

Business conduct guidelines of the PARTZSCH Corporate Group

1. Principles and objectives

The perception of the PARTZSCH Corporate Group in the eyes of the public depends significantly on the appearance and behaviour of each individual employee. Therefore, each employee is responsible for ensuring that his or her actions and omissions do not impair the environmentally friendly and socially responsible image of the PARTZSCH Corporate Group, rather his or her behaviour should promote such images on our part.

The business conduct guidelines are binding rules which apply to each employee. These should help to respond to ethical and legal challenges during our daily work. Each employee can get in touch with their relevant manager at any time in case of queries and comments in connection with the business conduct guidelines.

In order to simplify the rules of the business conduct guidelines, the term “employee” is used below as a neutral reference to both male and female colleagues.

2. Principles and behavioural requirements

2.1. Behaviour in accordance with the law

Compliance with the law is of the utmost importance to our company. Each employee must comply with the statutory regulations of the legal ordinance within the framework of which he or she is acting. Breaches of the law must be avoided under all circumstances, in particular those which can be punished with imprisonment, fines or financial penalties.

In case of a breach, each employee must expect disciplinary action due to infringement of his or her obligations under the employment contract, regardless of the sanctions provided for by law.

2.2. Responsibility for the image of the PARTZSCH Corporate Group

The image of the PARTZSCH Corporate Group depends significantly on the appearance and behaviour of each of us. Unreasonable appearance or behaviour, even on the part of just one employee, can lead to significant losses to the company.

Each employee is required to consider the appearance of the PARTZSCH Corporate Group in the eyes of the public. Each employee must consider this in all respects when carrying out his or her work duties.

2.3. Mutual respect, honesty and integrity

We respect the personal dignity, private sphere and personality rights of each individual person. We work with men and women of different origins, nationalities, cultures, religions and skin colour. We do not tolerate any discrimination or any sexual or other personal harassment or insults.

We are open, honest, display integrity and are true to our responsibilities. We are reliable partners and only make promises which we can keep. These principles apply both within the company and in relation to our behaviour vis a vis external partners.

We endeavour to offer fair employment terms, pay reasonable wages and consider the requirements of our employees when taking measures at the company.

2.4. Management, responsibility and supervision

Each manager is responsible for the employees assigned to him or her. He or she must gain their respect by means of flawless personal behaviour, good performance, reliability and social competence. He or she sets clear, honest and realistic targets, leads by trust and grants his or her employees as much independence and freedom as possible.

He or she or the personnel department can be contacted by the employees also in case of professional and personal concerns.

Each manager must fulfil organisational and supervisory obligations. He or she is responsible to ensure that no legal breaches take place in his or her area of responsibility which could have been prevented or made more difficult if proper supervision was present. Also in case of delegation of individual tasks, he or she retains responsibility.

In individual terms, the following applies in relation to leadership, responsibility and supervision:

- The manager must carefully select the employees according to personal and professional suitability. The duty of care increases the more significant the tasks to be assumed by the employee (selection obligation).
- The manager must set out the tasks in a precise, complete and binding manner, in particular in relation to compliance with the statutory provisions (instruction obligation).
- The manager must ensure that compliance with the statutory provisions is constantly checked (control obligation).
- The manager must make it clear to the employee that breaches of the law will not be tolerated and will lead to consequences under employment law.

3. Interaction with business partners and third parties

3.1. Compliance with competition and cartel laws

Only fair competition allows us to flourish in a free manner. The principle of integrity also applies when striving to acquire market shares.

Each employee is obliged to comply with all of the rules relating to fair competition. In particular, employees may not enter into discussions with competitors to agree prices or capacities. In addition, agreements with competitors concerning omission of competition or the submission of false offers in case of tenders are prohibited.

We grant our suppliers fair contractual terms and reasonable compensation, however we also expect that they in turn treat their employees and suppliers fairly and correctly.

3.2. Prevention of corruption: Offering and granting of benefits

We strive to receive orders with the quality and price of our innovative products and services. No employee may offer or grant other persons unlawful benefits - directly or indirectly - in connection with the commercial activities, either as cash payments or in the form of other rewards.

Promotional gifts to employees of business partners must be selected in such a way that any impression of dishonesty and incorrectness does not arise on the part of the recipient.

In case of doubt, the recipient must be requested to have the gift approved in advance by his or her manager. Should the recipient refuse to do so, this means that he or she considers it inappropriate to accept the gift.

Employees who conclude contracts with advisors, brokers, agents or comparable third parties must ensure that these in turn do not offer or grant any unlawful benefits.

3.3. Requesting and accepting benefits

No employee may use his or her professional position to request, accept, obtain or have granted any form of benefit. This does not include the acceptance of occasional gifts of a low value or dinner invitations to a reasonable extent; other gifts must be rejected or returned.

3.4. Special rules for the issuing of engagements

Anybody who applies for an engagement can expect their offer to be fairly and assessed in a non-biased manner. Employees who are involved in the issuing of engagements must comply with the following rules in particular:

- The employee must notify his or her superior of any personal interest which could arise in connection with the performance of his or her vocational tasks.
- Supplies may not be unfairly preferred or rejected when competing for engagements.
- Invitations by business partners may only be accepted if the occasion and scope of the invitations are reasonable, in the tangible or intangible value does not exceed 200 € and the rejection of the invitation would be considered to be impolite.
- Gifts from business partners must be rejected and returned, unless these are minor occasional gifts of a low value (maximum of 30 €).
- No employee may have private engagements carried out by companies with which he or she works in the course of his or her employment if this would lead to him or her obtaining benefits as a result.

3.5. Donations

The PARTZSCH Corporate Group grants financial and material donations for education and science, sport and social matters. Donation requests are passed on to our company management by the various organisations, institutions and associations. The following rules apply to the granting of donations:

- Donation requests from individual persons should be rejected as a rule.
- Payments to private accounts are not permitted.
- Under no circumstances can a donation be granted to persons or organisations who do not have a flawless reputation or whose objectives conflict with those of the PARTZSCH Corporate Group.
- The donation must be transparent. The recipient of the donation and the concrete use by the recipient must be known. The reason for the donation and appropriate use must be able to be shown at all times.
- The donations should be capable of being subject to a tax deduction.

3.6. Business relationships with suppliers

The PARTZSCH Corporate Group expects that its suppliers share our value principles and comply with all statutory provisions.

At the same time, the PARTZSCH Corporate Group expects its suppliers to apply the following principles which we have defined for ourselves:

- Compliance with all applicable laws
- Foregoing of corruption
- Observing the human rights of employees

- Compliance with the laws against child labour
- Assumption of responsibility for the health and safety of employees
- Compliance with the relevant national laws and international standards relating to environmental protection
- And requiring these value principles to be also implemented into and complied with in one's own supply chain.

4. Prevention of conflicts of interest

4.1. Principle of prevention

The company considers it to be of the utmost importance that its employees do not enter into conflicts of interest or conflicts of loyalty when carrying out their work. Such conflicts can arise if an employee works for or maintains a shareholding in another company. Therefore, the principle of prevention of conflicts of interest applies.

4.2. Prohibition of competition

Employees are not permitted to operate a company which is fully or partly in competition with the PARTZSCH Corporate Group.

In addition, direct or indirect shareholdings in a company which is not listed on the stock exchange which is fully or partly in competition with the PARTZSCH Corporate Group are not permitted.

Prior written permission is necessary in case of shareholdings in a company which is a business partner of the PARTZSCH Corporate Group. The permission will be issued by company management and will be documented in the employee file. The permission will not be issued or can be withdrawn should the employee work for the respective company.

The maintenance of shareholdings by close relatives in a competing company or another company as described above must be notified to the personnel department in writing by the employee, should he or she be aware of this and will be documented in the employee file.

4.3. Secondary employment

The acceptance of paid secondary employment must be notified to the manager in writing in advance. The secondary employment can be prohibited, should this lead to impairment of work performance, conflict with the obligations at the company or should there be a risk of a conflict of interest. Occasional authoring work, presentations and comparable ad hoc work is excluded from the above.

5. Handling of equipment and information

5.1. Use of equipment

The facilities and equipment in offices and workshops (for example telephones, photocopiers, PC's including software and Internet/Intranet, machines, work tools) may only be used for business purposes. Exceptions and any payment will be regulated locally. Under no circumstances may information be accessed or distributed which gives rise to racial hatred, violence or other criminal offences or which contains content which could be considered sexually inappropriate from a cultural perspective.

No employee is permitted to create recordings, files, picture and sound documents without the permission of his or her manager, should this not be directly connected to his or her work duties.

5.2. Recordings and reports

Correct and truthful reporting is important for an open and effective working relationship. This also applies to relationships with investors, employees, customers, business partners, the public and state bodies.

All recordings and reports which are created internally or issued to the public must be correct and truthful. According to the principles of proper reporting, data collections and other recordings must always be complete, correct, up-to-date and system compatible. The principle of truthful information also applies to expenses claims.

5.3. Secrecy

Secrecy must be maintained in relation to internal matters of the company which have not been disclosed publicly. For example, these include information relating to the organisation of the company and its facilities, as well as internal accounting figures.

The obligation to maintain secrecy also applies following termination of the employment relationship.

5.4. Data protection and data security

Access to the Intranet and Internet, the electronic exchange of information and dialogue, electronic transaction processing - these are essential for the effectiveness of each and every one of us and for the success of the company.

The benefits of electronic communication also come with risks to the protection of personal rights and the security of data. The taking of effective precautions against these risks is a key part of IT management and includes the tasks of managers and the behaviour of each individual person.

Personal data may only be gathered, processed or used if this is necessary for set, clear and lawful purposes. A high standard must be guaranteed in relation to data quality and the taking of technical precautions against unauthorised access. The use of data must be transparent for the data subjects. Their rights of information and rectification and, if applicable, to raise an objection and to have the data blocked or erased must be safeguarded.

6. Environment, society, safety and health

6.1. Health, society and technical security

The protection of the environment and the sparing use of its resources are company objectives which enjoy a high level of priority. Environmental management ensures compliance with the laws and sets high standards for this.

Each employee must show exemplary performance in these areas at his or her workstation. The reduction and avoidance of detrimental effects on the environment is the responsibility of each employee.

Our company is known for its responsible approach to public concerns. We support sociopolitical measures, support disadvantaged people inside and outside of society and allow our employees to show strong commitment to work for the good of society.

6.2. Safety in the workplace

Part of our responsibility towards employees and colleagues is demonstrated by the taking of the best possible precautions against the risk of accidents. This applies both to the technical planning of workstations, equipment and processes, as well as to safety management and our personal behaviour during our time at work. The work environment must correspond to the requirements of health orientated design.

Each employee must constantly give safety their full attention.

7. Complaints and information

Each employee can submit a personal complaint to his or her manager, the personnel department or another responsible person or department or can report behaviour which represents a breach of the business conduct guidelines. The matter will be thoroughly investigated. Where reasonable, relevant measures will be taken. All documents will be retained in confidence. Any type of retaliatory action will not be tolerated.

Employees should exhaust the internal options for resolving disputes.

8. Implementation and control

The management of the PARTZSCH Corporate Group actively promotes the broad communication of the business conduct guidelines and ensures that these are implemented in a sustainable manner. Compliance with the laws and observation of the business conduct guidelines must be regularly checked in all organisational units of the PARTZSCH Corporate Group.

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These business conduct guidelines were issued by the management of the
PARTZSCH Corporate Group
on 27 August 2013 and took effect immediately.

A follow up was issued on 07.08.2024



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