

Corporate policy of the Hechinger Group

A customer satisfaction as high as possible is our top priority, alongside with the responsibility for our employees, for our environment and our society!

We endeavor to guarantee our satisfied customers with continuous faultless and safe products (zero defects) and the services, at the right time and at the right competitive price.



Finance

Our top goal is able to sustain our financial independence by generating profit. Therefore thinking and acting economically, e.g. by making targeted investments, is particularly of importance for us for securing the future of the corporation.

A fair and trusting partnership with our customers and business associates creates a long-term loyalty, and provides a basis for new business relations. Regarding this, we want to play a significant role both on national and international market, and further expand our market influence purposefully.

⇒ „**Sustain our financial independence**“



Customers

We always try to establish honest and partner-like ties with our customers.

Whoever wants to fulfill the customer requirements, expectation and demands, must communicate with the customers, as well as be aware of the market demands and trends. We want to recognize this challenge early and work reliably to meet the needs, and become the preferred supplier of our customers. We can master this challenge and fulfill the expectation together, as well as keeping in mind the environmental considerations and the natural resources.

⇒ „**Our customer sets the standard for our quality**“



Process

Economic efficiency and quality are the highest principles and the basis of the stable market presence and secure jobs as well. It means the continuous improvement of our products and processes considering the economically and ecologically oriented processes.

Based on the realization, that companies can only achieve success in the future, if they are innovative and are proactively improving their processes. They consider it as challenges, to rethink and challenge the established by continuous improvements in organizational, operational and technical aspects, as to work out the innovative solutions for the future.

⇒ „**Cutting costs through waste reduction and continuous improving our products and processes**“



Employees

The basic prerequisites are laid down by implementing the Hechinger management model, which creates the balance between performance and humanity. This enables accordingly the creativity, innovation, high qualification and motivation of our employees, who have been shaped with the awareness of quality, environment and occupational safety. Each employee is encouraged as well requested to participate in the company suggestions program.

We provide our employees with secured jobs, an attractive working environment, good work conditions, appropriate training and educational opportunities, and a challenging and international company culture. As a result, we are an attractive employer for qualified and motivated employees, and utilize constructively the social variety of our personnel.

⇒ **„Employees are the significant success factors and „capital“ of our corporation“**



Suppliers

We consider the suppliers and service providers as partners, with whom we cultivate the open and results-oriented communication, and at the same time we place importance on the economic cooperation with emphasizing the aspects of quality, environment and occupational safety. We prefer therefore the cooperation with the suppliers, who are willingly ready as partner to support us to achieve our corporate targets without reservation, and who also guarantee their own contribution.

By means of active purchasing we compare the suppliers constantly with the rapidly changing market conditions (new competitors, new innovation and so on), thereby ensuring that we keep our suppliers structure with its long-term strategy competitive.

We promote along the value chain the responsibility for quality, environment and occupational safety, and we encourage our suppliers to accept the international standards like them of IATF, VDA and AIAG.

⇒ **„Suppliers are our partners, whom we treat fairly and from whom we expect performance“**



Innovation

We want to be the strategic development partner of our customers with our magnet systems, mechatronic and electronic components as well as assembly units and systems, as to advance the innovation corporately. By means of constant benchmarking, we measure ourselves on the best in our branch with the aiming to be always one step ahead.

⇒ **„We explore new markets through product and process innovation to meet demands of society of today and of future“**



Ethnical rules and code of conduct

It is natural for us to respect the ethnical basis rules. Therefore we treat people with different origins, religions or gender neither differently, nor would the inhuman treats like sexual harassment be tolerated by us. We ensure that we do not promote or cause any forced labor or child labor, and we also pay attention to our suppliers for it.

The freedom of association and the right of collective bargaining are secured by us. We do not tolerate bribery, corruption, extortion and embezzlement and we are committed to acting worldwide in our whole business transaction professionally, decently and honorably. With our conduct in business dealings, we advocate a peaceful and sustainable use of global resources.

We will knowingly not use conflict minerals from uncertified smelters from the conflict region in our products. Our suppliers are reviewed and obligated not to use conflict minerals from crisis regions. We will continue to work to ensure that our products do not contain conflict minerals from the Democratic Republic of the Congo or its neighbouring countries.

We guarantee our employees with the appropriate remuneration, considering the legal working hours, and for the contribution and works they performed.



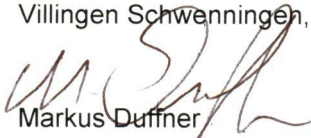
Management responsibility for Quality- and Environment Management

We take our responsibility under the considering of economic aspects to implement our operations in an environment-friendly way, to improve the quality and environment management system as well the environmental performance continuously, especially to preserve resources and energy, as well as to comply with the statutory regulations, and with other binding commitments and applicable requirements. Environmental impacts of new operations, new products and new methods will be in advance evaluated by us. The influences of the present operations on the local environment are assessed and monitored. All the significant consequences will be generally verified.

For our environment-certificated companies we are responsible to inform the publicity, interested parties and all the persons, who work for Hechinger Group or on behalf of Hechinger Group, with the information on understanding the influences of the company operations on environment. We are hence responsible to conduct an open dialogue.

At Hechinger, we take responsibility and make all our German locations climate-neutral until 2030.

Villingen Schwenningen, 13. December 2021


Markus Duffner
Managing Director