

# INDEX

One company.

Two brands.

One claim.

*better.parts.faster.*

## **Code of Conduct**

for the INDEX Group



Executive Board of the INDEX Group:  
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## Preface

INDEX is a company committed to exceptional services and high standards, not only from a technical point of view, but also in terms of compliance with the “rules of the game” when it comes to fair and acceptable conduct in the context of competition and towards our employees, customers and business partners.

INDEX therefore adopted a globally applicable Code of Conduct very early on to define and explain the basic rules for different areas of our business operations.

This Code of Conduct has proved its worth. The reward for compliance with the Code of Conduct is the trust that is placed in us and the great reputation that our INDEX and TRAUB brands enjoy on the global markets. It is our firm conviction that sustainable economic success is inextricably linked to compliance with the law, legislation and our internal rules, and that this comes down to each individual employee.

We have updated the Code of Conduct to reflect changes in the law and have also made some editorial changes that are designed to make it easier to understand.

The Code of Conduct is not intended to reflect all the legal regulations that apply to our commercial conduct, but instead explicitly refers to the topics that are key to the sustainable success of INDEX and/or where violations could result in serious financial consequences or reputational damage. The expectation is therefore that all managers and employees will also follow the legislation and rules in all those cases that are not expressly included in this Code of Conduct.

If you apply this Code of Conduct as a guideline for your daily activity, you will see that we already do most of these things day to day as a matter of course. There may be some areas, however, where we can still improve.



Dr. Dirk Prust



Roberto Deger



Reiner Hammerl

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## **INDEX Group Mission Statement**

Our conduct as a company and as the company's employees is defined by the INDEX Group's Mission Statement (the Group is also referred to as INDEX below):

- We see ourselves as an innovative company that produces high-quality capital goods and deliveries added value for its customers through technical innovation. We measure ourselves by the success of our customers.
- We see ourselves as a competitive company that conducts itself on the world's markets in accordance with national and international laws and rules of competition.
- We see ourselves as an open company where fair dealing with each other, equal opportunity, the centrality of factual arguments, and the transparency of processes are a matter of course. As an attractive employer, we can thereby inspire the best crop of graduates to work for us and retain our top performers in the long term.
- We see ourselves as a flexible company that is focused on long-term growth to expand its core expertise in a sustainable manner.
- We strongly believe that following these guidelines will contribute to sustainable increase in the value of the company and to preserving our independence and will guarantee that the INDEX Group has a strong reputation in society and on the market.

Based on this mission statement, the companies within the INDEX Group recognize the following principles as essential fundamental rules of conduct and implement these rules via their employees and managers.

## 1. Principles

Employees require expertise and motivation and must behave responsibly as an essential precondition for the success of INDEX.

A sense of responsibility towards people and nature as well as fairness and tolerance influence and shape our company culture to a large extent.

### **These are our most important principles:**

- Lawful and ethical conduct
- Social commitment
- Observance of legal and cultural conditions
- Fair, polite and respectful behavior towards employees and business partners
- Zero tolerance of any form of discrimination
- Respect for human rights, including along the supply chain
- Professionalism, fairness and reliability in all business relationships
- Loyalty to INDEX

Lawful conduct

## 2. Treating employees and business partners fairly

Our business partners (customers, sales partners and suppliers) and employees are at the heart of what we do. Relationships with our business partners and employees should be characterized by mutual reliability and sustainability. We expect exemplary behavior, polite treatment, respect and fairness.

Acting fairly also includes fair working conditions. This means a free choice of employment, i.e. the prohibition of forced or slave labor, human trafficking, the prohibition of child labor, compliance with statutory and contractually defined or agreed remuneration, freedom of association and the right to humane treatment at the workplace.

Furthermore, no-one may be harassed or discriminated against on the basis of his/her race, skin color, nationality, origin, sex, sexual identity, beliefs or world view, political views, age, physical constitution or appearance.

These principles can only be applied if they are practiced in an exemplary manner by management towards employees and adhered to by employees in their interactions with each other.

### **What is acceptable conduct?**

#### **Acceptable conduct means ...**

- ensuring that there is a good working atmosphere, for which everyone at every level is responsible;
- friendly, polite and respectful behavior towards each other;
- respect for cultural differences;
- no-one suffers disadvantage or discrimination on the basis of their ethnic or social origin, skin color, sex, age, family status, disability, religion, nationality, sexual identity or other characteristics;
- decisions are made and communicated in a way that is transparent;
- we stand up for fair working conditions, not only at our own company, but also for our business partners.

Behaving fairly

### 3. Fair competition

An essential part of a free market economy is regulation to protect fair competition. Almost all countries therefore have competition laws.

Competition / Antitrust laws:

- prohibit agreements and the exchange of information between competitors regarding prices, territorial allocation, production quantities and other parameters relevant to competition;
- prohibit price fixing by sales partners; and
- prohibit the abuse of a dominant position.

Such prohibited agreements also include informal talks, gentleman's agreements or other coordinated behavior, if the intention of such behavior is to agree or implement a measure that restricts competition. Even the appearance of coordinated behavior must be avoided.

Violations of statutory regulations can lead to significant losses for the company, such as fines, penalties or loss of reputation, and can result in a personal fine for the employee concerned.

#### **What is acceptable conduct?**

##### **Acceptable conduct means ...**

- no agreements of any kind with competitors on factors determining competition (e.g. prices, price changes, terms and conditions, production quantities, sales territories, allocation of customers);
- no exchange of any information with competitors on factors determining competition;
- no influence on the pricing or other sales conditions of our sales partners (either by threatening disadvantages or promising benefits);
- no interference in tendering procedures, i.e. we do not discuss quotations with competitors, nor do we induce the tendering party to give us information that is not publicly available;
- no exploitation of dominant positions (e.g. via supply boycotts);
- no untrue or misleading advertising statements.

No agreements between competitors



## 4. Combating corruption

We want to be successful against the competition because of the price, performance and quality of our products and services and not because we have influenced procurement decisions in any other way.

Corrupt behavior is prohibited. Corrupt behavior means requesting, accepting, offering or granting personal benefits in order to receive preferential treatment in the initiation, awarding or processing of an order. In this case, both the person granting (or promising) the benefit and the person requesting (or accepting) the benefit are at fault. A benefit in this context is any kind of financial benefit, such as payments (e.g. donations), payments in kind (e.g. vouchers, invitations, impermissible discounts), and non-cash gifts.

Corrupt behavior must be clearly distinguished from simply giving or accepting invitations and gifts. Invitations and gifts can be given and accepted where they are “conform with social custom” and they are not made with the purpose of gaining illegal preferential treatment, e.g. in connection with the awarding of contracts. The appearance of improper influence can quickly arise in such cases, however, which is why general restraint is necessary in the case of invitations and gifts, particularly when dealing with domestic and foreign public officials (e.g. government representatives or employees of state organizations). In some countries it is in fact completely prohibited to offer invitations and gifts to these groups of persons.

## What is acceptable conduct?

### Acceptable conduct means ...

- no business decisions that depend on receiving a benefit in return;
- no attempt to influence business decisions in favor of INDEX by granting/ promising personal benefits to decision makers of sales partners;
- rejecting attempts at bribery and reporting these immediately to managers or the compliance officer;
- extreme caution when it comes to invitations and gifts, i.e. follow a guide value of 40 euros (or the corresponding value in the applicable local currency);
- disclosing the receipt of any inappropriate gifts which you are not able to decline out of politeness, and donating these to the common good (e.g. the company tombola/raffle);
- as a general principle, not giving or promising any invitations or gifts to public officials. The only exceptions to this rule are appropriate invitations to dinner or hospitality of small value in connection with product presentations or training events;
- in case of doubt, discussing the matter with your manager or the compliance officer.

Is the benefit allowed?

## 5. Handling company property

Every employee must treat business equipment, in particular machines and tools, as well as information and communication systems, with care and use them for the intended purpose. The workplace and all equipment used by the company and its employees must be maintained in good working condition at all times and any damage must be reported to managers.

Without the express agreement of the competent body in the company, company property must not be used for private purposes or removed from the company's premises.

Violations may lead to criminal and/or disciplinary proceedings against the applicable employee.

### What is acceptable conduct?

#### Acceptable conduct means ...

- protecting company property and its information and communication systems against loss, damage or misuse;
- reporting damage or loss immediately;
- handling resources provided by the company sparingly and with care;
- complying with the applicable travel policy when booking and claiming for business trips;
- only using company property for private purposes or removing it from the company's premises with the approval of your manager;
- never using company property for illegal or other unauthorized purposes (e.g. visiting illegal websites);
- being alert to attempts by third parties to damage our company assets (e.g. through theft, fraud, or hacking).

Due care

## 6. Protecting business secrets and maintaining IT security

Our inventions and our expertise are particularly important for the long-term success of our company. Our intellectual property must therefore be protected against disclosure to third parties and unauthorized access by third parties. Intellectual property includes, for example, inventions and product prototypes, as well as business secrets, such as details about customers, suppliers and software.

IT security helps to protect intellectual property against access by unauthorized third parties, against data theft, against the draining of our expertise and the effects of malware by implementing a number of IT security precautions, such as passwords, anti-virus software and access concepts.

Employees must also not take part in public discussions (e.g. presentation events, Internet forums, etc.) in their capacity as employees of INDEX or make company-related information public (e.g. on the Internet) without permission to do so.

The loss of business secrets can have a negative impact on the future success of the company and, therefore, on its employees too.

### What is acceptable conduct?

#### Acceptable conduct means ...

- keeping confidential information concerning the company secret and not disclosing such information to third parties (including family and friends);
- protecting documents and files against unauthorized access (encryption);
- complying with the security standards defined by IT for personal and electronic communication with third parties and applying these same security standards to information that is provided to us by third parties;
- not disclosing confidential information when using social media;
- not storing company data on private electronic devices;
- not connecting private electronic devices to the company network.

IT security standards

## 7. Avoiding conflicts of interest and private activities

In day-to-day business, situations can arise where private and personal interests or relationships can come into conflict with those of INDEX. Conflicts may arise, for example, from your own (secondary) business activity and in some cases from the activity of family members.

To avoid conflicts of interest, you must inform the responsible HR department if you undertake any other (business) activity, jobs or similar, and you must obtain consent for such activity.

INDEX supports the political and social engagement of its employees. Work with associations, political parties or other political or social institutions, whether as an elected official or in an honorary position must, however, be compatible with meeting the obligations of your employment contract.

Undisclosed conflicts of interest and unapproved secondary activities may cause loss to the company and lead to disciplinary action against the employee concerned.

### What is acceptable conduct?

#### Acceptable conduct means ...

- disclosing potential or actual conflicts of interest to your manager;
- handing over decisions to colleagues or managers, where you are exposed to a conflict of interest;
- for activities that you are not allowed to carry out yourself because of a conflict of interest, not arranging for the activity to be carried out by a person close to you (e.g. family member, partner);
- informing your manager and obtaining permission from the HR department if you take on any secondary activity (acceptance of a job in a different company, working for a different company, personal business);
- informing your manager if you accept an honorary position (e.g. lay judge, municipal councilor, training instructor, etc.) in order to avoid conflicts of interest with your contractual work duties.

Transparency

## 8. Compliance with export control and customs regulations

INDEX is a global company with operations around the world that are subject to regulations that restrict the free movement of goods.

Various national and international laws and embargoes restrict or prohibit the import, export or domestic trade of goods, technologies or services, as well as the movement of capital and payments. These restrictions and prohibitions may depend on the nature of the goods, the country of origin and/or the end-use, or on the identity of the business partner.

INDEX is also committed to combating smuggling. Every company within the INDEX Group and their employees must comply with applicable customs regulations for all import/export business.

Violations of these regulations may also have consequences for the relevant business unit, seriously damage the reputation of the Group as a whole and have unpredictable consequences.

### **What is acceptable conduct?**

#### **Acceptable conduct means ...**

- having competent persons check whether restrictions or prohibitions apply, when purchasing, selling, brokering and placing goods and services on the market or for the transfer of technologies;
- obtaining any necessary official approvals before executing the applicable transaction;
- in the case of import and export business, checking and complying with the applicable customs provisions.

## Restriction of the free movement of goods

## 9. Occupational health and safety

Safety at the workplace and protecting the health of all employees is of fundamental importance at INDEX.

For this reason, each INDEX business unit must adopt measures necessary for its business activity to prevent accidents and work-related health risks and must design the workplace to be ergonomic.

At INDEX, occupational health and safety also includes professional support for our employees before and during business trips.

Every manager is responsible for protecting his/her employees and must instruct, train and supervise them accordingly.

### What is acceptable conduct?

#### Acceptable conduct means ...

- complying with safety regulations (e.g. when handling dangerous substances);
- developing risk awareness and applying awareness to all safety-related activities;
- adopting a cautious attitude so that unsafe situations do not even arise;
- stopping hazardous situations;
- reporting recognized accidents or potential hazards and exposure, as well as near accidents, immediately to the responsible manager;
- clarifying travel safety in advance of business trips;
- using precautions provided by the company.

Safety at the workplace

## 10. Product safety

The INDEX Group stands for products and services of the highest safety and quality. Product safety begins in development, runs throughout the procurement and production process and is an essential aspect when we install our products for customers and for service.

Our products meet all statutory requirements as well as our own in-house safety and quality specifications. They must never endanger the health and safety of users. Defective products can cause great damage, not just to the company (e.g. recall campaigns and reputation), but in particular to users themselves.

This is why at all times we work conscientiously and to the highest standard of quality. Our customers can therefore rely on the safety and reliability of products and services from the INDEX Group and the high quality of our products and services at all times.

Our mission is to meet the high expectations of our customers and partners in terms of the quality, safety and functionality of our products and services. At the same time, we strive to constantly improve the quality of our products and services. Our long-term relationship with our customers, which is based on the very highest standards of quality, is the cornerstone of our success. The quality of our products is our competitive advantage. All our employees are responsible for the quality of our products and services to win the trust of our customers and further increase customer satisfaction.

### **What is acceptable conduct?**

#### **Acceptable conduct means ...**

- complying with quality specifications;
- obtaining all necessary approvals for placing our products on the market;
- informing our customers and implementing preventive action if we become aware of hazards from our products.

Quality



## 11. Environmental protection, effective use of energy and sustainability

Our company is committed to protecting our environment and has made resource-efficient and energy-efficient manufacturing of our products a key factor in production. We have made the following commitments:

- All our activity must be carried out with respect for the environment and careful and economical use of all resources, including energy and the regulated recycling and disposal of waste. In this way, we avoid or minimize the impact on people, the environment and nature and continually improve our energy performance.
- We meet our legal requirements with regard to environmental protection/energy, particularly when it comes to matters of contamination and the use of critical substances.
- We take into account the requirements for an intact environment in development and design, the production process, the packaging and shipping of our products and also when we improve our processes and introduce new systems and products.
- We follow the principle of maximum efficiency when using resources, whilst maintaining sustainable profitability.

Violations of environmental regulations can not only damage people and nature, they can also cause lasting damage to the success of the company (e.g. through loss of reputation and fines).

### What is acceptable conduct?

#### Acceptable conduct means ...

- using resources (e.g. water, paper, electricity) with care and disposing and recycling resources in accordance with applicable regulations;
- taking into account measures for environmental protection and energy efficiency throughout the entire value chain and product development process;
- disposing of waste in an environmentally friendly manner;
- producing sustainable products and value chains;
- supporting the procurement of energy-efficient products and services;
- avoiding damage to the environment by reporting environmental risks;
- informing internal specialists of the occurrence of environmental damage immediately; our specialists will initiate reports to the authorities, as required by law.

## 12. Protection of personal data

The simpler and more extensive electronic data processing becomes, the more essential it is to protect the personal data of our customers, business partners and employees (e.g. name, address, date of birth, tax number, and information about health status). Such personal data may only be disclosed and processed in accordance with applicable laws.

Violations of data protection regulations are punishable with high fines.

### What is acceptable conduct?

#### Acceptable conduct means ...

- getting an overview of the extent to which we handle personal data;
- informing the responsible data protection officer about the handling of personal data;
- protecting personal data against unauthorized access (e.g. applying the necessary security standards in electronic communications with third parties);
- only collecting, storing or disclosing personal data if required for the fulfillment of a task and legally permissible;
- disposing of documents containing personal data in a secure and controlled way;
- contacting the data protection officer or your manager in cases of doubt.

Data protection

### 13. Financial integrity and combating money-laundering

All business transactions must be reflected properly in accounts, balance sheets and tax declarations. This requires all relevant facts and circumstances to be recorded correctly and completely and documented and archived in a reproducible way. Any violation involves the risk of being exposed to investigations for balance sheet manipulation, falsification of documents, allegations of fraud, tax offenses or allegations of money laundering.

Money laundering means that the origin of illegally obtained money (e.g. from terrorism, drug trafficking, corruption and other criminal acts) is concealed by covertly bringing the money into the legal economy, thereby making it appear legitimate. A declared objective of INDEX is not to be used for money-laundering or other illegal purposes or to contribute to money-laundering or other illegal purposes.

#### **What is acceptable conduct?**

#### **Acceptable conduct means ...**

- complying with accounting principles;
- not doing any business outside of normal processes;
- properly archiving all documents associated with business transactions;
- complying with statutory retention obligations;
- not deliberately changing or destroying documents that are related to official investigations or private legal disputes;
- not transacting business if there are indications of possible money laundering and, in cases of doubt, discussing the matter with the relevant manager or the responsible compliance officer.

Transactions

## 14. Conduct in case of doubt and the contact person for information

In case of legal doubt as to your own conduct or information about legally dubious processes in your work environment, every employee is expected: to seek advice and help from their superior, the responsible departments, the bodies representing employees or the compliance organization.

A list of all compliance officers and further information can be found in the IndTraNet under Compliance.

All concerns will be taken seriously, and the person raising the concern need not fear any disciplinary measures or sanctions, even if the alleged misconduct is not confirmed. A knowingly false or maliciously raised allegation to defame another person, however, will not be tolerated.

Information can also be given anonymously.

If the whistle-blower wishes to remain anonymous, this will be guaranteed.

In the event that employees are unable or unwilling to submit an incident to their superiors or to the local compliance organization, they can turn to the internal reporting office that has been established explicitly for this purpose. In addition to employees, third parties can also write to us at [compliance@index-group.com](mailto:compliance@index-group.com). Furthermore, all employees can submit this message via the IndTraNet. It also allows for anonymous reports. The message must be treated as strictly confidential. Where required, the INDEX Group will take appropriate actions to protect the whistle-blower against any negative consequences. All concerns will be taken seriously, and the person raising the concern need not fear any disciplinary measures or sanctions, even if the alleged misconduct is not confirmed. A knowingly false or maliciously raised allegation to defame another person, however, will not be tolerated.

### What is acceptable conduct?

#### Acceptable conduct means ...

- being courageous and asking in cases of doubt, or reporting suspected misconduct;
- reporting concerns to the local department or, if they cannot be handled locally, reporting to the general compliance organization at Group level.

Ask or report

## 15. Special responsibility of executives

Managers and executives have particular responsibility for complying with the Code of Conduct.

### **They must:**

- set an example;
- ensure that their employees are familiar with, understand and adhere to the requirements of the Code of Conduct;
- provide the necessary instruction and training for their employees;
- ensure the health and safety of their employees in day-to-day business;
- ensure compliance with the Code of Conduct; and, where applicable
- take corrective and/or disciplinary measures;
- be the contact person for employees and support them by, for example, following up on information about misconduct.

Role model effect

# INDEX

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