



Verhaltenskodex / Code of Conduct

Our commitment to our principles

Dear Colleagues,

Our Code of Conduct describes the values that we share and the way we want to work together. It defines clear and binding standards that apply equally to all our employees, from management to trainees, forming the basis for respectful conduct, identification with the company and safe, sustainable working conditions and products.

As a family business steeped in tradition, Dirostahl puts its customers firmly at the centre of its business. Our highest goal, as a company, is to ensure that our customers are satisfied. It is our company philosophy, therefore, to bring together the optimum combination of quality, safety, costs and deadlines, along with environmental protection and conservation of resources. The basis for this is our responsible, qualified employees, our high level of commitment and continual improvement.

Our shared values, such as personal responsibility, openness and transparency, as well as ensuring that our conduct is legally and ethically correct at all times, play an important part. Here at Dirostahl, we aim to maintain a harmonious and productive working relationship. The following values are strongly established within the company, through a process of continuous development.

Together we are committed to acting consciously in accordance with our guidelines, in compliance with legal

regulations, occupational safety, environmental, energy and quality policies, data protection and information security and the principles derived from these, as binding rules for quality-conscious, customer-focused and responsible activity.

This Code of Conduct sets out, in a single document, our important key rules and principles, which are currently binding for us and will also be binding in the future. It places an obligation on us, but at the same time, it represents a promise to the outside world that we will behave responsibly, not only towards our business partners and the public, but also in how we interact with each other within the company, to encourage cohesion and create a good working atmosphere. Together we hold the responsibility for the reputation of our company. Misconduct by individuals can cause enormous damage for all of us. Illegal acts are unacceptable and will not be tolerated.

We therefore ask you all to read this Code of Conduct carefully and implement it in working with us as a guideline for our everyday conduct.

WE are Dirostahl

Karl Diederichs GmbH & Co. KG

Dirostahl – Quality Forgings



Dr. Roman Diederichs
Management



Markus Lücke
Management

Free and fair competition

All employees are obliged to comply with the relevant provisions of antitrust and competition law. We prohibit any conduct that has the aim or effect of hindering, restricting or distorting free and fair competition.

Our competitive position is based entirely on our business success factors, in particular our capacity for innovation, our quality, reliability and fairness. We therefore always act in compliance with the applicable antitrust laws and regulations in our interactions with competitors, business partners and end customers. In particular, the following will not be tolerated:

- anti-competitive contracts, agreements or understandings with actual or potential competitors, including but not limited to agreements for the purpose of fixing prices and premiums, limiting type or number of products or services supplied, manipulating offers or partitioning markets,
- abuse of a leading position in a given market,
- vertical agreements or contracts (with suppliers or customers), with the aim or effect of preventing or restricting free and fair competition, in contravention of the applicable laws.

Export control

In our global activity, as well as in the development of new markets, we adhere strictly to the applicable foreign trade regulations and to the rules and regulations on import and export controls and to the applicable economic embargoes. With our actions in the field of export control, we prevent our export goods from being used for illegal purposes.

Prohibition of corruption

Corruption is prohibited by international conventions, national laws and internal policies. We do not tolerate any form of bribery or business practices, by employees or business partners that could create the impression of undue influence. This applies regardless of any apparent local customs.

Money laundering

Money laundering is the process by which money generated by illegal sources or business activities is fed into legitimate business operations, to prevent tracing of its original source.

We are committed to taking part in the global fight against money laundering and to comply with the relevant regulations.

Transparency and documentation

At Dirostahl, we stand for transparency in all business processes, decisions and actions.

We ensure this by means of written documentation and regular checks. We pursue the goal of successful and sustainable business activities and attract customers with our products, our quality and our service.

Both internal and external collection of data, records and reports must be truthful, accurate and complete. We expect our employees to apply a high level of care and to comply with the applicable standards in all processes.

This applies in particular to compliance with standard accounting and bookkeeping principles.

Plagiarism protection

Counterfeit or fraudulent materials are any items which are consciously marked, labelled, or stamped illegally in order to be supplied as original.

In our business this can be ingot, billet or other steel base material which might look as usual at first glance but is fake labelled or stamped.

It may also be counterfeit tools, machinery (parts), auxiliary materials or simply altered documentation.

Dirostahl is fully aware about the risks and threats of counterfeit material for safety, reliability and performance.

For each critical purchasing part we only work with qualified and released suppliers who share the ethical values that we do.

In addition, we check on counterfeit or suspect material for documentation, labelling and critical characteristics during our statistical receiving inspection.

Social and ethical responsibility

Human rights

- We respect international human rights.
- By being socially responsible in our actions, we ensure that we are not complicit in violations of human rights.
- We comply with the General Act on Equal Treatment (AGG) and give our employees the opportunity to join workers' representative bodies.

Labour standards

- We do not accept any form of forced labour or child labour, neither at our company nor at our suppliers.
- We avoid any form of discrimination in employment and occupational activity.
- We comply with statutory or collective regulations on minimum wages as well as national and international labour law.

Inclusion of all persons

- All employees and colleagues are treated without any discrimination, fairly and respectfully.
- Praise and blame are expressed appropriately. Errors are addressed openly and neutrally. Criticism is used constructively as an approach for improvement.
- Complaints from staff and colleagues are taken seriously and investigated.
- Ideas from staff and colleagues are discussed constructively and neutrally assessed for their feasibility.

Our management principles

As managers (management, plant/division managers, supervisors, foremen, shift leaders, etc.), we are committed to creating and maintaining a secure, future-oriented and reliable environment for us and our employees, characterized by mutual respect, personal responsibility and environmentally aware and energy-conscious behaviour.

Mutual appreciation and respect

- As managers, we are role models.
- Our actions and our decisions are designed to ensure long-term commitment and cooperation with our employees.
- We make clear agreements and we keep them.
- We address mistakes and conflicts objectively in order to develop and improve.
- We expect constructive feedback from our employees, and we will listen and discuss it respectfully.

Trustworthy management

- We live up to what we expect from our employees.
- We place the overall success of our company before individual interests.
- We see the exchange of information and knowledge as a continuous and reciprocal process for everyone.

Together we all pull in the same direction

- Delegating creates a sense of trust and responsibility.
- We expect and encourage personal responsibility and independence.
- Our employee development follows the company goals.
- Changes are a natural part of our everyday work.

Occupational safety, environmental and energy policy

Safety, health and a clean environment are some of our greatest assets. Healthy employees are an essential prerequisite for performance and thus for the economic success of our company. Protection of health in the workplace, accident prevention and plant safety are therefore key objectives for our company.

These goals align with respect for the natural basis of life on our planet.

By using innovative technology and economical use of resources, we make an effective contribution to sustainability.

Our occupational health and safety guidelines

- We ensure safety in the workplace and promote the health of our employees.
- Everyone is responsible for order and cleanliness.
- All employees think about safety as part of their everyday working behaviour. Everyone pays attention to their own safety and to the safety of their colleagues.
- Routine experience must never endanger our safety.
- Every employee is expected to be a role model for their colleagues and to behave accordingly.
- Regular trainings and risk assessments are carried out and documented.

Environmental protection and energy efficiency

- We implement all binding obligations from relevant standards, laws and official requirements and adjust our organizational and technical procedures accordingly.
- We sell products that have as little environmental impact as possible during production, use and disposal.
- Where environmental impacts cannot be avoided, we reduce them as far as possible.
- We check all tools and processes used for environmental compatibility and energy efficiency.
- Continuous development in production and work processes ensures long-term conservation of resources and minimizing of environmental pollution. For continuous improvement and environmental and energy-related performance, strategic and operational goals are derived and implementation is monitored.
- On our own initiative, we take preventive measures to protect nature. All employees are motivated to act in an environmentally and energy-conscious manner.
- Saving energy is promoted by detailed recording, assessment and formation of key indicators.
- Waste prevention and reduction takes priority over proper disposal. We return recyclable residual materials into the economic cycle.

Quality policy

As a company, we stand for the highest quality, know-how and reliability. Our work is geared towards continuous improvement. Against the background of the "zero error

strategy", internal errors and reported deviations from customers are consistently analysed and measures for error prevention and risk minimisation are derived.

Customer focus

The customer is the focus of our actions. Our success depends on the customer. That is why we do everything we can to understand customers' present and future needs and to meet their requirements. We respond to customer wishes and try to find appropriate solutions to problems.

Company management and executives and employees alike are all thus committed to ensuring that the company's goals are achieved, with emphasis on:

- high quality of products and services
- market-aligned pricing and
- short reliable delivery dates

The content and goal of all our work together are and shall remain as follows.

Continual improvement

Continual improvement of the overall performance of our company is a permanent goal of the organization. Effective decisions are based on analysis of data and information including suggestions, praise and criticism from the full range of customers, employees, suppliers and service providers.

Information handling

Public relations

We maintain a dialogue with the public. We inform them about our activities in environmental protection and energy use. We endeavour to take account of suggestions and wishes from the public.

Contact with authorities

We work together with authorities and associations in a spirit of trust. Contact with authorities is maintained and helps us to minimise the burden on employees, residents and the environment. We comply with legal regulations and official requirements. For environmentally critical processes and activities, we work with the authorities to develop measures to limit emissions, and if possible to prevent them occurring, in the event of accidents.

Emergency procedures

Emergency plans are in place for potential emergencies, so that appropriate action can always be taken. Training and testing are carried out regularly. For these activities, we rely on the cohesion and the many years of experience of our employees. Emergency procedures for all types of accident are prepared. Training is provided for these procedures and they are stored in the management system.

Data protection

Like any organisation, we collect, process, use and store personal data in the course of our business activities. In all of our business processes and in the handling of personal data, we guarantee the protection of personal rights. Taking into account the applicable legal requirements, we protect the personal data of our employees, former employees, customers, suppliers, visitors and other stakeholder with the utmost care and ensure that it is processed only for the purposes and to the extent to which this is permitted by a statutory permit or the consent of the person concerned is covered.

The principles for handling personal data are documented in guidelines and procedural instructions. Employees who handle personal data receive advice and support from their line manager and the data protection officer. They receive regular training and are committed to data protection.

IT security

The availability and integrity of our IT systems are crucial. Personal and business data are protected against unauthorized access, loss and manipulation by all available technical and organizational means. This is implemented in accordance with the applicable legal regulations.

Information security

Information security in our company aims to protect information of all types and origins. Information can be on paper, in IT systems or in people's minds (as knowledge). The classic core values of information security confidentiality, integrity and availability are striven for.

When it comes to information security, we not only deal with intentional acts (e.g. malware incidents, communication eavesdropping, computer theft), but every employee has an important role to play in ensuring information security in our company.

Reports and notes

For the purpose of protection against conduct damaging to the company, prevention of fraud and other white-collar crime and protection of employees, every employee is called upon to report any infractions, abuses and threats internally. The information may be made anonymous or may be passed on personally to management, supervisors, personnel department, security department or works council.

As far as possible, the information, questions and concerns expressed by our employees are treated confidentially. We investigate all plausible information and take preventive measures whenever necessary. Within this process, we do not tolerate any form of discrimination or retaliation against persons who report information to us in good faith. Misconduct and violations of the applicable legal and regulatory requirements, internal regulations and the Code of Conduct will not be tolerated.

Protection of confidential information

Our ability to innovate is a key factor for success in international competition. For Dirostahl as one of the leading forging companies and the associated customer-focused production, the protection of intellectual property rights and know-how is therefore of particular importance.

We ensure that sensitive business, technical and financial information, as well as trade secrets, are adequately protected and not passed on to unauthorized parties.

Likewise, we respect the trade secrets of our business partners and competitors.

Our employees are obliged to maintain confidentiality in dealing with sensitive information and trade secrets.

Supplier management

We expect our suppliers and service providers to comply with generally accepted standards of social and ethical responsibility and to share and implement our environmental, energy, occupational health and safety, quality, data protection and information security standards.

