

SHW

Werkzeugmaschinen

Quality and Innovation
Made in Germany



Code of Conduct



Dear colleagues,

The Code of Conduct for SHW Werkzeugmaschinen describes the values that guide our actions and how we want to be perceived. Integrity, responsibility, respect, and fairness towards colleagues, business partners, society, and the environment are prerequisites for securing our success sustainably. This is a goal that we can only achieve together in the future.

The present code of conduct summarizes the fundamental principles and rules that are binding for our actions at all times. It is a framework for orientation that applies equally to everyone; to the executive board, to the managers, and to every single employee. It is also a promise for respectful interaction with one another within the company and a commitment to responsible action towards our business partners and the public.

Only in a climate of openness and transparency is it possible to address all issues openly and without fear of reprisals. It is our common duty to enable such a climate and to clearly identify violations of the Code of Conduct.

Averting legal violations and thus damage and loss of reputation for SHW Werkzeugmaschinen is our collective responsibility. Therefore, I ask you, dear colleagues, to read this code of conduct carefully and to use it together with us as a guideline for our daily behavior.

The Executive Board

1 Foreword

1.1 Scope

2 Basic Behavioral Requirements

- 2.1 Compliance with Applicable Law
- 2.2 Respect for Human Rights
- 2.3 Mutual Respect, Honesty, and Integrity
- 2.4 Avoidance of Conflicts of Interest
- 2.5 Protection of Company Assets and Fraud Prevention

3 Dealings with Business Partners and Third Parties

- 3.1 Relationships with Business Partners
- 3.2 Competition and Antitrust Law
- 3.3 Prohibition of Corruption and Bribery
 - 3.3.1 Fighting Corruption: Offering and Granting Advantages
 - 3.3.2 Fighting Corruption: Demanding and Accepting Advantages
- 3.4 Anti-Money Laundering
- 3.5 Trade Controls
 - 3.5.1 Business Relations with Suppliers

4 Handling of Information

- 4.1 Reporting and Financial Integrity
- 4.2 Confidentiality
- 4.3 Data Protection

5 Sustainability and Responsible Corporate Governance

- 5.1 Fair Working Conditions
- 5.2 Environment and Climate
- 5.3 Product Safety and Quality

6 Complaints and Notices

1.1 Scope

This Code of Conduct applies globally to all employees of SHW Werkzeugmaschinen.

Foreword from the Management Board Table of Contents

Fundamental Behavioral Requirements

2.1 Compliance with Applicable Law

Compliance with all applicable laws and regulations is a matter of course for us – both at the local, national, and international levels. Violations of the law must be avoided under all circumstances.

Each employee must expect disciplinary consequences for violating their contractual duties, regardless of the sanctions provided for by law in the event of a breach. All managers are required to inform themselves about the laws, regulations, and internal company rules relevant to their area of responsibility and to comply with them.

If stricter regulations apply in individual countries or markets than the rules and principles described in this Code of Conduct, the stricter regulations must be followed. In case of doubt, the management should be consulted, which, if necessary, will seek legal advice.

2.2 Respect for Human Rights

We value and respect internationally valid and recognized human rights and reject any behavior that involves their disregard.

2.3 Mutual Respect, Honesty, and Integrity

We respect the personal dignity, privacy, and rights of every individual and ensure a work environment that is free from discrimination.

Every individual has the right to fair, dignified, and respectful treatment. We are committed to equal opportunities and promote a working environment characterized by respect and tolerance, where the value and dignity of each individual are recognized, and all employees interact with courtesy and honesty. Harassment, insults, bullying, and intimidation are prohibited. We are committed to the principle of equality, regardless of nationality, race or ethnic origin, culture, age, disability, appearance, other physical constitution, skin color, sexual orientation, gender, religion, and worldview.

Any form of discrimination is prohibited. Decisions regarding our personnel or in the selection of our business partners must always be free from any form of discrimination.

These principles apply not only within our companies but also in cooperation with our business partners.

2.4 Avoidance of Conflicts of Interest

At SHW Werkzeugmaschinen, business decisions are made exclusively in the best interest of the company. In the course of our business activities, situations may arise where business interests conflict with personal interests.

In such a case, decisions can no longer be impartially made in the interest of the company. Such conflicts of interest should therefore be avoided from the outset.

It is therefore prohibited for any employee to manage or work for a company that competes with SHW Werkzeugmaschinen. Furthermore, no employee may carry out private orders from companies with which the employee or a close relative maintains a business relationship if this could result in advantages for them.

2.5 Protection of Company Assets and Fraud Prevention

All employees are obliged to handle company property of any kind, e.g., work equipment, products, know-how, and intellectual property, responsibly.

Company property, and especially company assets, should only be used for operational purposes. Abusive use for other, especially inappropriate personal, illegal, or other unauthorized purposes is prohibited.

We take decisive action against all forms of fraud, e.g., embezzlement, theft, misappropriation, tax evasion, or money laundering.

Through appropriate control measures, we want to prevent offenses that damage assets of any kind.



Interactions with Business Partners and Third Parties

3.1 Relationships with Business Partners

Our business partners (e.g., customers, suppliers, representatives, and consultants) expect to rely on SHW Werkzeugmaschinen as a legally compliant partner. We also ensure that our business partners comply with the law.

3.2 Competition and Antitrust Law

We commit to the principles of the market economy and to compliance with the rules of fair competition. Agreements with competitors or third parties or other practices that counteract fair competition in an impermissible manner are prohibited.

Every SHW Werkzeugmaschinen employee is obliged to fully comply with the rules of fair, open competition.

To avoid violations of antitrust law, the following actions are particularly prohibited:

- Agreements with competitors on prices, margins, costs, tenders, distribution, or other factors that influence the company's competitive behavior,
- Submission of sham offers or agreements with competitors on a waiver of competition,
- Agreements on the division of customers, markets, or territories.

3.3 Prohibition of Corruption and Bribery

At SHW Werkzeugmaschinen, any form of bribery and corruptibility is prohibited. This applies to individuals, companies, as well as authorities and other institutions.

3.3.1 Anti-Corruption: Offering and Granting Benefits

In the spirit of fair competition, we win contracts due to technically outstanding products, innovation, quality, and price.

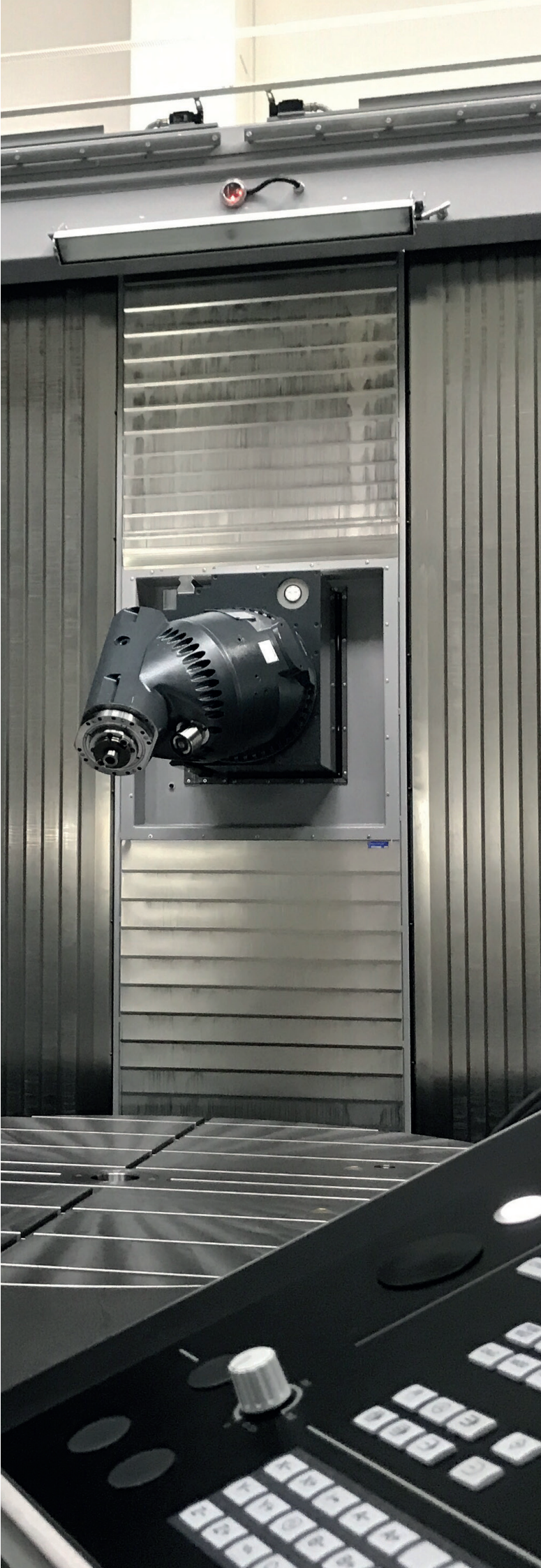
It is expressly forbidden to offer, promise, or grant material or immaterial benefits to employees of business partners, their agents, officeholders, or relatives of the mentioned groups of people if these can be understood as an attempt to influence an official or bribe a business partner in order to gain business advantages.

The granting of benefits of low value, for example, in the context of invitations or related to promotional measures, which serve the purpose of fostering business relationships or presenting products or services, is permissible as long as it is moderate. It is necessary to observe country-specific laws and customs. Agreements on commission payments are only permissible if the commission amount is in reasonable proportion to the service and it is clear which service the commission payment is for.

3.3.2 Anti-Corruption: Demanding and Accepting Benefits

All SHW Werkzeugmaschinen employees are prohibited from using their position or function in the company to demand, accept, or obtain personal benefits of a material or immaterial nature for themselves or persons close to them.

Occasional invitations to customer events or meals, especially during or following official meetings, or the acceptance of gifts of symbolic character or minor value are allowed.



3.4 Anti-Money Laundering

The laws on anti-money laundering and the financing of terrorism are binding for all SHW Werkzeugmaschinen employees. It is our declared goal to maintain business relationships exclusively with reputable customers, consultants, and business partners whose business activities are in accordance with legal regulations and whose financial resources are of legitimate origin.

3.5 Trade Controls

SHW Werkzeugmaschinen complies with all export control and customs laws applicable in the countries of its business operations. All employees involved in the import and export of goods, services, hardware, software, or technology, as well as in payment transactions, are required to comply with applicable economic sanctions, export control, and import laws and regulations, as well as all guidelines and processes related to their business activities.

3.5.1 Business Relationships with Suppliers

SHW Werkzeugmaschinen expects its suppliers to comply with the law and to share and act according to the principles and guidelines described in this Code of Conduct. This includes renouncing corruption, respecting human rights, complying with laws against child labor, taking responsibility for the health and safety of their employees, and complying with relevant national laws and international standards for environmental protection.

Handling of Information

4.1 Reporting and Financial Integrity

All employees of SHW Werkzeugmaschinen must ensure that business transactions, records, and reports are complete, timely, professionally accurate, and truthful. All business operations, especially oral and written agreements and contracts, must be documented and retained in accordance with legal requirements.

4.2 Confidentiality

All information concerning the companies of SHW Werkzeugmaschinen and their business partners will be treated as confidential and must not be made accessible to third parties unless they have previously been made public or accessible in a permissible manner. Confidential information includes, in particular, financial data, personnel information, new business or product plans, sales prices, and manufacturing costs.

4.3 Data Protection

The protection of personal data, especially of employees, customers, and suppliers, is of particular importance to SHW Werkzeugmaschinen. We collect or process personal data only when it is absolutely necessary for the fulfillment of the respective work task or if it is legally mandated. In doing so, we observe the respective applicable data protection regulations.

The designated data protection officer supports the respective companies in this regard.

SHW Werkzeugmaschinen commits to responsible and sustainability-oriented corporate management. In addition to economic objectives, we also pursue social and ecological goals in the sense of responsible dealings with our employees, third parties, and a cautious approach to resources for environmental protection. In doing so, we follow the 10 universal principles of the United Nations Global Compact program, which relate to human rights, labor standards, the environment, and climate, as well as anti-corruption.

5.1 Fair Working Conditions

SHW Werkzeugmaschinen offers its employees worldwide fair and secure working conditions that meet all relevant, including local, legal requirements. We respect our employees' rights to freedom of association and collective and tariff negotiations in accordance with applicable rights and provisions. We recognize the right of all employees to form trade unions and workers' representations on a democratic basis within the framework of national regulations. The right to adequate remuneration is recognized for all employees.

Remuneration and other benefits meet at least the respective national and local legal standards or the level of the national economic sectors/industries and regions. We also commit ourselves to the core labor standards of the International Labour Organization (ILO).

We reject forced and child labor, human trafficking, and any form of exploitation and discrimination and ensure strict compliance with relevant laws. The safety and health of our employees are our top priorities. Workplaces, equipment, and work processes must therefore be designed to meet current legal and internal health and safety regulations. We are committed to continuously reviewing and improving the effectiveness of our measures to reduce accident and health risks.

Sustainability and Responsible Corporate Governance

5.2 Environment and Climate

For us, responsible corporate governance also includes responsibility towards future generations. Our actions are therefore aimed at conserving scarce resources and minimizing environmental impacts by our companies and their products as much as possible.

We not only comply with all relevant environmental laws and regulations but also involve employees and suppliers in our environmental protection activities.

When developing new products, we consider ecological and environmentally friendly aspects from the outset to keep the impact of our products on the environment as low as possible.

Furthermore, SHW Werkzeugmaschinen pays particular attention to the requirements for conflict minerals, so-called „Conflict Materials“ according to the Dodd-Frank Act, Sec. 1502. It is a declared goal to exclude the procurement of conflict minerals from the regions described therein.

5.3 Product Safety and Quality

We see ourselves as partners to our customers. Long-term customer relationships serve our business success.

Therefore, our claim is to offer our customers safe and flawless products and services of high quality. Products and services must not exhibit defects or dangerous properties that could impair health or damage property.

At the same time, we are committed to continuously improving the quality of SHW Werkzeugmaschinen products.



Complaints and Tips

The executives of SHW Werkzeugmaschinen are obligated to inform their employees about the content and significance of this Code of Conduct and, furthermore, to encourage them to follow the principles and rules described therein.

Every employee has the right to report violations or the suspicion of a violation against this code of conduct at any time to their supervisor, the human resources department, or the executive management.

Every report will be treated with strict confidentiality. The employee will not experience any disadvantages as a result.

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