



## HerkulesGroup (HG) Code of Conduct





Contents

1. Introduction .....	1
1.1 Foreword / Statement by the Executive.....	1
1.2 Scope of Validity, Information, Contact and Error Management.....	2
1.3 Our Principles.....	4
2. Legal Conformity .....	5
3. Social Responsibility .....	6
3.1 Compliance with Human Rights .....	7
3.2 Equal Opportunities, Diversity and Equality .....	8
3.3 Working Conditions .....	9
3.4 Occupational Health and Safety.....	10
3.5 Responsible Conduct, Sustainability and Environmental Protection .....	11
4. Conduct Within the Corporation .....	12
4.1 Value-oriented Leadership and Social Conduct .....	13
4.2 Error Culture.....	14
4.3 Service Orientation.....	14
4.4 Handling Corporation Property.....	15
5. Conduct in Business Dealings.....	16
5.1 Fair Competition.....	17
5.2 Anti-Corruption Policy.....	18
5.3 Prohibition of Money Laundering and the Financing of Terrorism .....	19
5.4 Conflict of Interest Avoidance.....	20
5.5 Compliance with Trade, Export Control and Customs Regulations.....	21



## 1. Introduction

### 1.1 Foreword / Statement by the Executive Board

Dear Employees,

Economic success and social responsibility are two inseparable objectives of our corporation. Based on the idea "WE are Herkules", we can only achieve these objectives together.

As such, it is very important to us that we

- offer high-quality and innovative products and services,
- treat each other and our partners with respect and fairness, and
- fulfill our social responsibility as a dependable employer.

As a family business, we have a long tradition of combining entrepreneurial activity with ethical principles and this is one of the key characteristics of our corporation's development and success. The integrity of the corporation is shaped by the performance of our employees and their conduct in their relationships with each other and with people outside the corporation.

In accordance with our corporate values, all HG employees are obliged in their actions to

- comply with all local, national, and international laws, guidelines, and industry codes of conduct, and
- to responsibly ensure the integrity and sustainability of their actions with regard to society, the economy, and the environment.

Each of us, the Executive Board, executive personnel, and every single employee, is responsible for behaving in accordance with the principles set out in this Code of Conduct (CoC). The CoC specifies binding minimum standards for responsible conduct towards business partners and the public, but also for our conduct within the corporation. We therefore ask you, dear employees, to ensure compliance with the CoC in your working environment and to join us in using it as a guideline for our daily conduct.

We look forward to your support!

The HerkulesGroup Management



## 1.2 Scope of Validity, Information, Contact and Error Management

### Application, Implementation and Compliance

In accordance with the declaration of the members of the HG Executive Board, our values and the following Code of Conduct applies to

**all areas of the HerkulesGroup.**

"Compliance" means acting in accordance with the law and regulations within the organization, in the business environment and towards all stakeholders of the corporation.

**Every member of the Executive Board, all executive personnel, and every employee**

must comply with applicable laws and internal regulations. Compliance with this Code of Conduct is a binding minimum requirement for our executive personnel/managers and employees. The central Compliance Officer, in cooperation with the various operational departments and the Executive Board, supports training and compliance with this Code of Conduct at the HG; this is ensured through internal audits.

**Non-compliance due to negligent or intentional violations will not be tolerated.**

As part of their supervisory and control duties, executive personnel/managers at all levels are responsible for taking appropriate measures to prevent violations of the law or rules by employees in their area of responsibility and to prevent damage to the corporation or its environment caused by the behavior of their employees.



### Contact

If employees become aware of violations of this Code of Conduct or other legally questionable procedures and these issues cannot be clarified in personal discussions, they can contact the following persons:

- Direct supervisor
- Management
- HR department
- Compliance department: [Compliance@herkules-group.com](mailto:Compliance@herkules-group.com)

If employees do not wish to contact any of the aforementioned contact persons, they can also contact the anonymous/confidential external ombudsman's office of HG (e-mail: [info@goettert.org](mailto:info@goettert.org) or telephone: +49 271/231900) or report violations via the [Complaints Management System](#).

Violations affecting SBA mechatronics GmbH must be reported through an independent [Complaints Management System](#).

Reported violations of our Code of Conduct are investigated confidentially by the neutral ombudsman and appropriate measures are agreed with the responsible management. Employees who report misconduct by third parties in good faith and in good conscience will not suffer any negative consequences as a result of their report. Nevertheless, we would like to take this opportunity to point out that - based on our values as a responsibly

managed family business - personal dialog is important to us and we encourage open, honest, and fair dealings with our employees.

In order to process your report, the external ombudsman must understand exactly what has happened. It is therefore important that you describe the facts of the case as precisely as possible and in a way that is comprehensible to third parties. These questions can help:

- What happened?
- Who is involved (names of persons should be mentioned along with their function or position, if possible)?
- Where did it happen (e.g., which market, which department, which company)?
- When did it happen (e.g., dates, time periods)?

Of course, this does not mean that you have to answer all the questions. But the more information you provide, the more likely it is that your report will be fully clarified. If possible, also provide a contact option for further questions. Please note that otherwise it will no longer be possible to ask you questions about the facts of the case and this may make it more difficult or impossible to investigate your report. It is also possible for you to submit a report anonymously and thus keep your identity secret. If you have not already ensured your anonymity yourself, you should expressly state your wish to remain anonymous when submitting your report.



### 1.3 Our Principles

We want to retain proven traditional values. At the same time, we focus on values that will lastingly improve the future viability of the corporation as the basis for our actions. These should form a basis for successful and harmonious relationships within the corporation's environment. The following corporate principles are our common foundation of values that unite all people and companies within the Group. They form the basis of our corporate culture.

#### 1. We Live by Common Values

As a responsibly managed family business, HG is committed to acting beyond its business purpose for the benefit of society. Openness and mutual respect characterize the way we work together. We place immense importance on strong values: Reliability and honesty, credibility, and integrity. Compliance is a matter of course for us. We are committed to taking responsibility for society.

#### 2. We are a Partner for All Situations

We attach great importance to maintaining trust-based and long-term relationships with our customers. Service quality, reliability, and dialog with our partners around the world are key success factors for us. That is why we are consistently customer-oriented and offer a range of services that is precisely tailored to our customers' requirements.

#### 3. We Promote Innovation

Together with our customers, we solve the challenges of the future. Our customers' requirements determine the way we think and act. Continuous optimization of products, processes and services are key factors for our future viability. We break new ground together. This is why we conduct ongoing research and development in close cooperation with users and our business partners in order to support the industry in its complex work with innovative products and solutions.

#### 4. We are Committed to Cooperation

As a globally positioned group of companies with numerous locations and affiliated companies, we foster cooperation not only with our customers, but also within HG. The commitment, experience and expertise of our employees form the basis of our success. We promote fairness, respect, and team spirit in our dealings with each other.

#### 5. We Conserve Resources

We are committed to protecting the environment and the health and safety of our workforce. The key to this is the use of state-of-the-art technologies and continuous improvements in environmental protection and occupational safety. We strive to reconcile economy and ecology and to constantly promote the development of our employees.



## 2. Legal Conformity

Legal conformity through compliance with applicable laws and other legal provisions is a fundamental principle of our corporate culture. The local, national, and international laws and binding directives, regulatory provisions in force in the respective country, as well as our internal corporation regulations form the framework for our actions and must be complied with in full by all HG employees.

This includes, among other things, compliance with applicable laws and regulations regarding:

- Fundamental civil rights such as human rights and labor standards,
- Safety, health, and environmental laws,
- Antitrust and competition law,
- Fighting corruption and
- The law governing the protection of trade secrets.

CEOs and all decision-makers with a line function must ensure compliance with legally binding standards of all kinds (laws, legal regulations, contracts, internal instructions, etc.) within their area of responsibility.

To this end, the executive personnel/managers in question must

- keep themselves sufficiently and continuously informed about the key principles of the applicable laws and regulations,
- assess the impact on their area of responsibility, their behavior and that of their employees,
- adequately train and sensitize the employees concerned and
- establish and document appropriate control and monitoring measures that are necessary to ensure compliance with applicable law.



### 3. Social Responsibility

In accordance with our values and the declaration of the Executive Board members and in accordance with the relevant requirements of national and international social standards, HG assumes social responsibility by supporting internationally recognized human rights and ensuring compliance with them as well as observance of the minimum working standards and welfare conditions.

In connection with our responsibility for society, the environment and employees and our commitment to sustainable action and legal compliance, we also comply with applicable safety, health, and environmental laws (SHE) and recognized corporate standards. In addition to the applicable legally binding regulations as minimum standards, we are also guided by the labor standards and directives for safety, health and environmental conditions in the workplace issued by the Fair Labor Association (FLA), see "Workplace Code of Conduct and Compliance Benchmarks".

#### 3.1 Compliance with Human Rights

#### 3.2 Equal Opportunities, Diversity and Equality

#### 3.3 Working Conditions

#### 3.4 Occupational Health and Safety

#### 3.5 Responsible Conduct, Sustainability and Environmental Protection





### 3.1 Compliance with Human Rights

#### CORPORATE PRINCIPLE

Respect for human rights is of central importance to us. We believe that sustainable business is only possible by acting ethically and with integrity and we are fully committed to our human rights responsibilities in our business activities.

The HG supports and respects

- international human rights in accordance with the UN Declaration of Human Rights and the European Convention on Human Rights,
- the principles of the United Nations Global Compact and the UN Guiding Principles on Business and Human Rights (Ruggie Guidelines) and
- the relevant Guidelines for Multinational Enterprises of the Organization for Economic Cooperation and Development (OECD).
- The core labor standards of the International Labor Organization (ILO)

The HG ensures that it is not complicit in human rights violations and that there are no negative human rights impacts on its own employees by continuously exercising special care in the conduct of its executive personnel/managers and employees.

We hold our employees as well as all business partners and other parties directly associated with our business activities, products, or services to the same human rights-related expectations.

#### EMPLOYEE CONTRIBUTION

Every employee can contribute to respecting human rights. HG employees are therefore called upon to be constantly vigilant with regard to human rights violations and to assess the human rights risks of their actions that may arise directly or indirectly through business relationships.

If there are indications of human rights violations in the professional environment, care must be taken to ensure that these violations are prevented or remedied immediately. If necessary, the supervisor or the contacts listed in the "Contact" section can be informed for this purpose.



### 3.2 Equal Opportunities, Diversity and Equality

#### CORPORATE PRINCIPLE

Equal opportunities, diversity and equal rights are the basis for fair, non-discriminatory, and respectful cooperation.

We therefore place great value on partnership, tolerance, and mutual respect.

We are committed to an inclusive working environment and promote diversity in the workforce.

We reject all forms of discrimination and offer equal opportunities for all. This applies in particular to discrimination based on ethnic origin, nationality, skin color, political views, ideology, religion, social origin and social status, marital status, gender, gender orientation, gender identity, disability, age, physical constitution, or appearance.

For this reason, the selection, recruitment, and promotion of our employees is based exclusively on their qualifications and abilities.

#### EMPLOYEE CONTRIBUTION

In addition to the legality and professionalism of their actions, we require our employees to exercise the necessary care in their dealings with others in the corporation environment.

If violations of the principles of equal opportunities and equal treatment are observed, for example through discrimination, harassment and bullying, the persons concerned must be made aware of their misconduct.

If no direct influence can be exerted on the incident, it must be reported immediately to the HR department or to the contacts listed in the "Contact" section.



### 3.3 Working Conditions

#### CORPORATE PRINCIPLE

As a multi-national corporation, the HG

- complies with the core labor standards of the International Labor Organization (ILO) as described in the "Declaration of Principles concerning Multinational Enterprises and Social Policy" while respecting national rights),
- is also guided by the regulations of the "Social Ac-countability 8000" on social and labor standards based on this and
- is aligned with the formulations of the Code of Conduct of the "Business Social Compliance Initiative" of the Foreign Trade Association (FTA) to improve social standards.

In accordance with the conventions of the ILO core labor standards and the requirements for social responsibility of the SA8000 standards, the HG expressly undertakes to comply with the following principles itself and also to be alert to such violations in its internal and external working environment in order to then address them through the known channels:

- Prohibition of Child Labor (ILO 138 and 182)  
Persons under the statutory minimum age for completing compulsory schooling, who may not be younger than 15, may not be employed.
- Prohibition of Forced Labor (ILO 29 and 105)  
Employees may not be forced to work either directly or indirectly by the use of force or coercion. All forms of involuntary labor, such as forced labor, slave or forced prison labor, modern slavery, are prohibited.
- Disciplinary Practices (SA8000, 6.1)  
The organization shall treat all personnel with dignity and respect. The organization shall not engage in or tolerate the use of corporal punishment, mental or physical coercion or verbal abuse of personnel. No harsh or inhumane treatment is allowed.
- Remuneration (SA8000, 8.)  
The organization ensures that wages meet the legal industry minimum standards.



### 3.4 Occupational Health and Safety

#### CORPORATE PRINCIPLE

The health and safety of our employees is very important to us. Our aim is to ensure the protection and promotion of physical and mental health. This requires everyone's cooperation and participation.

Executive personnel/managers in our organizations must guarantee the protection of the relevant legal assets in their area of responsibility.

In the area of employee health and safety, all executive personnel/managers are responsible for protecting their employees from hazards and stress, must identify the respective risks in the workplace, evaluate them in a risk assessment, initiate suitable measures, and instruct, train, and supervise employees accordingly.

Executive personnel/managers are supported in this by internal corporation officers, in this area for example by safety officers and occupational safety specialists.

All necessary technical equipment is systematically provided, and suitable organizational and personal measures are taken (e.g., also for training and further education).

#### EMPLOYEE CONTRIBUTION

All employees are obliged

- to adhere to the applicable regulations regarding safety, health, and environmental protection in their day-to-day work,
- to adopt appropriate measures in their business activities and
- to contact the responsible parties in the event of concerns and for improvements.

The achievement of our standards and targets is monitored by the employees themselves as well as by their superiors and continuous improvements are striven for. In addition, our quality management team and the relevant corporation officers conduct internal audits with regard to quality and occupational health and safety in order to continuously optimize processes. Overall, this ensures that we meet the legal and in-house requirements for the protection of health, safety and the environment through appropriate behavior, processes, and facilities.



### 3.5 Responsible Conduct, Sustainability and Environmental Protection

#### CORPORATE PRINCIPLE

In line with our corporate culture, we want to contribute to fulfilling our civic, social, and ecological responsibility by taking a sustainable, long-term approach to our business activities.

Our products meet the highest standards of technology, safety, and precision, satisfy the highest quality requirements, and thus increase user comfort.

Ecologically sustainable action is a principle that we take into account along the entire value chain, from product development to resource-conserving and efficient production processes, the use of the most environmentally friendly materials possible and environmentally friendly and energy-saving logistics.

By acting responsibly and sustainably for society, the environment, and our corporation's employees, we want to contribute to maintaining and, if necessary, improving the quality of life of our employees and the people in our corporation's surroundings.

As a family business, we want to nurture our employees and offer them a secure job, deal responsibly and transparently with risks, and avoid environmental pollution.

To this end, we gear our actions to the relevant regulations of national and international social standards on human rights, labor and the environment, corruption prevention and the social responsibility of organizations.

In addition to the simple and mandatory sanctions list checks, sustainability criteria are also integrated into the selection of suppliers.

#### EMPLOYEE CONTRIBUTION

Every employee must contribute to achieving our environmental protection goals through their own environmentally responsible behavior, such as:

- Environmental protection through sparing use and recyclability,
- Avoidance or reduction of environmental impact by reducing energy and water consumption,
- Avoidance or reduction of emissions and waste.

All employees ensure that all activities have the least possible negative impact on the environment and that they comply with environmental protection laws and regulations.



#### 4. Conduct Within the Corporation

The conduct of a corporation is determined by the conduct of its employees towards each other and their conduct towards people in the corporation's business, social and ecological environment.

We respect and promote the individuality of each employee but must ensure a uniformly high level of integrity in our business activities. We therefore expect all employees in our professional environment to have equally impeccable moral and ethical attitudes and actions based on honesty, integrity, and fairness, which are also expressed in exemplary communication and cooperation. Positive employee behavior leads to more harmonious cooperation, increases the quality of decisions, and leads to better overall outcomes.

##### 4.1 Value-oriented Leadership and Social Conduct

##### 4.2 Error Culture

##### 4.3 Service Orientation

##### 4.4 Handling Corporation Property



#### 4.1 Value-oriented Leadership and Social Conduct

##### CORPORATE PRINCIPLE

We take responsibility for personal and corporate growth and act as role models. We handle our tasks, roles, and powers appropriately, fairly, and responsibly. This also applies to interpersonal relationships in the workplace, especially when existing professional or hierarchical dependencies can be exploited. We always make decisions prudently, with integrity and transparency in the interests of the corporation and its employees and business partners. Through value-oriented leadership, we strengthen trust and shape change within the corporation.

Executive personnel/managers have a special role model function with regard to the behavior of their employees.

- Executive personnel/managers set an example of compliant, socially, and ethically correct behavior.
- They ensure that their employees receive all the necessary information and contribute to understanding.
- Executive personnel/managers are always available to their employees as the first point of contact for any questions they may have.
- They are responsible and must work to ensure that their employees comply with the Code of Conduct.
- In the event of non-compliance with laws or the Code of Conduct, they take the necessary measures.

##### EMPLOYEE CONTRIBUTION

In addition to appropriate professional conduct, we generally expect all our employees to behave, act and conduct themselves in an exemplary manner in their professional environment, considering the HG's expectations of a morally and ethically exemplary character of the corporation.

In addition to loyalty to the corporation, we expect our employees to treat each other and third parties fairly, politely, and respectfully. Professionalism, fairness, and reliability form the basis for all business relationships.

Alongside fundamental behaviors, such as mutual support in our commitment to achieving our common goals, we are particularly committed to appropriate communication, cooperation, and leadership behavior on the part of our employees.



#### 4.2 Error Culture

##### CORPORATE PRINCIPLE

We want to learn from mistakes and constantly improve. To this end, we promote integrity in our day-to-day work and actively seek exchanges within our teams and with our superiors. We seek advice and support when we have questions or problems. We protect all those who contribute to this culture. We respond promptly and appropriately to misconduct and breaches of our rules. Executive personnel/managers are important role models for behavior that always complies with our rules.

##### EMPLOYEE CONTRIBUTION

Employees are encouraged to speak to an executive/manager or seek advice from the relevant departments if they have any questions, uncertainties, or reasonable suspicion of violations of internal and external regulations. The HR and Compliance departments are on hand to provide support. In addition, well-founded indications of serious violations of regulations can be reported via the whistleblower system.

#### 4.3 Service Orientation

##### CORPORATE PRINCIPLE

We see our service orientation as a core contribution to the corporation's success and therefore as a guiding principle for our employees. The aim is to achieve a high level of customer satisfaction and loyalty through a dedicated service orientation, thereby ensuring the economic success of the corporation. In order to achieve a high level of customer satisfaction, we aim to meet the specific requirements of our customers with excellence through professional and individual service across the entire value chain.

Our executive personnel/managers ensure that their employees have the general social and professional skills required for this and guarantee their service-oriented attitude, e.g., by improving their motivation, promoting appropriate personality traits, and training their communication skills.

##### EMPLOYEE CONTRIBUTION

Every employee can contribute to a successful service orientation. To this end, we expect our employees to take the service concept into account when designing processes and working with our customers.





#### 4.4 Handling Corporation Property

##### CORPORATE PRINCIPLE

We respect the corporation's tangible and intangible assets and do not use them for non-business purposes, but exclusively to achieve the corporation's business objectives.

Exceptions are possible if internal guidelines or regulations permit private use. Intangible assets, such as confidential internal and external corporation information, must also be adequately protected against loss, manipulation, or unauthorized access by third parties.

The provisions of the law on the protection of trade secrets must be explicitly adhered to here.

##### EMPLOYEE CONTRIBUTION

Every employee is obligated to handle corporation property (e.g., factory equipment, tools, vehicles, materials, work equipment, information, and communication systems) responsibly and to protect it from theft, damage, loss, misuse and unauthorized use. All employees are obliged to treat corporation assets properly, for their intended purpose, and with care in accordance with the applicable (safety) guidelines. Similarly, other economic assets of the corporation, such as energy, consumables, and supplies, must also be handled appropriately and with due care.

Loss, theft, damage, and misuse of corporation property should be reported immediately to the responsible supervisor and the legal department.



## 5. Conduct in Business Dealings

The conduct of the HG is determined by the conduct of our employees in their relationships with people both within and outside our corporation. Accordingly, the following rules apply to the conduct of the HG and our employees in general and thus also to our conduct in business dealings.

- Legal conformity through compliance with applicable laws and other legal regulations,
- Integrity through observance of moral standards, such as honesty, respect, reliability, and fairness,
- Service and quality orientation and
- Ensuring the necessary transparency.

### 5.1 Fair and Free Competition

### 5.2 Anti-Corruption Policy

### 5.3 Prohibition of Money Laundering and the Financing of Terrorism

### 5.4 Conflict of Interest Avoidance

### 5.5 Compliance with Trade, Export Control and Customs Regulations



## 5.1 Fair Competition

### CORPORATE PRINCIPLE

We understand and support fair, free and undistorted competition among companies/corporations as a guarantee for entrepreneurial freedom of action, functioning consumer protection and as a fundamental component of the market economy order.

The HG therefore does not accept any unlawful market influence, be it through inadmissible agreements with competitors, customers, or suppliers. The employees concerned and their superiors are obligated to comply with the applicable national and international competition and antitrust laws when dealing with competitors, customers, and suppliers.

Any form of inadmissible market influencing is prohibited, e.g.:

- Agreements with competitors that have as their object or effect the exclusion, restriction, or distortion of competition,
- Abuse of a dominant market position,
- Other anti-competitive agreements.

### EMPLOYEE CONTRIBUTION

In any contact with competitors, care must be taken to ensure that no sensitive information is received or given that could allow conclusions to be drawn about current or future business practices. In general, the exchange of competition-relevant information with competitors should be avoided.

For example, no sensitive data on prices, production volumes or customers should be shared with other companies/corporations in negotiations or other contact with competitors so as to avoid creating incentives for illegal agreements.

## 5.2 Anti-Corruption Policy

### CORPORATE PRINCIPLE

Corruption in its various forms is against the law and violates moral standards and is therefore contrary to HG's corporate culture. The HG therefore rejects any form of corrupt behavior worldwide. None of our employees may therefore grant or accept unauthorized and inappropriate private favors (e.g., money, material assets, services) or inadmissible discounts in business dealings that are likely to influence a proper decision. Gifts and inducements should therefore be the exception in business transactions. They may only be granted or accepted within the internal guidelines and applicable laws.

Violations of applicable laws by HG employees will not be tolerated by HG. If HG employees are guilty of corruption, this will result in mandatory sanctions against the employee.

### EMPLOYEE CONTRIBUTION

Employees must not offer or accept bribes and must avoid even the appearance of undue influence.

Furthermore, it remains the duty of every employee to inform themselves about the internal regulations before giving or accepting gifts.

As a general rule, there are no clearly defined legal value limits regarding the permissibility of accepting or granting inducements in business transactions. Whether there is a breach of duty in the employment relationship or bribery relevant under criminal law does not necessarily depend on the value. If the giver expects something in return, you should never accept a gift.

The following criteria should be taken into consideration in the overall assessment:

- Time element: The closer the time connection with current or upcoming project awards / contract conclusions, the more cautious should be the approach to inducements to business partners or from business partners.
- Quantitative element: Frequency of invitations or gifts
- Qualitative element: Appropriateness / social adequacy -> In addition to the value of an invitation, consideration must be given to whether the gift is socially customary in the context of the specific situation, particularly taking into account local customs and the hierarchical position of the giver and recipient.

If uncertainties persist, the HG compliance officers must always be consulted in order to determine how to proceed.

Any indications of corruption must be reported immediately to one of the contacts listed in the "Contacts" section.



### 5.3 Prohibition of Money Laundering and the Financing of Terrorism

#### CORPORATE PRINCIPLE

The HG complies with its legal obligations to prevent money laundering and does not participate in money laundering activities. The HG does not tolerate any form of terrorist financing.

Money laundering occurs when funds or other assets derived directly or indirectly from criminal offenses are brought into the legal economic cycle and their origin is thus concealed. The financing of terrorism occurs when funds or other resources are made available for terrorist criminal acts or to support terrorist organizations.

Liability does not require the participants to be aware that money is being laundered through the specific action. Even unintentional involvement in money laundering can be punishable for those involved.

We carefully check the identity of customers, business partners and other third parties with whom we wish to do business. It is our declared intention to maintain business relationships only with reputable partners whose business activities comply with legal regulations and whose resources are of legitimate origin.

We immediately allocate incoming payments to the corresponding services and post them. We ensure transparent and open payment flows.

#### EMPLOYEE CONTRIBUTION

Every employee is requested to have unusual financial transactions, including evidence that may give rise to a suspicion of money laundering, investigated in case of doubt by the responsible finance, legal or compliance department.

Employees must comply with all applicable regulations on recording and accounting for transactions and contracts in their area of responsibility.



## 5.4 Conflict of Interest Avoidance

### CORPORATE PRINCIPLE

Our values demand ethical and exemplary behavior towards all of the HG stakeholder groups. It is therefore of particular importance to us that we avoid creating potential conflicts of interest in our professional activities and that we recognize and disclose any conflicts that we are confronted with or that we witness.

A conflict of interest already exists if the employee's personal or own financial interests influence or could influence their work-related decisions.

This is the case, for example, if the affected members of the Executive Board, executive personnel, or employees have contact with existing or potential business partners of HG in the course of their business activities,

- with whom they or persons close to them (e.g., relatives, friends) have personal relationships,
- in which they hold significant financial interests or
- where they intend to accept a mandate, take up secondary employment or engage in entrepreneurial activity.

Business decisions must always be made in the best interests of the HG and not on the basis of personal interests.

### EMPLOYEE CONTRIBUTION

If an employee recognizes or suspects a potential conflict of interest in their business activities, this must be disclosed immediately to their executive/manager and the responsible Human Resources and Compliance department. We will work together to find a solution that protects the interests of the company.



## 5.5 Compliance with Trade, Export Control and Customs Regulations

### CORPORATE PRINCIPLE

As a globally operating company, the HG attaches particular importance to compliance with the local, national, and international commercial law applicable in the respective country, relevant guidelines, and our internal company regulations. All decision-makers at the HG ensure compliance with applicable regulations in their areas of responsibility. These include trade, export control and customs regulations. Such laws and embargoes restrict or prohibit the import, export or domestic trade of goods, technologies, or services as well as capital and payment transactions due to the nature of the goods, the country of origin or use, or the identity of the business partner.

Our responsible employees are advised and supported by expert personnel in the establishment of structures and processes that ensure compliance with applicable local and international regulations in order to prevent inadvertent violations of such laws and regulations and possible penalties. Appropriate responsibilities, procedures and controls are documented in a comprehensible manner and are adapted to meet new requirements, as necessary.

### EMPLOYEE CONTRIBUTION

#### Sanctions List Check Based on „Denied Parties Lists“

Before entering into a business relationship with a new business partner (persons and organizations/companies), HG employees generally check that there is no entry in relevant national or international deny lists. Existing business partners are also regularly checked against updated lists by authorized employees.

#### Compliance with Export Control Regulations

Our respective export managers integrate export control as an effective process into the company's processes in compliance with their organizational duties, their duty to select and train personnel and their duty to monitor in such a way that the applicable verification parameters of the export control regulations are adhered to. In addition, employees appointed for this purpose monitor export control-relevant processes in day-to-day business.

If indications of violations of export control regulations are identified in the professional environment, all possible measures must be taken immediately to prevent or remedy these violations. Employees can seek advice on this from the responsible export control officer.