

# **Code of business ethics and conduct**

## **Our company**

Friedrich W. Löbbe GmbH has its office in Eschweiler, Weisweiler. We serve the global market with our heatings for tank containers. Close partnerships with customers and suppliers is one of our main priorities. Next to this, our 4 core values, Quality, Involvement, Efficiency and Transparency, are essential elements of our service. In this way, we have built up a strong reputation with an extensive customer portfolio, including many reputable multinationals.

Friedrich W. Löbbe GmbH was founded in 1983. In the meantime the company grew to a medium-sized company. The general activities of our company can be divided into the departments automation & drives and heating & cooling-systems.

## **Our ambition**

Friedrich W. Löbbe GmbH aspires to be the best and most successful company in the automation, heating and cooling business. In a fast competitive environment, we want to stay ahead. The market in which we operate is dynamic and developments are constantly followed up quickly. Major players within the field conduct takeovers and mergers, through which the positions and demands of customers are constantly changing. To stay ahead within this dynamic environment, our organization strives towards an extending international network, as well as in the local markets. Consequently, our company is constantly moving to serve their customers best. Our unique selling points are incorporated within our mission, vision & strategy.

In our view, sustainable partnerships result in successful cooperation. We are proud of the values with which we conduct business. We acknowledge our responsibility for people and the supply of sustainable & high quality services and we attach great value to offering a pleasant, healthy and safe work environment to our employees. We are actively involved in professional developments, but also in what is important in society. We will continue to uphold the highest levels of business ethics and personal integrity in all types of transactions and interaction.

## **Purpose Code of Conduct**

Our code reflects our commitment to a culture of integrity, honesty and accountability which will strengthen our reputation as an employer, a business partner and a good corporate citizen. The purpose of this code is to guide and enhance the conduct and behavior of our directors, officers, employees, contractors and other business partners in performing their everyday roles. This code serves to: (1) define and regulate binding minimum standards of ethical and legal behavior; (2) emphasize our commitment to ethics and compliance with the law; (3) help prevent and detect wrongdoing and (4) provide reporting mechanisms for known or suspected

ethical or legal violations. We believe that implementing the code towards our partners and in our supply chain will help us apply the same principles and benchmarks to our business partners. If you are part of our supply chain: we count on your commitment!

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## **1 General principles**

The general principles are defined below.

### **1.1 Scope and application of this code**

This code describes the objectives and rules that reflect our commitment to responsible, ethically irreproachable and legally compliant behavior and contains binding standards. The code shall be applied throughout all our operations and services. Everybody that is part of our supply chain is expected to comply. For example: employees, officers, directors, associates, customers, subcontractors, suppliers and agents or other representatives (hereinafter referred to as “business partners”). We encourage our business partners to also implement this code.

### **1.2 The fundamental principles**

As a company and as individuals, we respect the law and strive to support universal human rights, protect the environment, achieve operational excellence and benefit the communities in which we work. We respect the fundamental principles which are grounded in internationally recognized standards.

### **1.3 Values**

Our core values determine our course of action and help us to realize our ambition. They are embedded in the way we operate and define the way we want to work with our business partners and within our communities.

#### **1.3.1 Quality**

Our commitment to quality is core to our business. We have a continuous drive to improve our processes in a structural, healthy and successful manner, to ensure that our business partners can blindly trust on a good and reliable service. Quality also means innovative and distinctive

in staff, equipment and knowledge of the organization. Our continual innovation and high standards improve quality throughout every aspect of our company.

### **1.3.2 Involvement**

We feel responsible for the interests of our business partners and show real commitment. We are intensely focused on serving our customers and helping them achieve their business objectives. We encourage employees to take initiative and give the best. We attach great importance to mutual loyalty. We are passionate about solving problems and want to have and maintain fair and trusted business relations with our business partners.

### **1.3.3 Efficiency**

In order to stay competitive and realize our ambition we strive to be efficient by developing clear policies and procedures, ensuring our policies and procedures are up-to-date and relevant. We try to obtain the best possible outcome in the least wasteful manner, while consistently supporting a quality workforce.

### **1.3.4 Transparency**

We want to be clear and bright. We chose an open communication structure with well-defined agreements in all situations, whether it's about quality, safety and environment, vision, methods, appointments, tasks or responsibilities. This allows everyone to work together in a comfortable and trusting manner. To be effective at all levels in our company, we need to establish an environment of trust. At the same time, we must not be afraid to acknowledge, correct, and learn from our mistakes.

## **2 General regulations**

The general regulations are defined below.

### **2.1 Compliance with laws**

In addition to this code we expect our company, and our business partners to obey and comply with all applicable (International and European) laws and statutory regulations and the legislation and regulations of the countries in which they operate, including those relating to international trade, transport, data protection, anti-bribery and anti-trust/competition.

### **2.2 Fair dealing**

We are committed to free enterprise and fair competition. We must not take unfair advantage of anyone through any misrepresentation of material facts, manipulation, concealment, abuse of privileged information, fraud or other unfair business practice. Employees and other business partners shall always behave honestly and ethically.

## **2.3 Bribery and corruption**

We meet the highest ethical standards in all business dealings. We are honest with others and ourselves. We do what is right, not what is easiest. We believe that bribery, in all forms, must be eliminated.

## **2.4 Confidentiality**

Employees and other business partners of Friedrich W. Löbbe GmbH must ensure that confidential information is preserved and protected. Confidential information is information that is exclusive to our company and either gives, or could give, Löbbe a competitive advantage and could lead to the loss of an existing competitive advantage if it became known in the public domain. This kind of information may not be revealed to anyone outside the organization.

## **3 Social responsibility**

We are convinced that social responsibility is a key factor for long-term success. All business activities are therefore bound to our obligation to be a good corporate citizen. We respect and embrace clear standards on employees' and human rights, such as zero tolerance for harassment and discrimination, child and forced labour and human rights violations. We expect our business partners to comply with the same standards.

### **3.1 Human rights**

We respect all internationally proclaimed human rights. We strive to ensure that we are not complicit in human right abuses. We have integrated human rights into our code, which govern the way in which we do business.

### **3.2 Child labor and forced labor**

Our business partners shall not employ people under the minimal legal working age of the country in question. Work is conducted on the basis of freely agreed and documented terms of employment.

### **3.3 Working hours and wages**

Standard working hours and overtime hours comply with the applicable requirement as established by the applicable laws. Wages and benefits are fair and equal and comply with applicable local law.

### **3.4 Unfair treatment and discrimination**

We expect our business partners to not engage in, or support, discrimination and to adopt a non-discriminating practice that strives to ensure equal treatment irrespective of race, color, sexual preference, national or social origin, gender, physical or mental disability, religion or belief, language, trade union membership, or any other status recognized by international law.

### **3.5 Health and safety**

We want to provide a clean and safe working environment for our employees in accordance with best practice. Management and employees of Friedrich W. Löbbe GmbH have a duty to take every reasonable precaution to avoid injury to themselves, their colleagues and members of the public. Safety should never be compromised to meet operational targets or profit driven objectives.

### **3.6 Environmental protection**

We should work together to protect the environment and consider the environmental impact of business activities on local communities and ecosystems.

### **3.7 Drug-free workplace**

Our policy is to provide a zero tolerance policy and a working environment free of illegal drugs, controlled substances and alcohol.

## **4 Conduct of all employees**

The current and future success of Friedrich W. Löbbe GmbH depends largely on the quality of its employees. We acknowledge our responsibility to all employees to support and encourage them. We therefore aim to offer an attractive, challenging and inspiring working environment where employees are encouraged to develop themselves both professionally and personally. We expect personal reliability and professionalism from all our employees at all levels and require them to act in the best interest of our company.

### **4.1 Responsibility**

We expect our employees to:

- Comply with this Code, create or maintain a work environment that encourages open and honest communication;
- Avoid placing pressure on employees or business partners that could cause them to deviate from acceptable ethical behavior;
- Respect and protect the basics of workplace health & safety;
- Seek advice and guidance when unsure of a specific action or situation;

- Report suspected violations of this Code.

#### **4.2 Protection and proper use of company assets**

Or company assets must be used in a responsible and professional manner at all times. Theft, carelessness and waste have a direct impact on Friedrich W. Löbbbe's profitability. Any suspected incident of fraud or theft should be immediately reported for investigation.

The obligation to protect Friedrich W. Löbbbe's assets includes its proprietary information. Proprietary information includes intellectual property such as trade secrets, confidential e-mails, business plans, database, records, salary information, any (unpublished) financial data and reports and other sensitive information. Unauthorized use or distribution of this information is a violation of this Code.

#### **4.3 Conflicts of interest**

All employees have the legal duty to carry out his or hers responsibilities with the utmost good faith and loyalty to Friedrich W. Löbbbe GmbH. Employees shall disclose any personal interests that could be linked with their prospective activities and they shall avoid any situation that could lead to conflicts of interest. If you have a question or become aware of a (potential) conflict of interest, you should bring it to the attention of your supervisor, manager, other appropriate personnel. Keep in mind that only reporting to your superior is not sufficient. A potential conflict of interest needs to be reported in accordance with article 5.2. Especially in case of a business relationship or business transaction Löbbbe may have with any company in which you have a direct or indirect interest or from which you may derive a benefit, or where a related party is employed, if such a transaction or relationship might give rise to the appearance of a conflict of interest.

#### **4.4 Invitations and gifts**

Accepting gifts from business partners can create potential conflicts of interest. Therefore, employees are not allowed to solicit gifts from business partners. If gifts are offered and it would be discourteous to refuse the gift, employees may accept such gifts if it:

- Is consistent with customary business practices,
- Is not excessive in Value (worth no more than € 50,--)
- Cannot be construed as a bribe or payoff
- And does not violate any laws or regulations

The above also applies to the acceptance or granting of other considerations or advantages of any kind. The offer or acceptance of cash gifts is strictly prohibited.

## **4.5 Reporting**

All company reports and documents must be true and accurate in all material respects and must conform to the applicable standards and contain full documentation of all relevant information.

## **5 Compliance with the Code**

All employees and other business partners of Friedrich W. Löbbbe GmbH are obliged to comply with this Code of Conduct. They will not take any action, nor allow any omission, that will breach any law or regulation. The executives have a particular responsibility for the communication and implementation of these guidelines.

### **5.1 Reports of violations**

Employees and other business partners will immediately report knowledge of any actual or potential breaches of the law or this Code so that appropriate action can be taken. Friedrich W. Löbbbe GmbH offers several channels to submit reports about (suspected or potential) infringements. These can be used internationally and are presented below:

#### *Compliance Officer*

(all contacts are confidential to the extent possible.)

- Send an email to: [arbeitsschutz@fwloebbe.de](mailto:arbeitsschutz@fwloebbe.de)
- Send an (anonymous) letter to:  
Friedrich W. Löbbbe GmbH  
Attn.: Compliance Officer  
Max-Planck-Str. 6  
52249 Eschweiler  
Germany

### **5.2 Consequences**

Employees must understand that if they breach any law or provision of this Code, the breach will be investigated, which could result in disciplinary action, including termination of employment. Breaches of law will be reported to the relevant external authorities.

All business partners must understand that if they breach any law or provision of this Code, the breach will be investigated. Breaches of law will be reported to the relevant external authorities. It could result in disciplinary action and/or could be illegal and result in civil or criminal penalties.

For minor violations of this Code a business partner will generally be given the possibility to implement appropriate corrective actions within a reasonable time, if the business partner is principally willing to remedy the violation and improve.

In case of serious violations Löbbe reserves the right to impose adequate sanctions against the respective business partner. This can also lead to an immediate termination of the business relationship and/or contracts and the assertion of claims for damages and other rights.

We do not tolerate any action against employees who report such infringement.

### **5.3 Further information**

This Code shall be provided in hard copy and published on our website at [www.fwloebbe.de](http://www.fwloebbe.de). Anyone may request and obtain a copy at any time. In case of any doubts or if you have any questions, please contact your supervisor or manager or contact us by any of the means described in article 5.1.