



## **Principles on Corporate Responsibility, Anti-Corruption Policy and Code of Conduct and Ethics Escalation Policy**

The principles of the Schulte Group formulated here are binding for all its employees and bodies without exception. This is intended to ensure that the company works with its customers and suppliers in a way that is based on trust and integrity. The management is aware of its responsibility to implement a sustainable corporate strategy, in which integrity and compliance with the law and ethical principles play an essential role. Furthermore, these principles should contribute to maintaining the company's reputation with its interested parties, in particular suppliers and customers, at the expected high level and thus lead to complaint-free and responsible action. The company is aware of and committed to its social, corporate and societal responsibility. These principles are equally binding for all suppliers and service providers of the Schulte Group.

Compliance with ethical values is necessary for long-term economic success. This includes fair dealings with each other as well as acting within the framework of the given standards in everyday business. We regard the success of our customers as the key to achieving long-term and sustainable business success and continuous growth and see it as a matter of course to meet the requirements of all interest groups in the process. The management bears the responsibility for a sustainable corporate strategy and its corresponding implementation. Integrity and compliance with the law and ethical principles are essential elements in maintaining the authenticity of our company (ethical and socially responsible manner). In combination with the management principles and quality, safety and environmental guidelines, standards and directives are laid down to ensure respectful and dignified treatment of our employees, safe working conditions and a sustainable approach to the environment.

The Code of Conduct is based on the UNGC (United Nations Global Compact), ILO (International Labour Organisation) and other relevant regulations.

### **The Code of Conduct contains the following:**

- Company responsibility to itself how our management fulfils its responsibilities,
- The company's responsibility to its employees, how we treat our employees and colleagues,
- the company's responsibility to its interested parties and what behaviour customers can expect from us,
- how we treat our suppliers; and
- how we treat our communities and the environment.

Each manager, as well as each individual employee, is responsible for conducting themselves in accordance with this Code. The behaviour of our managers is exemplary, because they live the principles of conduct and stand up for them in every situation.

### **Human rights**

Respect for human rights should be the aspiration of every individual involved in daily life. The Schulte Group is therefore committed to protecting and promoting these rights in the countries in which it operates. The United Nations Charter of Human Rights serves as a basis for this and is respected. We respect and promote the dignity of every human being and are committed to protecting and respecting international human rights. It goes without saying that we do not use child labour and reject all forms of forced labour, including slavery. Young people are mainly employed in the context of finding a profession and training, taking into account the applicable legal basis according to age. The employment relationship must always be freely



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chosen and without coercion. We do not tolerate any working conditions that are in contradiction with international or local laws and practices.

### **Discrimination and harassment**

We do not discriminate in recruitment, remuneration, training, promotion, dismissal or retirement on the basis of race, ethnic origin, gender, age, marital status, religion or belief, disability, fatness, sexual orientation, trade union or political party membership and, of course, we require our employees to take a firm stand against such discrimination. Pressure and insults to employees will not be tolerated.

### **Women's rights**

We are committed to equal employment opportunities and equal pay for equal work.

### **Diversity, equal opportunities and inclusion**

We develop and promote an inclusive culture where diversity is valued and celebrated, and where everyone can make their full contribution and achieve their potential. Diversity should be encouraged at all levels of the workforce and management, including the boardroom.

### **Land rights and forced evictions**

We avoid the forced displacement and deprivation of land, forests and water bodies when they are acquired, developed or used.

### **Rights of minorities and indigenous peoples**

We respect the rights of local communities to decent living conditions, education, employment, social activities and the right to free, prior and informed consent (FPIC) on developments that affect them and the land on which they live, taking particular account of the presence of vulnerable groups.

### **Private or state security forces**

We do not hire or use private or state security forces to protect the company project if their deployment could result in human rights violations due to insufficient training or oversight by the company.

### **Ethical recruitment**

We do not mislead or deceive potential workers about the nature of the work. We do not ask workers to pay recruitment fees. We do not confiscate, destroy, conceal or deny access to passports or other government-issued identity documents. Workers are provided with a written contract or notice of employment at the beginning of their engagement, in a language they understand, which sets out their rights and obligations clearly and accurately.

### **Employee representation, freedom of association, collective bargaining rights and remuneration**

Every employee must have the opportunity to express his or her opinion without sanction and to have a point of contact in case of disagreement. Schulte Group therefore respects the right of employees to freedom of association and assembly in accordance with local laws and regulations. This also includes the possibility of freely expressing one's opinion, the formation of employee representation and the observance of corresponding agreements with collective representatives, insofar as this is possible in the country concerned. As Schulte Group, we respect the right of all employees to join or leave associations or organisations of their choice for the purpose of promoting and protecting the interests of employees, to be active on their behalf, or to form such associations or organisations, and in doing so, we abide by the relevant agreements with the collective representatives of our employees in accordance with locally applicable laws and regulations. The remuneration of work is carried out taking into account the



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legal framework conditions such as minimum wage, social contributions and is oriented towards local industry agreements.

### **Disciplinary measures**

We strongly oppose the use of corporal punishment, mental or physical coercion and verbal abuse.

### **Motivation and further training of employees**

We consider motivated employees and their commitment to the goals of our company to be a key factor for success. We attach particular importance to the promotion of our employees. We focus on professional training that can be applied within the company and on the development and promotion of future management potential.

### **Working time, health and safety**

Our employees are our most valuable asset and must be protected at all times. To this end, the Schulte Group introduces appropriate measures in all plants to ensure the highest level of safety at work and is constantly developing them. This also includes compliance with legal regulations on working hours, including holidays and prescribed rest periods. In addition, we promote health, performance and job satisfaction through appropriate measures.

### **Product integrity**

We observe, consider and monitor the requirements and expectations resulting from the integrity of the product throughout its life cycle. These measures also serve as pro-protection against plagiarism.

### **Fair competition Compliance with antitrust & competition rules**

Equal opportunity to compete is a fundamental business factor. Schulte Group therefore expects its employees as well as its suppliers and service providers to comply with competition laws and regulations. Price agreements or other advantageous measures that amount to anti-trust agreements are prohibited. Furthermore, we respect the basic principles of the market economy. With our high-quality products, innovative solutions and reliability, we compete openly and fairly on the world markets. In doing so, we do not engage in any illegal and/or criminal practices, such as bid-rigging, that exclude, distort or restrict competition.

### **Conflicts of interest and corruption**

All our employees avoid situations in which their personal or financial interests conflict with those of the company. In particular, they are prohibited from taking stakes in the businesses of competitors, customers or suppliers or from entering into business relationships with them in a private capacity if this would give rise to a conflict of interest. Such a conflict exists when the nature and extent of an interest is likely to influence in any way the actions taken in the course of our business. Our employees unequivocally refrain from seeking, accepting or receiving undue or illegal benefits that could influence business decisions or transactions. Similarly, none of our employees will offer, provide or attempt to offer or arrange improper benefits to business partners, their employees or other third parties in connection with business activities of any kind.

### **Protection of tangible and intangible assets Protection of assets & privacy / data protection / plagiarism**

The protection of one's own and other people's assets, in whatever form, is an important part of everyday working life and is unthinkable. Therefore, the Schulte Group is committed to taking all measures to comply with the applicable IT security provisions and regulations. In addition, personal data of all kinds are protected against unauthorised access and are only collected and/or stored within the framework of the legal provisions. Each individual is obliged to protect the company's tangible and intangible assets, to treat business and trade secrets as



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well as customer-related business information confidentially and to comply with the applicable data protection principles. We also require these principles from our suppliers and contractual partners. Confidentiality continues to be enforced after the end of the business relationship or after the end of the employment relationship. In this way, we want to ensure that no plagiarism is used by a contractor and that no conflicts of interest arise.

### **Suppliers**

We expect and demand that our suppliers adhere to the same strict principles that we apply in the conduct of their business, particularly with regard to the treatment of employees. As an importer, we ensure that goods and raw materials are accurately labelled and classified, and that their value and country of origin are accurately stated. Local customs and import laws, regulations and procedures of public authorities are expressly observed.

### **Financial accountability and reporting**

Compliance with legal and regulatory requirements for internal and external reporting is an important criterion. This also applies, in particular, to communication with authorities and other public administrative bodies. The form of reporting chosen should be substantive, factual, accurate, timely and appropriate. Accounting, including associated accounts, transactions and other business processes, must comply with internal and external requirements and accounting guidelines. Active processes are monitored through internal control systems. If employees are unsure of the propriety of a transaction, the matter should be communicated to management for decision. The objective should be to ensure that all transactions and processes are legally sound.

### **Trade sanctions and export controls**

Economic sanctions and embargoes can play a role in international trade relations if trading partners, individuals, organisations, countries or governments are restricted by the relevant laws and regulations. Failure to comply with such national or international laws and regulations may result in severe economic and criminal penalties. We therefore endeavour to comply with the relevant regulations of the United Nations, the United States of America and the European Union, which often implement sanctioning resolutions of the United Nations Security Council. We also attach great importance to the particularities of German foreign trade law. If, when initiating a business transaction or in the case of existing business relationships, uncertainties arise as to the admissibility of business transactions, the management should always be contacted for a decision in case of doubt. If doubts arise after the conclusion of a business transaction, management should also be fully informed. Our primary objective is to work in a compliant manner and not to commit any violations.

### **Environmental protection**

Environmental protection is an important element in maintaining our standard of living and that of many structurally weak regions. For this reason, the Schulte Group observes and implements the relevant environmental regulations and standards at its respective locations and acts according to environmentally compatible principles. The responsible use of resources is therefore a matter of course. As a metal and plastics processing company, we are committed to nature. We protect our environment by using state-of-the-art equipment. Every employee contributes to the production of high-quality products in environmentally friendly processes, including the responsible use of energy, water and air. If these resources are to be used, we pay attention to a strategy of reuse and recycling as well as to the continuous improvement of air and water quality. It is flanked by a hazardous materials and chemical management system.



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### **CO<sub>2</sub> neutrality**

We strive to achieve scientifically sound emission reduction targets and renewable energy goals in line with the Paris Agreement, and take steps to promote decarbonisation of the entire value chain.

### **Animal welfare**

We respect the five freedoms of animals as defined by the World Organisation for Animal Health (WOAH). No animal should be bred and killed for the sole purpose of being used in an automotive product.

### **Biodiversity, land use and deforestation**

We strive to protect ecosystems, particularly key biodiversity areas, affected by our activities and to avoid illegal deforestation, in accordance with international biodiversity regulations, including the UCN resolutions and recommendations on biodiversity.

### **Soil quality**

Where appropriate, we monitor and control the impact on soil quality to avoid erosion, nutrient depletion, soil subsidence and contamination

### **Noise emissions**

Where appropriate, we monitor and control the volume of industrial noise to avoid noise pollution.

### **Conflict minerals and handling of restricted substances**

The Schulte Group strives for responsible behaviour in the procurement of raw materials and in production. We carefully monitor conflict-affected raw material supply chains to ensure that we are not responsible for human rights violations, corruption, ethical violations or the financing of parties to civil wars. If you are unsure whether a source of supply is conflict-affected, contact the person responsible for environmental issues or management immediately. The use of restricted materials requires the full attention of the organisation. The identification and management of these substances in the lists of hazardous substances is a prerequisite for their correct handling. If you are not sure about the use or identification, please contact the environmental officer.

### **Social commitment**

We accept our responsibility as citizens of the community in which we operate and are committed to open communication with all authorities, social and public stakeholders

### **Compliance with the rules**

Schulte Group is committed to implementing and enforcing the principles and regulations described herein at all times with all appropriate and reasonable efforts of its employees and bodies. To this end, all suppliers and service providers of the Schulte Group are required to adhere to the code of conduct presented here in order to ensure consistent implementation and enforcement in the supply chain. This code of ethics and conduct has been approved by management and brought to the attention of all employees. Our employees adhere to this code without exception in the performance of their duties. Stricter or more detailed guidelines may apply to specific regions, countries or functions, but are generally consistent with this Code. Questions regarding application or interpretation, as well as reports of potential violations, will be directed to the appropriate supervisor.

### **Actions for non-compliance**

Procedures, practices or actions of employees that do not comply with this Code must be corrected and will result in disciplinary action. Depending on the severity of the violation and the history (e.g. repetition), this may result in admonishment, warning or even dismissal. In the



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event of a violation of these standards of conduct, the offending party must be notified immediately and corrective and/or remedial action must also be taken immediately. Such violations can have serious consequences for suppliers and/or service providers. If suppliers or other business partners do not adhere to the specifications, this will be discussed with the supplier and remedial action taken. Depending on the severity of the violation and the history (e.g. repetition), it may also lead to the termination of the business relationship. If Schulte employees, suppliers or other business partners violate the rules or if their behaviour gives cause for concern, a report can be submitted via the existing whistleblowing system as a further escalation level. The system can be accessed both internally and externally via the company homepage and an app.

Hemer, 31 October 2023 \_\_\_\_\_