



COMPLIANCE

# COMPLIANCE

## CODE OF CONDUCT

Respectful and appreciate collaboration, coupled with conscious awareness of our social responsibility, form the basis of our lasting corporate success and are described in our jointly developed **Föhl mission statement 'Value Creation through Appreciation'** and agreed with our employees.

The key principles and fundamental rules of how we conduct ourselves and our behave towards business partners and the public are summarized in the **Föhl Code of Conduct**. It provides employees, managers and directors directions with respect to the following:

- *Compliance with regulations and legislation*
- *Avoidance of conflicts of interest*
- *Fair competition*
- *Preventing money laundering*
- *Equal treatment and no discrimination*
- *Human rights and employee rights*
- *Collaboration with employee representatives*
- *Occupational safety and health*
- *Sustainable environmental and climate protection*
- *Donations*
- *Representation of political interests*
- *Public appearances and communication*
- *Reporting*
- *Confidential company information/Insider information*
- *Data protection and information security*
- *Protection of company property*

# COMPLIANCE

## CODE OF CONDUCT

### PREAMBLE

Föhl's employees have worked together to develop a corporate mission statement.

Our mission statement '**Value Creation through Appreciation**', expresses what our organization symbolizes today and will continue to in the future:

We are Föhl, a **medium size, internationally operating company with superior expertise in materials.**

Our performance rests on our expertise and diversity, a global network and our traditions, all of which make us leaders in our markets.

We **create added value** for customers, employee and owners.

We work with our customers to face the challenges of the future.  
Our mindset and activities are driven by our customers' demands.

**We explore new routes** and develop innovative products and services for sustainable infrastructure and resource efficiency.

We all set ourselves the highest standards.

We operate in a business-like way, with assurance, confidence and a focus on performance – with the goal of being the best **(quality policy)**. This is based on the commitment and ability of every individual. Employee development is particularly important to us. Health and safety in the workplace are a high priority for us **(learning organization, occupational health and safety policy)**.

# COMPLIANCE

## CODE OF CONDUCT

### **We live by our shared values.**

We work in the shared interest of the organization. Our collaboration is characterized by openness and mutual appreciation.

**We are building on strong values:** We see respect, honesty, discipline, integrity and trust as a given.

**The result:** Motivated employees who take responsibility for the company and society.

The company's responsibility as expressed in the mission statement also means active commitment to sustainable development in areas of environmental protection, which is reflected in production systems that save energy and resources (**environmental and energy policy, environmental statement**).

We subscribe to the Universal Declaration of Human Rights as well as the core labour standards of the International Labour Organisation (ILO).

Concrete rules and regulations for individual situations and the reality of the professional environment are clearly formulated in the relevant corporate guidelines and agreements. These guidelines and agreements apply to and are binding for all employees of Föhl. Any employee who fails to act in compliance with the corporate guidelines and agreements should expect consequences according to operational and legal regulations.

# COMPLIANCE

## CODE OF CONDUCT

This **Code of Conduct** builds on this and contains the fundamental principles and rules of how we act towards one another and defines our expectations of ourselves and in how we interact with our business partners and shareholders.

### CONDUCT IN THE BUSINESS ENVIRONMENT

#### **Compliance with regulations and legislation**

Adhering to laws and stipulations is for us a key basic principle of commercially responsible activities.

#### **Avoidance of conflicts of interest**

Föhl takes business decisions only in the best interests of the organization. Conflicts of interest with private interests or commercial activities elsewhere or other activities, including activities by family members or other closely related persons or organization, should be avoided from the outset. Should a conflict of interests occur, however, it must be dissolved, taking into account laws and legislation as well as applicable guidelines. This is subject to transparent disclosure of the conflict (**HR department, works council, operational social management, Executive Board**).

# COMPLIANCE

## CODE OF CONDUCT

### **Fair competition**

The Compliance Commitment issued by the Executive Board sets the standard for how we operate competitively:

Föhl is characterised by technological expertise, strength of innovation customer focus and responsible employees. Our strong reputation and the organisation's sustained economic success in global competition are built on this.

Corruption threatens these guarantees of success and is not tolerated (Zero Tolerance). We never accept bribes to win orders. We prefer to miss out on business and fail to meet internal targets than to be in breach of legislation.

Breaches are not tolerated and will result in sanctions against the individuals concerned. All directors, management staff and all other employees must be clear about the exceptional risks that an incident of corruption could mean for Föhl as well as for them personally.

# COMPLIANCE

## CODE OF CONDUCT

### CONDUCT TOWARDS COLLEAGUES AND STAFF

#### **Equal treatment and no discrimination**

A culture of equal opportunities, mutual trust and respect for one another is very important to us. We promote equal opportunities and prohibit discrimination when appointing employees and when promoting or offering training and further education measures.

We treat all employees equally, regardless of gender, the colour of their skin, culture, ethnic origins, sexual identity, disability, religion affiliation or ideology **(HR policy)**.

#### **Human rights and employee rights**

We respect internationally recognized human rights, and support compliance with them. We strictly oppose any form of forced or child labour.

We recognize the right to appropriate pay for all employees. Remuneration and other rewards correspond s a minimum with national and local mandatory standards.

# COMPLIANCE

## CODE OF CONDUCT

### **Collaboration with employee representatives**

For Föhl, a trusting and close collaboration with the employee representatives is a key aspect and proven cornerstone of the corporate policy. Mutual trust and cooperative collaboration are based on open and constructive dialogue characterized by mutual respect.

### **Occupational safety and health**

The safety and health of our employees are, along with the quality of our products and our commercial success, an important corporate objective. Occupational safety and health protection are an integral element of all operational processes, and are included from the outset – even at planning phase – in the technical, economic and social considerations.

Every one of our employees promotes safety and health protection in his field of operation and complies with the occupational safety and health provisions. All managers are required to instruct and support their employees in understanding this responsibility **(health policy, operational health management, occupational safety policy)**.

The same standards apply to the staff of subcontractors commissioned by Föhl as to our employees. This is taken into account during selection and the collaboration.



# COMPLIANCE

## CODE OF CONDUCT

### CONDUCT WITHIN THE ORGANISATION

#### **Sustainable environmental and climate protection**

Sustainable environmental and climate protection, coupled with resource efficiency, are important corporate objectives for us. Both in the development of new products and services, and the operation of production facilities, we ensure that all the resulting impacts on the environment and the climate are kept to a minimum and that our products make a positive contribution to environmental and climate protection among our customers.

Every employee is responsible for handling natural resources sparingly and helping to protect the environment and the climate through his individual conduct (**environmental and energy policy, environmental statement**).

#### **Donations**

We consider ourselves to be an active member of society and so involve ourselves in various ways. We make donations and provide other forms of social engagement only in the interests of the company.

We do not make any financial contributions, in particular donations and sponsorship, to political parties at home and abroad, related or similar organizations, individual holders of or candidates for political office.

Our commitment is primarily in the area of sponsoring local associations. No donations to individuals. (see **public relations, sales and marketing policy**)

# COMPLIANCE

## CODE OF CONDUCT

### Public appearances and communication

We respect the right to freedom of speech as well as the protection of personal and privacy rights. Every employee should be aware that even in their private life, they may be perceived as part of and a representative of Föhl and must therefore uphold the organization's image and reputation through their conduct and appearance in public. When expressing a private opinion, we must ensure that the private opinion is not related to the employee's particular role or activity within Föhl

### Reporting

**We are building on strong values:** We see respect, honesty, discipline, integrity and trust as a given.

As such, we place the emphasis on open and truthful reporting and communication about the organization's business processes to financial partners, shareholders, the Executive Board, employees, customers, business partners, the general public and government institutions. Every employee must ensure that both internal and external reports, records and other company documents comply with the applicable legal regulations and standards and as such are always complete and correct and are completed on time and in line with systems.

# COMPLIANCE

## CODE OF CONDUCT

### Confidential company information/Insider information

We take the necessary steps to protect confidential information and business documents from access and insight by colleagues who are not involved and other third parties in an appropriate way.

Employees of the organization who are in possession of concrete information regarding circumstances that are not public knowledge must not use this information improperly to the detriment of the organization or for personal gain.

This applies regardless of whether the insider information is communicated deliberately, or with gross disregard for due care.

### Data protection and information security

The protection of personal data, in particular that of employees, customers and suppliers, is of particular importance to Föhl.

We collect or process personal data only when this is absolutely necessary for fulfilment of the specific task or is ordered by law. No personal data will be collected or processed without the consent of the individual concerned or legal permission (**data policy**).

# COMPLIANCE

## CODE OF CONDUCT

### **Protection of company property**

We use the organization's property and resources properly and sparingly and protect it from loss, theft or misuse. The organization's intellectual property represents a competitive advantage for Föhl and thus an asset worth protecting and which we need to defend against unauthorized access by third parties. We use the organization's material and immaterial property solely for company purposes and not for personal purposes, unless with express consent.

Our employees share responsibility with their managers for ensuring that the nature and scope of business trips are always in appropriate relation to the purpose of the trip and are planned and completed economically taking into account time and cost aspects.

# COMPLIANCE

## CODE OF CONDUCT

### Implementation and contacts

Föhl actively promotes communication of the guidelines and agreements underlying the Code of Conduct. The individual managers ensure that the Code of Conduct implemented and make sure that no employee is disadvantaged as a result of complying with the guidelines and agreements.

Our managers act as particular role models and their actions are measured to a large extent against the Code of Conduct (**‘Value Creation through Appreciation’**). They are the first point of contact for questions about understanding the rules, and ensure that all employees are familiar with and understand the Code of Conduct. As part of their management role, they prevent unacceptable conduct and take appropriate measures to ensure infringement of the rules is avoided within their scope of responsibility. Trusting and effective collaboration between employees and managers is reflected in honest and open information and mutual support.

More detailed questions from employees and third parties (customers, suppliers etc.) about the Code of Conduct may be addressed to the HR department, operational social management, managers, employee representatives and the Executive Board; indications of potential infringements of the law or guidelines can also be reported to these parties.

All details are treated with strict confidentiality.

# COMPLIANCE

## SUPPLIER CODE OF CONDUCT

### Our understanding of sustainability in supplier management

The Föhl Group understands sustainability to be a key aspect of our business processes. As a medium size family organization, with excellent materials expertise, we procure raw materials, goods and services from suppliers worldwide to ensure the sustained success of our customers through innovative product and service solutions.

This is based on a management style that focuses on responsible and long-term value creation and mutual appreciation. From this basis, we directly involve suppliers in our sustainability strategy. Our procurement activities not only consider process-related, economic and technical criteria, they also look at the social and ecological aspects such as human rights, working conditions, corruption prevention and environmental protection.

In the field of tension between product/performance, market, region and process, we see costs, quality, reliability, innovation

and sustainability as key factors in supplier selection and assessment.

In performing their activities, Föhl expects its suppliers to adhere to specific applicable national laws, the principles of the United Nations Global Compact and this **Föhl Code of Conduct**. Furthermore, suppliers are expected to introduce appropriate processes to support compliance with applicable laws within their company and promote continuous improvement with regard to the principles and requirements of the **Föhl Code of Conduct**. Föhl additionally expects its suppliers to ensure that its associated companies comply with and respect all the basic principles and requirements described here.

# COMPLIANCE

## SUPPLIER CODE OF CONDUCT

### **Employee relations**

Föhl expects its suppliers to comply with the fundamental employee rights under specific applicable national legislation. Further, Föhl expects the core labour standards of the International Labour Organization (ILO) to be respected, taking into account the laws and legal forms applicable in the various countries and locations.

### **Child labour**

Föhl expects its suppliers to prohibit and refrain from any form of child labour within their companies.

### **Discrimination**

Föhl expects its suppliers to promote equal opportunities and equal treatment, and prevent discrimination when appointing

staff or when promoting or offering training and further education measures. No employee may be disadvantaged on the basis of gender, the colour of their skin, culture, ethnic origins, sexual identity, disability, religion affiliation or ideology.

### **Forced labour**

Föhl expects its supplier to prohibit forced labour within their companies.

Föhl expects its suppliers to comply with relevant applicable employee right as well as national legislation regarding working hours. It is also expected that suppliers' employees will receive remuneration that is in line with relevant applicable national laws.

# COMPLIANCE

## SUPPLIER CODE OF CONDUCT

### **Occupational health and safety**

Föhl expects its suppliers to comply with relevant applicable legislation concerning occupational health and safety. In addition, suppliers are expected to establish and apply an appropriate occupational safety management system. On the one hand this must cover the limitation of actual and potential occupational safety risks and on the other hand employee training to prevent accidents and occupational illnesses as effectively as possible.

### **Environmental protection**

Föhl expects its suppliers to comply with all applicable national environmental legislation, regulations and standards. Suppliers are also expected to establish and apply an appropriate environmental management system (e.g. in accordance with ISO 14001 or EMAS) in order to minimise environmental pollution and hazards and improve environmental protection in day-to-day business operations.



# COMPLIANCE

## SUPPLIER CODE OF CONDUCT

### **Prohibition of corruption and bribery**

Föhl expects its suppliers not to tolerate corruption and to ensure compliance within their organizations with the United Nations (UN) and the Organization for Economic Co-operation and Development (OECD) conventions designed to combat corruption, and with relevant anti-corruption laws. In particular, they must ensure that their employees, subcontractors or representatives do not offer, promise or guarantee any benefits to Föhl employees or third parties closely related to them with the intention of securing an order or other preferential treatment in business transactions.

### **Invitations and gifts**

Föhl expects its suppliers not to misuse invitations and gifts to exercise influence. Invitations and gifts to Föhl employees or individuals

closely related to them are permitted only when the occasion and size are appropriate, i.e. they are of low value and can be seen as an expression of local generally recognized business practice. Likewise, suppliers may not request improper advantages from Föhl employees.

### **Avoidance of conflicts of interest**

Föhl expects its suppliers to make decisions concerning its business activity with Föhl solely on the basis of factual criteria. Conflicts of interest with private interests or commercial activities elsewhere or other activities, including activities by family members or other closely related persons or organization, are avoided from the outset.

# COMPLIANCE

## SUPPLIER CODE OF CONDUCT

### **Fair competition**

Föhl expects its suppliers to compete on a fair basis and comply with applicable anti-trust legislation. Suppliers may not participate in anti-trust agreements with competitors, nor abuse a possibly dominant position on the market.

### **Money laundering**

Föhl expects its suppliers to comply with relevant legal obligations to prevent money laundering and not to take part in money laundering activities.

### **Supplier relations**

Föhl expects its suppliers to comply with all the basic principles and requirements described here and communicate these to its subcontractors and suppliers, and take these into account during the selection process. In the context of fulfilling their contractual obligations, suppliers support their subcontractors and their own suppliers in implementing the human rights, working conditions, corruption prevention and environmental protection standards described.

# COMPLIANCE

## SUPPLIER CODE OF CONDUCT

### Compliance with the Föhl Supplier Code of Conduct

Suppliers' compliance with the basic principles and requirements set out in this **Föhl Supplier Code of Conduct** is monitored by means of Supplier Self-Assessments which may be completed maximum once a year. Furthermore, in liaison with the supplier, additional on-site audits may be carried out by third parties appointed by Föhl. Föhl conducts these sustainability audits among suppliers whose annual turnover exceeds 150,000 euro. The audit results are communicated to the supplier and to Föhl. Any infringement of the basic principles and requirements of the **Föhl Supplier Code of Conduct** is considered to be a major impairment of the contractual relationship on the part of the supplier. The supplier must himself disclose any violations of the Föhl Code of Conduct. Measures to rectify failings must be documented. In the event of gross infringement of applicable rights and laws, Föhl reserves the right to take appropriate legal action.

If there is suspicion of failure to comply with the basic principles and requirements of the **Föhl Supplier Code of Conduct** as described (e.g. negative media reports), Föhl reserves the right to demand details of the facts. Föhl also has the right to terminate, extraordinarily and without notice, individual or all contractual relationships with suppliers who demonstrably fail to adhere to the **Föhl Supplier Code of Conduct** or who do not seek and implement improvement measures within an appropriate deadline imposed by Föhl. Föhl and its suppliers undertake to operate in accordance with applicable legislation, including RoHS, Conflict Minerals and REACH.

### References

United Nations Global Compact ([www.unglobalcompact.org](http://www.unglobalcompact.org))

Universal Declaration of Human Rights ([www.un.org/en/rights](http://www.un.org/en/rights))

International Labour Standards (ILO)

(<http://www.ilo.org/global/standards/lang--en/index.htm>)

ISO 45001 Occupational Health and Safety Management Systems.

International Organization for Standardization (ISO) ([www.iso.org](http://www.iso.org))