

Code of Conduct with business partners

Introduction

heinrichs drehteile GmbH & Co. KG is one of the leading manufacturers of screw plugs and precision turned parts in Germany. Its focus is on the production of screw plugs with a sealing ring. During more than 90 years of development and manufacturing primarily for hydraulic applications, in-house standards as well as numerous customised solutions have evolved. With our products, we make a contribution to protecting resources, protecting the environment and ensuring safety.

As a third-generation family-run company, we stand for responsibility, stability and integrity. We have always felt closely connected with our employees, our business partners and our region, avoiding any impermissible conflicts of interest. We are convinced that a sustainable approach to our actions is the basis for our success that is as genuine as it is sustainable and will last across generations. We are continuously optimising our processes also with regard to economic, ecological and social aspects.

This Code of Conduct is the guideline for our actions within the company and for interacting with all our business partners. It is based on national laws and regulations and on international agreements such as the ILO International Labour Standards and the Principles of the UN Global Compact.

We expect our business partners to act in line with the current legislation in the countries where they are active and to comply with the principles set out in our Code of Conduct in the same way as we do. We also expect them to commit to the principles of human rights, environmental protection and fair and sustainable business practices, to pass this on to their own business partners in as much as possible and to monitor compliance in an appropriate manner.

Compliance with laws and regulations

It is a matter of course for us to adhere to current legislation and to comply with guidelines and regulations. This also applies to all export control and customs regulations, trade embargoes and financial sanctions that apply to us as well as to money laundering regulations.

This also applies to current environmental laws and regulations as well as to health and safety.

Meeting our obligations to pay taxes and duties is part of our social responsibility.



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Economic responsibility

We conduct our business in a manner that is legally and ethically beyond reproach.

We stand for long-term fair and cooperative business relationships.

We reject any form of undue advantages and all corruption activities as part of our business activities. We always follow the rules of fair competition and especially the antitrust laws.

We handle information with care and view the protection of personal data as particularly important. We adhere to the laws on data protection and information safety and to the official regulations and take safety precautions for protecting our information and communication systems.

We also commit to keeping company and business secrets.

We respect intellectual property rights, including in the case of technology and know-how transfer.

To us, appropriate risk management is a part of sustainable business operations and economic responsibility.

We maintain all financial and business-related records in a complete, accurate, timely and legally compliant manner in accordance with recognised accounting principles.

For the sake of completeness, we list the topics of disclosure of information and dealing with plagiarism, as we comply with these requirements anyway and they are already covered by applicable legislation in Germany.

Social responsibility

Our interactions are guided by mutual respect, fairness, team spirit, openness, honesty and trust.

Our employees' working environment is free from discrimination or harassment of any kind, including based on age, gender, sexual orientation, disability, state of health, ethnic origin, nationality, religion, social background or political opinion. The personal dignity, privacy and individual rights of each person are respected.

We also expect our business partners to guarantee and ensure a fair, healthy and safe working environment for their own employees.

We pay wages and salaries, employee benefits and social security contributions that at least meet the legal regulations, and beyond this meet the provisions of contracts and collective labour agreements.

We adhere to the applicable working-hours and safety regulations for all age groups and reject child labour.

We also expect our business partners to adhere to all applicable national laws and binding industry standards regarding working hours, overtime, wages and salaries, and employer



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contributions. The business partners must adhere to the Recommendation of the ILO Conventions regarding the minimum age for employing children.

We value the health of our workforce very highly and we support the continuous development of the safety measures for preventing work accidents, occupational illness and work-related health risks.

We ensure compliance with the current national regulations for health and safety in the workplace.

We provide our employees with the required personal protective equipment free of charge. Our facilities and equipment meet the applicable legal and in-house requirements for fire protection.

All employees receive regular training on this.

We respect our employees' right to freedom of association and have set up a complaint mechanism in line with the current version of the whistleblower legislation.

We respect the internationally recognised human rights and reject forced labour, child labour and slavery.

We accordingly also expect our business partners to respect the internationally recognised human rights and to not use any forced labour, child labour or slavery.

For the sake of completeness, we would like to add the topics of ethical recruitment, the rights of minorities and indigenous peoples, noise emissions, protection against forced evictions and the responsible use of private or public security forces, as these principles are self-evident to us and are already enshrined in German law.

Ecological responsibility

We always act with the awareness of treating the environment as carefully as possible, of using resources sparingly and of avoiding any negative impact of our actions on the environment, i.e. on air, water, soil, plants, animals and ecosystems.

To ensure consistent monitoring and enhancement of our efforts, we have an environmental management system as per ISO 14001 in place.

The environmental programme set out therein includes, among other things, targets for reducing our CO2 footprint and for increasing the use of renewable energies.

We expect our business partners to take appropriate measures for ensuring sustainable environmental protection with the long-term objective of certification to a suitable environmental standard (e.g. ISO 14001 or EMAS).

We always strive to reduce the use of raw materials and natural resources in our processes and to improve energy efficiency in terms of a circular economy.

We maintain a system for the safe handling of waste and hazardous substances.



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We expect our business partners to take a systematic approach to determining, handling, reducing and responsibly disposing of or recycling solid waste. Chemicals or other materials that pose a hazard when released into the environment must be determined and handled in such a way that safety is ensured during the handling, transport, storage, use, recycling, reuse and disposal of these substances.

We commit to meeting all legal requirements and information duties from the REACH, RoHS and Conflict Minerals regulations that apply to us. This includes the duty for notification of information about (candidate) substances in products and that we implement all due diligence, testing and reporting duties in the supply chain for conflict materials in accordance with the current regulations and laws. This only works in cooperation; we therefore expressly expect the same from our suppliers.

For the sake of completeness, we would like to add the topic of protecting land, forest and water rights. For us, this is a matter of course and is already comprehensively regulated by law in Germany.

Implementation of the requirements

Any behaviour that contravenes our Code of Conduct will not be tolerated. Within the company, it can result in disciplinary action. With third parties, it can result in termination of the business relationship.

Violations can be reported to our dedicated office for these matters (hinweisgeber@heinrichs.de).

The management board