

**Code of Conduct**

# Code of Conduct und Compliance



## Preamble

**Dear employees,  
dear customers, suppliers and business partners,**

at Carl Hirschmann, we strive for exemplary quality in products and processes, but also in behavior. The behaviour of every Carl Hirschmann employee (m/f/d) has a significant influence on the reputation of our company. As management, we therefore have decided to summarize with these principles of conduct the basic rules that we expect all employees to observe with regard to ethically impeccable conduct in business operations.

However, the Carl Hirschmann Code of Conduct should not only be an integral part of our business life. We expect such an attitude from all employees, but also from our suppliers and partners. We can only maintain our high ethical standards if all suppliers and partners in the value creation process pull together and share a common understanding of values. We therefore ask all our suppliers to take note of our principles of conduct and to confirm with the declaration on the last page that the principles of conduct are also observed in the business operations of our suppliers.

We are convinced that we as a company gain advantages by observing the principles of conduct. More and more companies prefer to select suppliers who are committed to adhering to the principles of conduct. The attractiveness as an employer is sustainably increased, transparency is improved and the image of a social and ecologically acting company is strengthened.

September 2022

**Carl Hirschmann GmbH**  
Management

Rainer Harter

Andreas Jesek

## **1. Compliance with laws**

**Carl Hirschmann is acting law-abiding.** We comply with the laws of the countries in which we operate. Illegal action is not in the interest of our company because it is unethical, leads to serious loss of reputation and can result in prosecution, damages and loss of orders. We do not commit tax evasion or subsidy fraud.

Every employee is obliged to inform himself about and comply with the regulations applicable in his area of responsibility. In case of doubt or questions, the manager or management must be contacted.

We strive for the best possible working conditions for our employees and are guided by the requirements of the International Labour Organization (ILO). These include in particular:

### **Respect for human rights**

Carl Hirschmann respects and supports the observance of internationally recognized human rights.

### **Prohibition of child labour**

Carl Hirschmann does not employ anyone under the age of 15.

### **Prohibition of forced labour**

Carl Hirschmann prohibits all forced and compulsory labor. The employees have the freedom to terminate the employment relationship subject to a reasonable period of notice.

### **Ban on discrimination**

Carl Hirschmann maintains equal opportunities in employment, occupation and salary. No one at Carl Hirschmann shall be subject to discrimination on the base of gender, age, origin and nationality, religion, sexual identity, trade union membership or possible disability.

### **Prohibition of disciplinary sanctions**

Carl Hirschmann does not punish employees physically or mentally in any form. In particular, this applies, if employees report in good faith company practices that violate national, international or internal regulations.

### **Safe and healthy workplaces**

We guarantee occupational safety and health protection at least within the national regulations and we support continuous further development to improve the working environment. Work must be designed in such a way that all employees can carry out their work safely and without endangering their health. In addition to occupational medicine and occupational safety, this also includes ergonomic aspects and occupational health promotion. The instructions of the Carl Hirschmann occupational safety guidelines must be implemented by all employees.

### **Fairness in wages, working hours and social benefits**

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Carl Hirschmann remunerates its employees appropriately and guarantees legally or collectively agreed or industry-standard minimum wages, applicable overtime regulations and statutory social benefits.

The working hours shall at least comply with the applicable laws, industry standards or conventions of the International Labor Organization (ILO), whichever is stricter. Employees only work overtime on a voluntary basis, and the company compensates for overtime at least in accordance with legal requirements. Employees are entitled to one day off after six consecutive days. Employees are also entitled to regular annual leave.

**Freedom of association and collective bargaining**

Carl Hirschmann ensures that employees can talk openly with management about working conditions without having to fear disadvantages. We respect the right of employees to join a union, appoint a representative and be elected to one.

**Accounting and reporting**

Carl Hirschmann adheres to external accounting and accounting regulations. All financial transactions are duly approved by the CFO and the senior financial management and are fully recorded and recorded in the books in accordance with the applicable corporate guidelines. All company records are kept in accordance with the Company Record Retention Policy for a long time to ensure compliance with applicable laws and regulations.

**Tax and Subsidies**

Carl Hirschmann does not commit tax evasion or subsidy fraud and also does not provide any support to tax evasion and subsidy fraud. The assessment of facts under tax or subsidy law is often difficult, so in cases of doubt, the senior management and CFO should be contacted.

## 2. Fair Competition

**Carl Hirschmann is committed to fair competition.** We do not coordinate our competitive behavior with competitors and adhere to the laws for the protection of competition. In particular, agreements on prices and conditions, the division of markets and regions, the allocation of customers and the coordination of supply, development or product strategies are prohibited. Even the exchange of information with competitors, which can form the basis for such coordinated conduct, is not permitted.

## 3. Corruption, gifts and other benefits

**Carl Hirschmann refuses corruption.** Corruption is unethical, illegal and carries a high risk for our employees and the company. Any form of corruption (bribery, payment of payoffs and extortion) aimed at influencing representatives of business partners, politics, administration, justice or the public is prohibited.

We are cautious in accepting and giving gifts and other benefits, the limit for an acceptable value is 10 Euros. Under no circumstances may these be designed in such a way that acceptance would place the recipient under a moral obligation. In cases of doubt, the management must be consulted.

**Commissions and remuneration** to be received by dealers, intermediaries or consultants are subject to either a written agreement or the written approval of management. Only a permissible and actually performed service may be paid and the amount of the payment must be in proportion to the performed service.



## 4. International Trade

Carl Hirschmann complies with the regulations applicable to cross-border trade. This applies in particular to compliance with existing import and export restrictions, obtaining the necessary permits and payment of customs duties and taxes.

## 5. Product and industrial safety, environmental protection

Carl Hirschmann avoids dangers for people and environment. We ensure a safe working atmosphere. Safety regulations and instructions from the Carl Hirschmann safety guidelines must be strictly observed and their effectiveness checked. Deficiencies must be pointed out and eliminated immediately. Special responsibility lies here with the managers and the specialist for occupational safety, as well as the safety officers.

Our quality system and controls ensure that only materials and parts are used that meet our specifications. We prevent the use of **fake parts** through labeling, packaging and inspection.

Our products and services do not endanger people or environment and meet the agreed or legally prescribed standards regarding product safety. We communicate information on safe use.

We use natural resources with care. We avoid harmful effects on the environment. Compliance with the laws for the protection of the environment is a matter of course for us. The regulations from the **Carl Hirschmann environmental guidelines** must be strictly observed and are binding.

## 6. Environmental protection

Carl Hirschmann acts in harmony with the environment and will make a significant contribution to protecting and preserving it. We will continuously be reducing our environmental impact by using resources sparingly, reduce consumption and increase the proportion of renewable energies. We continuously improve our processes, procedures and actions related to emission and waste prevention.

We have implemented an environmental management program in accordance with the current international requirements for systematic environmental management in accordance with DIN EN ISO 14001.

We also expect our business partners to avoid and continuously reduce the risk to people and the environment, and to implement and operate the processes, business premises and resources in accordance with the applicable legal requirements.

## 7. Avoiding conflicts of interest

**Carl Hirschmann promotes the interests of the company and avoids what contradicts these interests.** We strictly separate business and private interests and do not use our work at Carl Hirschmann to gain private advantages. The commissioning of business partners for private purposes should be avoided. Business partners may not be preferred for private reasons.

Any secondary business activities require the prior consent of Carl Hirschmann. This applies in particular to sideline activities for competitors, customers or suppliers or financial interests in these. If close family members are involved in such activities or investments, this must be reported to the superior and the management.

## 8. Company property and trade secrets

**We protect the intellectual and material property of Carl Hirschmann.** We treat equipment carefully and in accordance with its purpose. We do not use equipment for private purposes unless this is expressly permitted.

We handle Carl Hirschmann's assets responsibly. Unnecessary costs are to be avoided. We make business decisions on the basis of commercially comprehensible analyses of opportunities and risks. In doing so, we pay mandatory attention to the integrity of our business partners.

We protect our inventions and our know-how. We therefore handle trade secrets with particular care. It must be ensured that confidential information is not passed on to unauthorized third parties. This also applies to confidential information that we receive from our business partners.

## 9. Privacy

**We at Carl Hirschmann take data protection seriously.** We use the personal data of our employees and contractual partners exclusively for the purposes for which they are made available to us and treat them confidentially. The laws enacted to protect personal data must be strictly observed.

## 10. Documentation of business transactions

**Carl Hirschmann guarantees compliance with the above principles of conduct.** We maintain a management system that ensures compliance. We are continuously certified according to ISO 9001 and EN 9100 and we prefer suppliers and business partners who are also certified according to ISO 9001.

Internal and external reports must be correct and complete so that the recipient can form an accurate picture. We adhere to the presentation of facts and a factual manner of expression.

## **11. Scope, implementation and sustainability**

**Carl Hirschmann actively promotes the distribution and publication of the principles of conduct and ensures their effective implementation.** The Code of Conduct is binding for all Carl Hirschmann employees. Our managers have a special responsibility. They are called upon to exemplify the principles of conduct described above and are the first point of contact for questions from their employees about the correct behavior in individual cases. They are also responsible for ensuring compliance in their area of responsibility. Violations of the Code of Conduct will not be tolerated at Carl Hirschmann. All indications of such violations will be investigated.

We also expect our suppliers to comply with the described principles of conduct in their companies. Upon request, our suppliers must provide Carl Hirschmann with all necessary information to prove compliance with the principles of conduct. Carl Hirschmann can monitor compliance with the principles. Suppliers must inform Carl Hirschmann of events that conflict with the principles or prevent compliance. Carl Hirschmann reserves the right to demand remedial action or to terminate cooperation if the principles of conduct are not complied with.

Questions regarding the principles of conduct or the correct conduct in individual cases will be answered by the respective supervisor or the management. There is also a formal way of pointing out violations, so-called "compliance" incidents and asking questions:

### **Compliance contact form:**

The contact form ([www.carlhirschmann.de/de/Kontakt/Kontaktformular](http://www.carlhirschmann.de/de/Kontakt/Kontaktformular)) on our website allows anonymous information. Leave the fields of the contact data empty. Your message will be treated confidentially and forwarded directly to the management for processing.



## Declaration as a supplier

We are familiar with the Code of Conduct/Compliance of Carl Hirschmann GmbH and we respect it.

As a supplier, we also comply with and confirm this Code of Conduct in our company:

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Company name

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Name, first name (block letters)

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Function in company

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Phone

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Email address

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Date

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Signature and company stamp

The Code of Conduct / Compliance of Carl Hirschmann GmbH is available for public access and can be downloaded at [www.carlhirschmann.de](http://www.carlhirschmann.de).