



# **SAACKE Code of Conduct - Employees**

**SAACKE Code of Ethics 05/2017**

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## 1 Preliminary Remarks

The SAACKE Group was founded as a family company in 1931. SAACKE's longevity can be attributed to its commitment to creating state-of-the-art, high-quality products. For this to be achieved, all employees contribute a high level of sense of responsibility, motivation, reliability, and innovation. The entire global company forms a single unit in which everyone follows the same corporate objectives: to consistently deliver the best solutions, services, and support to our customers.

Today SAACKE ranks among the world's leading specialists in combustion and environmental technology, as well as in plant engineering, both on land and at sea. We remain committed to this tradition and aim to live by it, develop it, and shape it together into the future, too. The family, as a group of entrepreneurs, views the following corporate values as the solid foundation that can make the company an attractive proposition to employees, customers, and partners!

For decades, SAACKE has been shaped by a culture of cooperation in the workplace. This corporate culture forms the basis for a positive internal and external working environment and is thus an important requirement for the company's economic success. Safety, tolerance and equal opportunity are vital components of a healthy working environment.

Our SAACKE Code of Conduct aims to support us and in particular our employees in correctly and appropriately judging ethical and legal questions that arise in daily business, in strategic considerations, and in decision-making processes.

In keeping with the policies of SAACKE, all business is to be conducted in an ethically and legally correct manner. We therefore expect from all employees, without exception, that, in addition to internal regulations, all laws be respected, that conflicts of interest be avoided, that SAACKE assets be protected, and that the customs, traditions, and social values of the respective countries and culture groups in which we conduct business be considered. Improper conduct, which of course also includes fallback solutions or workarounds, is never in the interests of SAACKE.

## 2 Scope of Application

This guideline applies to the executive board of SAACKE Bremen and in the SAACKE national subsidiaries, and also to all employees in all domestic and overseas organizational units of the SAACKE Group.

If other codes of conduct have been developed for individual business units or groups of people in separate guidelines, these shall apply without restriction in addition to this SAACKE Code of Conduct.

The respective applicable laws shall apply to our business activities and the conduct of all employees in addition to and independent of this guideline.

### **3 Ethical Principles**

#### **3.1 Interaction with Fellow Employees**

Respect when interacting with colleagues is an important part of cooperation. Discrimination on the grounds of race, ethnic origin, gender, religion or world view, disability, age, or sexual identity represents a breach of the principle of cooperation laid down here.

All employees must endeavor to uphold this principle of cooperation and in particular to respect the personality and dignity of every human being. Employees must base their conduct on these core principles. We expect our management staff to act in a responsible and independent manner, and to have the courage to seize opportunities in order to further the success of the SAACKE Group.

Any member of staff who feels discriminated against on the grounds of race or ethnic origin, gender, religion or world view, disability, age, or sexual identity has the right to file a complaint.

By exercising their right to complain, employees should not be put at a disadvantage. The complaint must be filed with Management, the Human Resources Department or the Workers' Council. The rights of the Workers' Council remain unaffected.

#### **3.2 Employing Children & Young People**

Children and young people are to be employed only under the strict conditions of the applicable youth protection legislation. They are usually only employed as part of vocational training or internships.

Employees under the age of 18 may not work at night or carry out dangerous tasks. Activities that can impact negatively on the person's mental or physical development are also not permitted.

### **4 Communication and Use of Communication Tools**

Communication tools such as email, Internet, telephone (including cell phones), and others are the property of SAACKE and may in principle only be used for professional purposes.

However, it is often difficult to separate private life from professional life. It is in the general interest of employees and our company to find a healthy balance between the two. It therefore follows that you cannot reasonably be expected to exclude private use completely in the interest of both sides. Nevertheless, usage should be restricted to a level deemed necessary and reasonable in the given context.

Employees are strictly prohibited from misusing a company's communication system for unauthorized purposes.

Unless authorized by management, employees are not permitted to create recordings, files, video and audio documents, or reproductions using SAACKE equipment, unless this relates directly to professional business activities.

### **5 Right to Organize**

We respect the right of employees to form associations or organizations at their own discretion for the purposes of promoting and protecting the interests of workers, to join or leave, and be involved in such groups. This must not affect their ability to perform their standard work. If national standards restrict the right to organize and the right of collective bargaining, at the very least, the free and independent union of employees must be facilitated and permitted for the purposes of negotiation.

## 6 Observing Laws and Social Norms

Management and staff of the SAACKE Group are committed to observing all applicable laws - irrespective of whether they apply only nationally or also internationally - and to respecting national customs, traditions, and any other social norms. It is clear that a breach can seriously damage the reputation of SAACKE, and can have other negative consequences for SAACKE and also for the individual employees of SAACKE.

Violations of laws, this SAACKE Code of Conduct, or other SAACKE standards can be reported to the respective superior, the HR department, or directly to the executive board.

An unjustified breach of the core principles laid down here can lead to consequences under employment law, potentially resulting in a termination of professional cooperation.

## 7 Conduct in the Business Environment

### 7.1 Conflicts of Interest

Private interests and the interests of SAACKE are strictly to be kept separate from one another. Employees should therefore try to avoid situations that may lead to a conflict between their personal interests and the interests of SAACKE. When in contact with existing and potential customers, suppliers, contractors, and competitors, as well as applicants for positions at SAACKE, all employees must act in the best interests of SAACKE and disregard any personal benefit.

Potential conflicts of interest can occur in the following situations in particular:

- In business relationships with another company where an employee or a relative or friend of an employee, directly or indirectly, has a significant share.
- In dealings with another company where a relative or friend of an employee is involved or has a financial interest in these dealings on the part of the other company.
- In dealings with former employees or with friends or relatives of an employee.
- When granting contractual employment conditions for relatives, friends, or acquaintances in the case of a potential appointment at SAACKE.

In the event of a potential conflict of interests, the superior must make a decision about the further course of action.

SAACKE has asserted itself successfully in the market through the quality and affordability of its innovative products and services. We take decisions based on logical economic considerations while observing the appropriate laws and standards. We conduct ourselves impeccably in our business dealings with other parties, comply with the applicable laws and relevant provisions against corruption, bribery, and fraud, and avoid any semblance of having a conflict of interests. As employees of SAACKE, we acknowledge our responsibility to conduct ourselves in business dealings in a manner that precludes any personal dependencies or obligations from occurring. We must not be influenced by any gifts, incentives, or other benefits in our business decisions and in our conduct. We are aware that the granting or accepting of such benefits puts SAACKE and our business relations and reputation at a legal risk.

## **7.2 Dealing with Confidential Information**

All employees must maintain silence in relation to internal SAACKE matters which might damage the company if made public. Confidential internal information such as business strategies, research results, or content from internal reporting may not be passed on to unauthorized parties internally or externally. This also applies to information that employees have received in confidence from third parties. If, for operational reasons, confidential information is to be passed on to third parties, approval from the employee's superior must be obtained. It should also be checked whether a special non-disclosure agreement, approved by the responsible superior, has been concluded with the third party before disclosure.

## **8 Prohibition of Corruption**

Generally speaking, corruption means requesting, accepting, offering or granting personal benefits in connection with a business transaction or public function. Such benefits may be a gift, an invitation or another favor that benefits the person involved or a third party, for example, a relative. Since corruption normally distorts competition and jeopardizes the integrity of state conduct if a public official is involved, it is illegal in nearly all countries.

SAACKE is committed to fair competition to the benefit of its customers, shareholders and other stakeholders. In addition, SAACKE respects the independence of public officials. Therefore, SAACKE bans all forms of corruption, including so-called "facilitation payments". These are payments made to a public official to initiate or speed up routine official acts to which SAACKE is entitled. SAACKE therefore sets stricter standards than the law in some countries. Benefits in the form of cash and similar payments are generally not permitted at SAACKE, even in cases where they would not constitute corruption. However, in some cases, regional regulations issued by SAACKE may permit exceptions. These must be authorized by the responsible Compliance Officer.

In practice, gifts and invitations to employees, business partners and public officials are the most common type of benefit. The granting and acceptance of such benefits is only allowed if they are appropriate. In particular, the acceptance of an appropriate benefit must not influence or even appear to influence the employee's decisions. That is measured primarily by the financial value of the benefit, the function and position of the recipient, its timing in relation to negotiations and decision-making processes, and by business customs in the country concerned. Benefits to related parties, for example, family members, are only permitted in very limited circumstances. Particularly stringent legal restrictions apply to benefits to public officials. Public officials do not simply comprise people who hold an official position or function, for example, representatives of authorities.

University professors and representatives of state-owned companies may also be considered officials. Benefits to public officials are therefore only permitted on a very limited scale, subject to SAACKE's regional regulations. Relationships with business partners must be based exclusively on objective criteria. That applies above all to the selection of business partners.

## 9 Prevention of Contractual Risks

SAACKE stands by its obligations arising from agreements with third parties.

Accordingly, SAACKE requires all employees whose area of responsibility includes the conclusion of agreements and contracts to carefully weigh up, seeking legal advice if necessary, the resulting rights, obligations, and risks before signing the contract in order to prevent any potential misunderstandings and unintended consequences. Furthermore, the currently valid signature regulations must of course be complied with.

## 10 Protecting Assets and Competition-Relevant Information

All employees are jointly responsible in their area of activity for protecting the tangible and intangible assets of SAACKE and its allied companies. Tangible assets include all objects such as buildings, properties, products, vehicles, computers, inventory, and all forms of documentation. Intangible assets include know-how, industrial property rights, technologies, corporate trade secrets, and other information valuable and important to SAACKE that must therefore be protected.

In this context, IT security is especially important. All employees are asked to use all electronic information systems in a respectful, ethical, and legally correct way and to use all available security precautions and procedures (encryption and passwords in particular) in order to protect all SAACKE-related data.

## 11 Private Activities

In employees' private activities, which may impact SAACKE, integrity and loyalty must also be maintained. All employees must obtain approval from their superior or from the responsible HR department for any secondary employment, especially if this or related work impacts their operational or professional performance;

- the secondary employment may lead to a conflict with the current or proposed business activities of SAACKE;
- SAACKE's facilities are to be used or SAACKE's operational experience is to be utilized.

An express written approval from the responsible HR department must also be obtained if employees wish to assume functions in companies with which SAACKE has a business relationship or of which SAACKE is a competitor. In any case, all regulations in this regard from the employment contract must be observed. Voluntary work or low paid activities in the public sector are expressly not affected by this.

## 12 Privacy Policy

SAACKE uses methods of electronic data inter-change for its own business purposes and for future innovative applications. At the same time, SAACKE is aware of the associated risks. When handling personal data on employees and business partners, SAACKE therefore protects and respects the personal rights and privacy of the people concerned. That is based on a uniform SAACKE Group-wide standard. Employees may only collect, use and process data that relates to or could relate to individuals in accordance with the principles of lawfulness, transparency, proportionality and data economy.

## **13 Health and Safety in the Workplace**

The health and happiness of our employees forms the basis for the performance and long-term success of the SAACKE Group.

Health, safety, and environmental protection (HSE) is not just regarded as a legal obligation at SAACKE, but as a social competence and important corporate goal. The holistic approach of Technology-Organization-Person forms the basis for the continuous development of occupational health and safety, in particular with respect to our HSE management system. Our HSE manual describes the methods of occupational health and safety based on the established rules (for example, SCC - Safety Certificate for Contractors) with the aim of preventing accidents, occupational illnesses, work-related health hazards, as well as environmental and material damage.

The Executive Board and the Management Team are committed to ensuring that the required measures are in place to achieve these objectives. In cooperation with specialists from the area of occupational health and safety, and environmental protection, procedures have been developed for SAACKE which are capable of satisfying the requirements of occupational safety and the needs of people and the environment.

When developing these procedures, we took into account the applicable national labor protection laws and provisions, as well as the requirements of international regulations. On this basis, we also furnish proof, in connection with our certification bodies, toward our customers that we can fulfill the safety requirements expected of us in the work that we do. Compliance with the legal requirements is a matter of course for us.

We expect the same of contractors working for us and other external personnel.

In this context, too, management has a particular responsibility. They are the disseminators of occupational health and safety on-site. By assuming HSE responsibility and accountability, and by providing the required resources, management creates the prerequisites in all areas of the organization for the implementation of the HSE management tasks described here.

Safety-oriented and health-conscious thinking and action is the basis of our conduct. In doing so, we view errors as an opportunity from which we can learn going forward. All employees undertake to support their superiors in implementing and developing occupational health and safety. We are convinced that if all employees respect the HSE procedures and behave in a safety-conscious manner, we can realize our health and safety goals, and continuously improve occupational health and safety, and environmental protection in the company.

## **14 Protecting the Environment & Resources**

Protecting the environment is a central aspect to our corporate vision. We live by the motto “We act out of responsibility!”

We endeavor to use natural resources in a sustainable and efficient manner. We stand for “energy conversion” – with innovative, resource-conserving, energy-efficient, and environmentally-friendly technology.

This is our contribution to the quality of life for ourselves and for future generations!

To protect the environment, we want to reduce the emissions of pollutants.



In our production, we strive, where possible, to prevent waste and we endeavor to achieve a high recycling rate. Furthermore, our facilities and production processes are designed to ensure minimal energy consumption.

We do not use hazardous products and give preference to recyclable materials. We view environmental impact as a crucial factor when making important decisions.

Compliance with the relevant legislation and other regulatory requirements is a matter of course for us.

We promote environmentally-responsible action by informing our employees. We develop qualifications and motivation with a focus on the future. Every employee acts with respect for the environment.

## **15 Expectations vis-à-vis Suppliers/Partners**

### **Prohibition of Corruption and Bribery**

- to not tolerate any form of corruption or bribery or get involved in such activity in any way, including any illegal offers of payment or similar donations to authorities or employees of SAACKE that might influence decision-making.

### **Fair Competition, Anti-Trust Law, and Intellectual Property Rights**

- to act in accordance with national and international competition laws and not to participate in price fixing, market or customer allocation, market sharing or bid rigging with competitors;
- to respect the intellectual property rights of others.

### **Conflicts of Interest**

- to avoid all conflicts of interest that may adversely influence business relationships.

### **Respect for the Basic Human Rights of Employees**

- to promote equal opportunities for and equal treatment of its employees irrespective of skin color, race, nationality, social background, disabilities, sexual orientation, political or religious conviction, gender or age;
- to respect the personal dignity, privacy, and rights of each individual;
- to refuse to employ or make anyone work against their will;
- to refuse to tolerate any unacceptable treatment of employees, such as mental cruelty, sexual harassment or discrimination;
- to prohibit behavior including gestures, language, and physical contact, that is sexual, coercive, threatening, abusive, or exploitative;
- to provide fair remuneration and to guarantee the applicable national statutory minimum wage;
- to comply with the maximum number of working hours laid down in the applicable laws;
- to recognize, as far as legally possible, the right of free association of employees and to neither favor nor discriminate against members of employee organizations or trade unions.

### **Prohibition of Child Labor**

- to ensure that no workers under the age of 15 are employed. In those countries subject to the developing country exception of the ILO Convention 18, to ensure that no workers under the age of 14 are employed.

### Health and Safety of Employees

- to take responsibility for the health and safety of its employees and external staff;
- to control hazards and take the best reasonably possible precautionary measures against accidents and occupational diseases;
- to provide training and ensure that employees are educated in health and safety issues;
- to set up and use a reasonable occupational health and safety management system

### Rejection of Forced Labor

- forced labor is strictly forbidden in accordance with Convention No. 29 or the International Labor Organization (ILO).

### Environmental Protection

- to act in accordance with the applicable statutory and international standards regarding environmental protection;
- to minimize environmental pollution and make continuous improvements in environmental protection;
- to set up or use a reasonable environmental management system

## 16 Complaints, Reports, Sanctions

Violations of laws, these general rules of conduct, or other SAACKE standards can be reported to the respective superior, the HR department, or directly to the executive board. SAACKE investigates all alleged violations and treats all information with the greatest possible confidentiality. SAACKE does not tolerate any disadvantage to employees who report possible or actual violations or cooperate in the investigation of such violations—except if the allegations comprise an abuse of the whistle-blower system.

Violating this Code of Conduct can have serious consequences for employees, for example, disciplinary action under employment law, including termination of employment, or claims for compensation by SAACKE or third parties. If violating this Code of Conduct also constitutes a criminal offense, such violation may also result in criminal proceedings, which could lead to the employee being fined or imprisoned. Violating this Code of Conduct is never in SAACKE's interest (zero-tolerance principle). In such cases, employees may not use the defense that they believed they were acting in SAACKE's interest. Even a violation of this Code of Conduct by a single employee can seriously harm SAACKE's reputation and result in considerable financial damage, for example, through fines and claims for compensation.

Bremen, May 2017

**SAACKE GmbH**  
Executive Board



Stefan Lumper



Bernd Hetterscheidt