KG. Any of our employees wishing to arrange for sponsoring must contact the respective authoritative departments within the company beforehand (generally company management).

## Protection of interests

As a company and part of society, we advocate for and promote our interests. In the process, we take into account the desires and requirements of various interest groups. We respect and follow the principles of freedom of expression, principles of the right to information, independence of the media and protection of the rights to privacy. Every one of our employees makes sure that his/her conduct and expression of opinion in public do not damage the reputation of HEINRICHS GmbH & Co. KG. In case of private expressions of opinion, no reference should be made to his/her position or role within the company. Every one of our employees only uses honest and legal means for communication and the implementation of interests. We all have an obligation of truth towards political institutions, the media and the public realm. Every one of our employees respects the efforts of his/her dialogue partner and holds their professional and personal reputation in regard.

## Legislation and customs law

We analyse all of our obligations by generating and updating the register of laws, and use it to derive the required measures.

Our employee responsible for customs matters ensures that the respective current legislation (with regard to valid export controls and any associated economic sanctions) is adhered to.

If, for any reason, stipulations or instructions from the respective authorities are in place, they are implemented in accordance with a joint agreement. If, within the scope of instructions from the respective authorities, the deployment of official or private emergency or security forces is required, we support this proactively.

# Handling of information

## Data protection and data security

The protection of confidential, secret and personal data is one of the principles according to which we model our relationships with our employees (including former employees) and their relatives, competitors, customers, suppliers and other groups of people. We only collect, process or use personal data if it is necessary for defined, clear and legal purposes. We take care that the use of data is transparent for the affected parties, and that their right to information and rectification and, if necessary, their right to object, suspension and deletion are upheld. Every one of our employees is obliged to adhere to the regulations on data protection and the legal and company provisions on information security, and to protect the confidential personal data with which HEINRICHS GmbH & Co. KG is trusted, from misuse. We commit to guaranteeing an appropriate standard in relation to the safeguarding of information processing. All components of information processing must be safeguarded so that the confidentiality, integrity, availability and verifiability of the information requiring protection is guaranteed, and unauthorised internal and external use is prevented.



## Confidentiality

Every one of our employees is obliged to keep confidential any business or company secrets of which he/she learns within the scope of his/her role within the company or otherwise. Silence must be maintained in relation to work and processes within the company which are essential for HEINRICHS GmbH & Co. KG or its business partners, and have not yet been publicly announced, e.g. developments, planning and trials.

## Occupational health and safety

We assume our responsibility for the safety and health of our employees. We guarantee occupational health and safety within the scope of the respective valid national regulations and on the basis of the occupational health and safety policy of HEINRICHS GmbH & Co. KG. We maintain and promote the health, productivity and work satisfaction of our employees by making constant improvements to the working environment and by implementing multiple preventive measures and measures which promote health. Every one of our employees contributes to the promotion of his/her health and adheres to the regulations for occupational health and safety.

## Protection of the environment

Within the scope of our business activity at all locations, we comply with all legal and official stipulations and, if applicable, restraints. These include all applicable land, forestry and water rights. All the factors of influence, e.g. noise, immissions, emissions (noise, air, water, production media, soil quality etc.) are analysed based on our register of legislation, and taken into consideration as per the requirements and stipulations, and, if possible, prevented. In the process, we also take into consideration matters which are of moral origin and are not reflected in the legal provisions, for example biodiversity and animal welfare, minimal land usage or the prevention of deforestation.

In the event of violations of safety and/or environmental provisions (e.g. violations of land, water or air rights), we agree to the required forced eviction in case of official orders.

We hold responsibility for the continual improvement of the environmental compatibility of our products and processes, and the reduction of the strain on natural resources, taking into account economic aspects. We therefore use environmentally efficient and progressive technologies. To do so, within the scope of procurements (machines, infrastructure, spare parts, new processes etc.) and when selecting externally purchased materials, aspects and criteria which affect energy and are relevant to the environment (e.g. decarbonisation, recycling and reuse), are assessed. We are a partner for society and political institutions at all locations when it comes to the configuring a social and ecologically sustainable positive development. Every one of our employees must use natural resources appropriately and sparingly, and make sure that his/her activities have as little impact on the environment as possible.

#### Water quality

For us, the prevention of water pollution is a matter of course. All the waste water generated by the company is disposed of properly and in accordance with the valid national laws. Disposal via the sewerage system or in waterways is prohibited.

#### Air quality

We take measures to prevent air emissions as early as the procurement stage when acquiring new systems. Emissions which cannot be prevented, are filtered off or neutralised by follow-up treatments. The company does not release any harmful air emissions into the environment.

#### Management of chemicals

Wherever possible, chemicals and hazardous substances are avoided within the company. Chemicals which have to be used to maintain production processes, are used responsibly. The substances are stored and disposed of after use in accordance with the valid legal provisions and the provisions of the trade associations. Hazardous substances are handled in accordance with the national legal requirements. Employees are trained regularly on how to handle chemicals.

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

Every one of our employees must only use the property of HEINRICHS GmbH & Co. KG and that of our customers for work purposes, unless special provisions are in place in relation to private use. Every one of our employees must treat the property of HEINRICHS GmbH & Co. KG and his/her customers properly and sparingly, and protect it from loss or destruction.

## **Handling of the Code of Conduct**

### [Responsibility of subsidiaries for implementation](#)

Responsibility in relation to implementation of this Code of Conduct is held by the subsidiaries, taking into account the valid laws and cultural peculiarities in the various countries and locations. The companies actively promote the distribution and communication of the Code of Conduct, and make sure that it is implemented effectively, e.g. by providing training. When it comes to implementation, they make sure that adherence to the Code of Conduct does not result in disadvantages for any employee, and that there are appropriate reactions to any violations of the Code of Conduct. The respective legal and company provisions valid for the subsidiaries are definitive when it comes to assessment of the violations of the Code of Conduct. The companies are free to make provisions going beyond the Code of Conduct as long as they do not contradict the principles of the Code of Conduct established here. Moreover, we support and encourage all other affiliated companies, our business partners and suppliers to reflect the Code of Conduct in their company policy.

### Responsibility of suppliers for adequate implementation

As a result of our contractual arrangements with our suppliers, they are required to implement this Code of Conduct accordingly in their own ventures and in their dealings with their suppliers. In the process, the respective national legislation must be supplemented and incorporated in relation to the individual points of this Code of Conduct.

### Responsibility for adherence

Every one of our employees adheres to the valid laws and regulations in his/her working environment, and aligns his/her conduct with the corporate values and the Code of Conduct. Every one of our employees who fails to act in compliance with the rules, must expect appropriate consequences within the scope of internal company provisions and legal provisions, including even termination of the working relationship and claims for damages. Every superior makes sure that the employees in his/her area are familiar with and adhere to the Code of Conduct.

### Complaints relating to adherence to and implementation, whistleblowing, protection from retribution

Complaints in case of failure to adhere to this Code of Conduct either in full or in part, or complaints of any kind can be made by any party directly to our company's management or to employee representatives.

Any persons wishing to remain anonymous in relation to their complaints, shall be granted their wish in accordance with the valid principles of the EU whistleblowing directive.

In each case of complaint, the party making the complaint is assured that he/she will not experience any form of retribution (e.g. dismissal, cancellation of contracts of supply etc.).

**Therefore: Do not hesitate to report any grievances.**