



# **HERRENKNECHT GROUP CODE OF CONDUCT**

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**PIONEERING  
UNDERGROUND  
TOGETHER**





## **HERRENKNECHT GROUP CODE OF CONDUCT**

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Dear Employees,

Our tunnelling technology and the company Herrenknecht are highly regarded and trusted by customers and clients worldwide. It is the primary duty of us all to strengthen the good reputation of the Herrenknecht family business built up over four decades and to protect it with a view to the future. On the one hand, this applies to the contractually agreed performance and reliability of our technology in the individual projects. On the other hand, our reputation as a trustworthy partner in the global project business is always linked to the integrity and lawful conduct of all of us, both in our in our job-specific responsibilities and in the professional behavior of each individual - all across the globally operating Herrenknecht Group.

To this end, we have drawn up a Code of Conduct for the Herrenknecht Group and adopted it as a binding guideline. Please heed the Code of Conduct and act accordingly. If you have any questions or uncertainties regarding its content or implementation, please contact your supervisor or the Compliance Office at any time.

We thank every one of you for your professionalism and integrity, with which we all jointly make Herrenknecht a valued, trustworthy and fair business partner.

Schwanau, January 2021

The Board of Management

A blue ink signature in cursive script, appearing to read 'Martin Herrenknecht'.

Dr.-Ing. E.h. Martin Herrenknecht,  
Chairman of the Board  
of Management

A blue ink signature in cursive script, appearing to read 'M. Sprang'.

Michael Sprang,  
Chief Financial Officer  
(CFO)

A blue ink signature in cursive script, appearing to read 'Ulrich Schaffhauser'.

Ulrich Schaffhauser,  
Member of the Board  
of Management

## A. PRINCIPLES AND OBJECTIVES OF OUR ACTIONS

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Herrenknecht produces efficient machines and offers innovative technologies. In doing so, we strive to be perceived worldwide as a reliable partner of integrity. In this regard we expect all employees to act in accordance with applicable laws, rules and regulations. Violations of the law by our employees can cause massive economic damage to our company: in addition to criminal proceedings and fines, contraventions can result in considerable damage to our reputation, the non-issuance of permits, the termination of contracts and exclusion from tender processes.



The Code of Conduct of Herrenknecht Group creates the framework for a climate of trust and transparency in between employees and with our business partners. The rules of conduct stipulated herein are thus also intended to contribute to a high public standing for the company and to secure its existence in the long term. This set of rules is intended to provide all employees with guidance on correct behavior and binding guidelines in their day-to-day work. The aim is to prevent situations arising that could call into question the honesty and integrity of our conduct and the trust placed in our company. The Code will be regularly supplemented by internal guidelines and instructions as well as by amendments in the employment contracts.



Achieving compliance is only possible if everyone in the company contributes and is committed to this objective. At Herrenknecht, we take responsibility for our actions and make conscious decisions. All of us are called upon to conduct ourselves in the context of our work environment in accordance with relevant laws and regulations as well as internal guidelines and instructions. This includes questioning one's behavior when in doubt and actively seeking advice.

The rules laid down in the Code of Conduct apply equally to Herrenknecht's Board of Management, managers and employees. All employees are asked to familiarize themselves with the contents of this Code of Conduct, to ask questions about it if necessary and to act accordingly.



Responsible managers are critical to the responsible actions of all employees. We expect our managers at all levels to live up to their role model function through the integrity of their conduct and thus provide orientation for their staff.

## B. OUR RESPONSIBILITY FOR TEAMWORK

The key asset of our company are the people who work for Herrenknecht and the passion with which they do so. Our company's success is based on a strong sense of cohesion that has grown throughout the company's history. It thrives on the fact that we as a company feel responsible for the well-being of our employees and, conversely, that our employees feel responsible for the success of the company.



### We treat each other with respect

Treating each other with respect is a core value of our collaboration. At Herrenknecht, a non-discriminatory approach to diversity is not just a matter of complying with legal requirements: the diversity of our employees is a key factor of our success.

- › Be considerate of other employees and refrain from personal insults, humiliation and harassment.
- › As a manager, behave in an appreciative manner toward your employees. Create a suitable knowledge base for your employees and enable them to take on responsibility. This can encourage and enhance the motivation and performance of each and every individual.
- › Employees must in principle be selected and promoted based on their qualifications, performance and potential.



### We value open communication

We learn from the past and rise to new challenges. It is part of our commitment that we continuously improve and develop as individuals and as an organization. Diverging opinions are valued, and questioning is encouraged. To this end, we maintain an atmosphere in which issues and mistakes can be addressed openly.

Company reports and communications about our products and services must be truthful and accurate.

Herrenknecht cooperates with relevant governmental and regulatory agencies. Any communications in this regard may only be conducted through designated personnel or the responsible management.



### **Work safety is our top priority**

At Herrenknecht, every employee has the right to work in a healthy and safe work environment. Occupational health and safety are integral parts of our operations. Processes and production facilities, equipment and resources must comply with applicable legal and internal requirements for occupational health and safety, fire and environmental protection.

- › Strictly follow the rules of health and safety in the workplace.



### **We protect both tangible and intangible company assets**

Company assets secure the activity of and the jobs at Herrenknecht in the long term. Company assets include, for example, work equipment, facilities and intellectual property.

- › Treat our company assets with care and protect them from loss, misuse and damage.

Herrenknecht's trade secrets and know-how are among our most important company resources and ensure we can act competitively and effectively in the marketplace. Protecting and safeguarding them is therefore very important to Herrenknecht.

- › Handle business information responsibly and comply with IT security requirements.
- › Do not disclose information about Herrenknecht to business partners, in your personal life or on social media that would allow outsiders to gain unauthorized insight into our business processes.



### **We avoid conflicts of interest**

If while performing professional duties, our employees' own personal interests contradict the interests of Herrenknecht as a company, this constitutes a so-called conflict of interest. Herrenknecht employees are called upon to avoid conflicts of interest.

- › Avoid situations in which there may be a conflict of interest due to involvement with competitors, suppliers or customers.

The mere presence of private interests in a business-related situation does not necessarily create a conflict of interest. If in doubt, disclosure and consultation with managers will help.

- › If there is any doubt, document potential private interests transparently and evidence why this does not give rise to a conflict of interest.

## C. OUR RESPONSIBILITY AS A BUSINESS PARTNER

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### We stand for fair competition

Functioning competition is a cornerstone of our economy and stimulates progress. As a world leading manufacturer of innovative tunnelling technology, Herrenknecht is not afraid of fair competition; on the contrary, we take it as an incentive and stand up for it.

Violating antitrust and competition laws can cause enormous damage to Herrenknecht. We therefore strictly reject anti-competitive clauses and other unfair commercial practices.



### We do not tolerate corruption

We strive to and are always able to convince our business partners with our products and services. We are not dependent on obtaining orders or other advantages through unfair means and do not do business at any price.

Gifts and invitations can be a legitimate means of establishing and maintaining business relationships. However, gifts aimed at affecting the independent decision-making or professional independence of the recipient of the gift in order to unduly influence decision-making processes are strictly prohibited. This applies in particular to dealings with public officials and authorities.



### We comply with quality and safety standards

At Herrenknecht, the quality and safety of our products are a high priority. It is not only a legal obligation, but also our aspiration to comply with the regulatory requirements, legal restraints and internal standards applicable to our products.

- › Always act in accordance with the current quality and safety standards applicable to your area of work.

Customer complaints provide valuable information about possibilities for improvement and are an opportunity to strengthen customer relationships.

- › Respond to customer complaints in a timely and appropriate manner.



### **We protect confidential information and data**

Our employees are prohibited from illegally obtaining third party trade secrets and infringing on third party intellectual property.

Anyone providing us with data should be able to be confident that it is secure with Herrenknecht. We collect, process, use and store personal data only in accordance with legal requirements.

The use of electronic communication involves risks to the security of data. Taking effective precautions against these risks protects the company, individual employees and our business partners.

- › Protect confidential information and data about employees, customers and further business partners entrusted to you in the course of your work for the company from being viewed by third parties.

## **D. OUR RESPONSIBILITY AS PART OF SOCIETY**

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It is part of our commitment that we, as an integral part of society, take our social mission seriously.



### **We do business with partners of integrity**

It is our goal to contract only with partners whose business activities are in compliance with the law and whose operating resources are of legitimate origin. We never engage in activities aimed at fraud, embezzlement or other deliberate damage to assets by business partners or third parties.

In particular, money laundering is not consistent with Herrenknecht's principles under any circumstances. Herrenknecht supports global efforts to combat money laundering and terrorist financing.

As a global company, we comply with national and international foreign trade regulations and do not tolerate violations of embargo or sanction regulations applicable to us.

- › If you are responsible for business processes, take precautionary measures appropriate to the risk and obtain sufficient information about our business partners and third parties involved.





### **We act sustainably**

We are committed to the careful use of natural resources, include the social impacts of our business activities in our considerations and feel committed to future generations.



### **We respect human rights**

Herrenknecht opposes the exploitation of workers, child labor and slavery. Herrenknecht aligns its actions with internationally recognized human rights and guiding principles of the United Nations.



### **We meet our tax obligations**

We recognize our social responsibility in meeting tax and customs obligations and are committed to compliance with national and international regulations.

## **E. DEALING WITH VIOLATIONS**

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Violations of applicable laws and regulations can have adverse consequences for the company and the employees involved. Violations must therefore be identified in good time to prevent harm to Herrenknecht and its employees.

- › Talk to your manager or the Compliance Officer in confidence if you discover or suspect violations of the law. In this way you can help prevent or minimize serious damage.

No employee who provides information about rule violations in good faith need fear any disadvantages – even if the report turns out to be unfounded.

Violations of this Code of Conduct may have disciplinary consequences and, if they constitute a breach of employees' obligations, may lead to legal action under labor law. Employees involved in the context of an allegation made will be treated fairly and given the opportunity to respond. Any measures to be taken will be proportionate and appropriate.

## F. IMPLEMENTATION

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The implementation of this Code of Conduct is the responsibility of every employee.

The management of the companies in the Herrenknecht Group must ensure their employees are aware of this Code of Conduct and observe it.

Managers have a special responsibility for implementing the principles set out in this Code of Conduct. They ensure that the concerns of the Code of Conduct are taken up positively and seriously in their area. They thus contribute to a culture in which the implementation of this Code of Conduct is a matter of course.

We expect our representatives, consultants and business partners to be guided by the principles set out in this Code of Conduct.

If you have any questions about this Code of Conduct, you can contact your manager or the Compliance Officer. Here, too, in the spirit of the Code of Conduct, the maxim applies: better to ask too many questions than too few.

## ANNEX TO THE HERRENKNECHT GROUP CODE OF CONDUCT

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Contact Compliance Officer

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