

**Change log:**

Date	Version	Author	Change
11.07.2023	1	MKB	<ol style="list-style-type: none"><li>1. Adaptation to ISMS according to VDA5.1</li><li>2. Items 5.7-5.10 added</li></ol>

**1 General**

Everyone is talking about sustainability. But what does sustainability actually mean for us? What does it mean for a company in our industry to act sustainably? We have asked ourselves these questions and established **guidelines for Heck & Becker GmbH & Co KG** (Code of Conduct), according to which we align our daily actions and thinking as well as our production processes and supply chains. (Code of Conduct on [www.heck-becker.com/downloads](http://www.heck-becker.com/downloads))

The **Sustainability Policy for Business Partners** formulates minimum standards and defines the minimum requirements for our business partners: compliance with internationally recognized human and labor rights, respect for child labor and forced labor, compliance with legal standards and environmental guidelines, as well as precautionary environmental protection and the observance and promotion of business ethical behavior. We also expect our direct and indirect suppliers to ensure compliance with this policy by their subcontractors and suppliers. They are required to communicate the contents of this policy to all parties in their supply chain and actively promote compliance. Furthermore, all business activities within the supply chain must comply with local laws. If national legal regulations, international legal regulations, industry standards and this guideline deal with the same subject, the stricter regulations in each case must always be applied. The objective of this Policy is therefore to establish a common standard of performance, education and commitment to responsible business operations.

We expect our business partners to communicate all the principles and requirements described here to their subcontractors and suppliers and also to take them into account when selecting them. Business partners encourage their subcontractors and suppliers to comply with the described standards on human rights, working conditions, corruption prevention and environmental protection in the context of fulfilling their contractual obligations.

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<b>Created</b> (Name/DDMMYY): .MKB/11.07.2023	<b>Release</b> (Name/DDMMYY): .MKB/14.07.2023	<b>Version:</b> .1
<b>Scope:</b> .public	<b>Responsibilities:</b> .GF	

Upon request, the business partner shall provide Heck & Becker GmbH & Co. KG with all necessary information for an initial assessment correctly and comprehensively within the scope of a self-assessment. He shall furthermore provide other information proving compliance with the guideline. We reserve the right to control the implementation of this guideline. The business partner has to inform Heck & Becker GmbH & CO. KG of any events that conflict with the principles of the guideline.

*Heck & Becker GmbH & Co KG*  
*- Management -*



*(Martin Baumann)*

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**Release** (Name/DDMMYY): .MKB/14.07.2023

**Version:** .1

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**Scope:** .public

**Responsibilities:** .GF

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**3 Business Ethics**

**3.1 Compliance with employee rights, laws and regulations**

For our suppliers, it is of outstanding importance that all corporate activities are characterized by social responsibility towards employees and society as a whole. They respect the personal rights of employees, offer them good and safe working conditions and a stable environment in which they can develop their talents.

**3.2 Human rights, health, environment**

You respect the dignity and personal rights of employees and third parties with whom you are in business contact. You shall respect and support the observance of internationally recognized human rights. Respect for human rights is an integral part of corporate responsibility.

**3.3 Rejection of forced and child labor, human trafficking**

Any form of forced labor and child labor is rejected. Participation in human trafficking, use of violence, use of involuntary labor is not to be tolerated. The principle of freely chosen employment is to be accepted. Child labor and the exploitation of children or the support of child labor is not tolerated.

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**3.4 Discrimination and equal opportunities**

Discrimination against employees on the basis of skin color, ethnic or social origin, gender, age, nationality, marital status, disability, political affiliation, sexual orientation and religious affiliation or belief will not be tolerated.

**3.5 Anti-corruption**

The Company, in particular its corporate bodies and employees, undertake not to commit any acts that may lead to criminal liability for a pecuniary offense, in particular fraud or breach of trust, theft or embezzlement, insolvency offenses, offenses against competition, the granting of an advantage, acceptance of an advantage, bribery, venality or comparable offenses.

**3.6 Compensation, working hours and benefits**

You agree that compensation and benefits must comply with the legal requirements regarding minimum wages, overtime and legally required social benefits. The legal requirements on working hours and vacation must be complied with. If no national laws on working hours exist, the labor and social standards of the International Labor Organization (ILO) apply.

**3.7 Occupational safety, fire protection and health protection**

For occupational safety, fire protection and health protection, compliance with national legislation and regulations for a safe, ergonomic and healthy as well as hygienic working environment must be ensured as a minimum.

**3.8 Education and training**

Knowledge and skills mean opportunities in modern society. Your company recognizes the importance of employee qualifications as a value for the company and sees its commitment to vocational training and continuing education as an investment in the future.

**3.9 Freedom of association and collective bargaining**

They shall respect the rights of workers to freedom of expression, freedom of association, membership in trade unions, the formation of workers' representative bodies and membership in works councils. Workers and their representatives must be enabled to communicate with management without fear of reprisal, intimidation or harassment.

**3.10 Open debate**

The open discussion of concerns makes a decisive contribution to ensuring that misconduct occurs less frequently or is identified and corrected at an early stage. Therefore, you value an open climate in which employees can approach their supervisor or management with

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critical issues without hesitation and with confidence.

**3.11 Whistleblowing and protection against retaliation**

In the event of ethically incorrect behavior or violations of national laws, it must be possible to seek advice and assistance and to address the concerns or suspected violations through defined communication channels without fear of retaliation.

**3.12 Conflict of interest/ sponsoring activities**

In everyday business, we may be faced with decision-making situations in which the interests of the company conflict with our personal interests. Conflicts of interest can mean that decisions are no longer made impartially in the interests of the company. Employees who are affected by a potential or actual conflict of interest are obliged to inform their supervisor or the management quickly in order to bring about a rapid clarification.

**4 Compliance**

**4.1 Relations with business partners**

Our business partners expect that they can rely on Heck + Becker as a legally compliant business partner. In return, as our business partner you work dutifully with the understanding that national and international laws are complied with.

**4.2 Dealing with political institutions and authorities**

When dealing with governments and authorities, always act honestly and transparently and in accordance with applicable law. This applies, for example, to contacts with authorities in day-to-day business (for necessary licenses, permits or contract conclusions), in political advocacy or in official inquiries (requests for information, official investigations, legal proceedings)

**4.3 Protection against corruption and bribery**

Benefits, for example in the context of invitations or in connection with advertising measures, which serve the purpose of promoting business relationships or presenting products or services, are - insofar as moderate - permissible. In any case, compliance with the relevant legal provisions must be ensured. However, such benefits may only be accepted or granted if they serve a legitimate business purpose and are not accepted or granted in return for an unlawful advantage.

**4.4 Fair competition**

For our business partners, the global understanding of the prohibition of relationships and agreements with competitors, suppliers, distributors and dealers that harm fair competition

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applies.

#### **4.5 Product safety**

They see themselves as partners to customers. Long-term customer relationships serve the success of the business. Their claim is therefore to provide the company Heck & Becker GmbH & Co KG with safe and flawless products and services of high quality.

#### **4.6 Disclosure of information**

Information on the company's business activities, structure, financial situation and performance is disclosed in accordance with the relevant regulations.

#### **4.7 Export controls and economic sanctions**

They check for export and economic sanctions and provide appropriate evidence, certificates or declarations.

#### **4.8 Intellectual property protection and plagiarism**

The protection of intellectual property is of essential business importance to our business partners. It is therefore essential, irrespective of commercial value, to exclude the infringement of any author's exclusive right to his protected works. This also applies to the products of his intellectual work. Technology and know-how transfers must be carried out in such a way that intellectual property rights are protected.

It must be ensured that neither you nor your business partners use plagiarized products and that no conflicts of interest arise. Furthermore, we expect our partners to comply with the respective commercial regulations and laws on import and export controls in all countries in which they operate.

#### **4.9 Money laundering**

The relevant legal provisions for the prevention of money laundering must be complied with.

#### **4.10 Privacy**

When collecting, storing, processing or transmitting personal data (e.g. name, address, telephone number, date of birth, health information) from employees, customers or other third parties, take the utmost care and maintain strict confidentiality.

#### **4.11 Information about products and services**

Our business partners always provide truthful information regarding products and services. False statements and misleading information about products and services can cause damage to both Heck & Becker GmbH & Co. KG and you. This contradicts our common

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principles and is inadmissible.

**4.12 Use and security of IT systems**

IT systems are regularly used and data processed in everyday business. This requires appropriate security measures (passwords, approved technologies and licensed software) to ensure the protection of intellectual property and personal data. Ignoring necessary security measures can have serious consequences, such as data loss, theft of personal data or copyright infringement. Since digital information can be quickly disseminated and readily duplicated and is virtually indestructible, we pay due diligence to the content of e-mails, attachments, downloaded files and stored voice messages.

**4.13 Confidentiality and public relations**

Confidential information is intended only for the named recipients, not for internal dissemination or external publication. Discussing confidential information in public or unauthorized disclosure of information about the company or its customers to third parties, is a breach of confidentiality.

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## 5 Environmental standards

### 5.1 Environmental responsibility

With regard to environmental issues, our business partners must take initiatives to promote greater environmental responsibility in accordance with the precautionary principle procedure and encourage the development and dissemination of environmentally friendly technologies.

### 5.2 Environmentally friendly production

Optimum environmental protection must be ensured in all phases of production. This includes a proactive approach to avoid or minimize the consequences of accidents that can have a negative impact on the environment. Particular importance is attached to the application and further development of energy- and water-saving technology characterized by the

### 5.3 Environmentally friendly products

All products manufactured along the supply chain must meet the environmental protection standards of their respective market segment. This includes all materials and substances used in production. Chemicals and other substances that pose a hazard if released into the environment must be identified. Hazardous substance management must be established for them so that they can be safely handled, transported, stored, recycled or reused, and disposed of through appropriate procedures.

### 5.4 Energy consumption and greenhouse gas emissions

Everyone along the supply chain should aim to further reduce the company's energy consumption and thus conserve the climate and valuable resources. At the same time, the continuous reduction of greenhouse gases should be reduced in production and supply, through expansion and / or extension of production sites or supply fleets. Also in the case of purchasing energy needs must be balanced by optimization measures, the need for low-CO2 energy purchases.

### 5.5 Water quality and use

Circular system should be used in the use of water in all stages of production and supply chain, so that the water recycling rate can be increased to protect the environment and sustainably reduce the valuable fresh water consumption.

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**5.6 Improve air quality**

Through the sustainable use of modern filtration system or chemical additives, the air quality should be improved throughout the supply chain.

**5.7 Responsible raw material procurement**

The suppliers of Heck & Becker GmbH & Co. KG support activities that ensure responsible procurement of raw materials. The procurement and use of raw materials that have been obtained illegally or through ethically reprehensible or unreasonable measures are to be avoided. The use of raw materials such as conflict minerals that are affected by embargoes or other import restrictions shall be excluded. Suppliers are therefore obliged to identify these raw materials in manufactured products in the supply chain and to disclose the origin and sources of the raw materials they use.

**5.8 Responsible chemical management**

We expect our suppliers to practice responsible chemical management that ensures the safety and health of all involved. They must comply with applicable laws and regulations and continuously seek ways to reduce the environmental impact of their operations.

**5.9 Sustainable resource management**

We expect our suppliers to use the natural resources they use for their products and services responsibly and efficiently. This means that they minimize the consumption of water, energy and raw materials, reduce waste and emissions, and continuously improve the environmental impact of their operations.

**5.10 Waste prevention**

We expect our suppliers to adhere to the principles of waste prevention. This means that they avoid unnecessary packaging, waste of resources and environmental pollution. We want to work with suppliers who are committed to a sustainable and responsible supply chain.

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