



## **Our Leading Principle**

Gebr. SAACKE GmbH & Co. KG is a globally acting company with a tradition of more than 125 years at the Pforzheim site.

Our most important goal is securing permanent economic success and long-term independence of our family-owned company.

We offer only top-quality products at market-compatible prices and delivery times.

Our continuous innovation and uncompromising focus on quality ensures our international quality leadership on the market.

Our customers' satisfaction is our highest priority. We consider your success our daily incentive. Our qualified technicians provide competent advice and professional service.

Our employees are our most important capital. They essentially contribute to the company's success. Only highly motivated employees can render excellent results. We recognise and value them accordingly. We communicate openly and treat each other with trust and respect. We meet our obligation towards society by providing sustainable training to young people in our various work areas.

We pursue a constructive, fair and sustainable cooperation with our partners. Long-term relationships and mutual compliance with rules are important to us.

We are aware of our responsibility as an important medium-sized employer in the region towards society and the environment. We respect environmental protection and responsibly handle resources. We support social projects and contribute to further development in our region. Intense cooperation with local educational facilities strengthens the connection between economy and society in the long term.

Georg Saacke, 15 May 2018

# Compliance Directive

## Applicable to Gebr. Saacke GmbH & Co. KG

"Our economic actions to implement our leading principle are characterised by integrity in dealing with our customers and suppliers, employees, shareholders and the public."

This fundamental statement forms the basis for our code of conduct. Our strategic considerations and our day to day business must be based on high ethical and legal standards at all times. The management, supervisors and our employees characterise the style, and thus the image, of our company in public. Honesty, sincerity and fairness characterise our actions. Even though our most important goal is permanent economic success and long-term independence of our family-owned company, we are not only interested in results. The way to achieving them is also relevant for us. We never tolerate any use of illegal or unfair methods.

Corruption cannot be tolerated, due to its power of destroying the economy and society as a whole. Corruption undermines citizens' trust in the integrity and function of the economy and causes considerable damage to the business operation and the national economy. Corruption within the meaning of this directive means any abuse of an official function to achieve a benefit for oneself or a third party. We want to not only consistently investigate any cases of corruption that occur, but also apply sustainable preventive measures against it. This directive establishes a basis for raising awareness among all employees concerning the dangers of corruption. Our compliance directive contains binding rules that apply to everyone among us equally. It commits us to act accordingly and to not do anything that is at odds with these rules.

Equal treatment is important to us. Therefore, terms such as "colleague", "employee", etc. always comprise people of all genders for us and are used to make the text easier to read.

Georg Saacke, 29 March 2019

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## **1. General Requirements to Conduct**

### **1.1 Compliance with Laws**

Compliance with the law takes the highest importance for Gebr. Saacke GmbH & Co. KG. Our employees must observe the statutory provisions of the legal codes in the scope of which they act. Violations of laws must be avoided under all circumstances. This applies accordingly to any internal rules passed by the company.

Every employee must expect disciplinary consequences if they violate their obligations under the employment contract in addition to any the sanctions stipulated by law.

The employees are obligated to secrecy by their employment contracts.

### **1.2 Export Control**

The management assigns great importance to compliance with export control. The goal of the company-internal export control (firmeneigene Exportkontrolle; fEx) is proper execution of the business cases arising in foreign trade. fEx is to ensure that all necessary measures are taken to prevent violations of foreign trade law, embargos, etc. The effectiveness of fEx is reviewed by the process officer at regular intervals.

### **1.3 Responsibility of the Company's Reputation**

The company's reputation is essentially characterised by the appearance, actions and conduct of every individual among us. Inappropriate conduct of even a single employee may cause considerable damage to the company. Every employee is asked to take our company's public reputation into account.

### **1.4 Mutual Respect, Honesty and Integrity**

We respect the personal dignity and personal rights of every individual. We work with people (m/f/o) of various nationalities, cultures, religions and skin colours. Discrimination or exclusion due to sexual preference, sexual or other harassment or insults are not tolerated in our company.

We are open and honest and stand by our responsibilities. These principles shall apply both to internal cooperation and to conduct towards external parties.

## **1.5 Management, Responsibility and Supervision**

Our supervisors bear responsibility for their employees. They must earn their respect by exemplary personal conduct, performance, open-mindedness and social competence. They set clear, ambitious and realistic goals, lead in a trustworthy manner and grant their employees own responsibility and freedom within the scope of their tasks.

Our disciplinary supervisors must meet organisational and supervisory obligations. They actively promote communication of the compliance directive and ensure sustainable implementation of, and compliance with, the rules. They are responsible for preventing violations of laws and internal directives in their respective areas of responsibility. Delegation of tasks does not exempt the supervisors from this responsibility.

## **2. Handling of Business Partners and Third Parties**

### **2.1 Free Competition**

Gebr. Saacke GmbH & Co. KG is committed to fair competition without restrictions, and in particular to strict compliance with cartel law. Even the mere appearance of competition-limiting conduct must be avoided. Every employee must comply with the rules of fair competition and must inform the commercial management about any third party's misconduct. Any agreements between companies that would limit competition are generally forbidden.

### **2.2 Offering and Granting Advantages**

No employee must offer or grant others any unjustified advantages in connection with the business activities, whether directly or indirectly, as monetary payment or in the form of any other benefits. Employees who enter into agreements with consultants, intermediaries, agents or comparable third parties must ensure that these do not offer or grant any illegal advantages either.

Advertising gifts (promotional items and similar) to customers or suppliers are permitted within the scope of sales promotion campaigns. Benefits to business partners or their employees at scopes that exceed the regular demand for advertising media are forbidden.

Invitations for appropriate business meals may be extended.

### **2.3 Demanding and Accepting Advantages, Gifts and Other Benefits**

No employee must use their position in the company in order to demand, accept, procure or acquire a promise of advantages. Acceptance of gifts and other benefits is, therefore, generally forbidden. Promotional items that are issued to customers in larger amounts (e.g. key lanyards, ballpoint pens, calendars, notepads, chocolate, chocolates) and at low values may be accepted and be left in the department. If gifts or benefits cannot be refused in light of the business relationship, they must be reported to the supervisor. The manager or production management will decide about their use.

Invitations for appropriate business meals may be accepted.

### **2.4 Prevention of, and Fight against, Corruption**

#### **Work areas at risk for corruption**

Any work areas in which information is present or decisions are made that constitute a material or immaterial benefit for third parties outside of the company are deemed at risk for corruption. An increased risk of corruption is assumed if the possible advantage is of special importance / encompasses a particular scope. A risk of corruption is present in particular in work areas where:

- orders are assigned,
- contracts are entered into and services monitored, confirmed and certified as proper in content and calculation,
- reviews and supervisory work are performed, and
- processes with confidential information or access to confidential information that may be relevant for third parties take place.

If there is any justified suspicion against an employee, the competent works council must be informed confidentially. The supervisors and the HR department will initiate further measures together with the works council.

### **3. Avoidance of Conflicts of Interest**

Employees must make their business decisions in the best interest of Gebr. Saacke GmbH & Co. KG. Employees must not be influenced by personal or family-related considerations that may consciously or unconsciously impair their judgment of what brings the greatest benefit for the company.

A conflict of interest is present if an employee has any personal or family-related interest of financial or other kind in another company / organisation that may benefit from the decisions the employee makes in exercising their functions within the company or from knowledge of the employee concerning measures or future plans of the company. All persons who are charged with awarding orders in our company must observe the following rules:

- They must report any personal or family-related interest they may have in connection with the execution of business tasks to the disciplinary supervisor. Suppliers must not be preferred or disadvantaged in competition for orders.
- Our employees must not have any private orders performed by companies with which they have a business connection if they incur any benefits from this. This shall apply in particular if the employee is able to influence charging of the contractor for our company directly or indirectly. Without exception, any potential conflict of interest must be reported to the supervisor without undue delay.
- Any secondary work of an employee shall require the explicit advance consent of the HR department.

### **4. Handling of Information and Company Equipment**

#### **4.1 Records and Reports**

Open and effective cooperation shall include correct and truthful reporting. This shall apply equally to the relationship with shareholders, employees, customers, business partners and the public, as well as any state authorities.

Any records and reports that are drawn up internally or issued for external use must be correct and truthful. Data recording and other records must always be completed, accurate, and issued in due time and in compliance with system requirements according to the principles of proper accounting.

#### **4.2 Confidentiality**

Any internal matters of the company that have not been publicly disclosed or that are

not mandatorily required for the specific tasks in cooperation with business partners (e.g. suppliers, service providers, consultancies) must be kept confidential. This shall include, for example, details on the organisation of the company and its setup, as well as any business, fabrication, research and development processes and figures of internal reporting. The obligation to confidentiality shall continue beyond the termination of the employment.

#### **4.3 Data Protection and Data Security**

All documents and data that belong to the workplace must be effectively protected from being accessed by unauthorised parties. Access to IT systems, in particular software and data, that are produced, collected, used and saved within the scope of the operational tasks, must be protected by suitable IT methods and procedures. Users must proceed responsibly and diligently (e.g. by assigning and regularly changing suitable passwords).

Development of IT directives is the task of the EDVO department and the management.

Personal data must only be collected, processed or used at the scope required for specified, clear and legal purposes. The company has designated an external data protection officer in order to ensure compliance with the Data Protection Act (*Datenschutzgesetz*). The data protection officer's contact details and the company's current data protection policy can be found on the company website under "Data Protection".

Employees who handle personal data must be separately trained and obligated to comply with the data protection policy.

#### **4.4 Handling of Company Equipment**

Unless stipulated differently for the entire operation or in individual contracts, the facilities and equipment in offices and workshops (e.g. phone, copying machines, PCs with software, machines, tools) must only be used for business purposes.

The applicable IT directives must be observed.

In no case must any information be called up or passed on that calls for racism, glorifying violence or other crimes or that has a sexually offensive content.

#### **4.5 Use of Private Equipment**

Private equipment (e.g. private notebook, private smartphone) generally must not be used for any business purposes. Exceptions from this are stipulated separately (e.g. use of private car for short drives).

## **5. Environment, Safety and Health**

### **5.1 Environment and Technical Safety**

Protection of the environment and its resources are corporate goals with high priority. The persons responsible for environment / safety in the area of production and technology shall ensure compliance with the laws and high standards. Everyone must contribute to exemplary performance in these areas at their workplaces.

When procuring raw materials and other materials, the purchasing and technical departments must proceed with the due diligence. Only conflict-free goods must be purchased, and the exploitation of raw materials must not have any detrimental effects on the environment. Suppliers must confirm their compliance with this rule.

### **5.2 Industrial Safety**

Responsibility towards employees and colleagues requires prevention of the risk of accidents to the greatest possible extent. This includes the technical planning of jobs, facilities and processes as well as safety management and personal conduct in everyday work. The working environment must comply with the requirements of a health-oriented design. Every employee shares responsibility for industrial safety in their respective area. All provisions on industrial safety and work protection must be applied strictly. If employees submit any information about defects in industrial safety, this must be reviewed by the respective specialist for industrial safety.

The occupational health service and the specialist for industrial safety must be involved in the redesign of workplaces.

## **6. Societal and Social Responsibility**

### **6.1 Quality Management**

Gebr. Saacke GmbH & Co. KG places great value on the quality of its products and services. We are subject to a special diligence obligation and have committed to defined quality directives in order to meet our customers' demands. These obligations are recorded in our quality management manual. They are binding upon all our employees.

## **6.2 Society, Employees**

We consider ourselves a responsible, important employer in our region and live up to our social responsibility connected to this status. We exhibit open communication and commitment to the region. As a member in the employers' association Südwestmetall, Gebr. Saacke GmbH & Co. KG is bound to collective bargaining agreements. We ensure that our employees are not remunerated below the collective bargaining level. We reject child labour in general and commit our suppliers to making the corresponding declarations.

## **7. Indications of Breaches of the Compliance Directive**

### **7.1 Actions if Corruption is Suspected**

If an employee has a specific suspicion of corruption, i.e. if there are any indications that go beyond assumptions, they must inform their supervisor without undue delay. If the supervisor is the suspect, they shall inform the next-higher supervisor instead. Alternatively, they may inform the HR department or commercial management. Protection of whistle-blowers against disadvantages such as reprisals must be ensured in all manners.

### **7.2 Anonymous Reporting of Suspected Corruption**

In order to ensure the highest objectiveness and confidentiality, every employee may report suspicions to the works council, which will pass the anonymised information on to the management.

### **7.3 Information on Other Breaches of the Compliance Directive**

Every employee may inform their disciplinary supervisor, the HR department, the commercial management or the works council of any situations that suggest a breach of the compliance directive that is not connected to economic crime such as corruption (which are subject to the special provisions in items 7.1 and 7.2). Every report will be examined thoroughly. Appropriate measures will be taken. All documents will be treated confidentially.