

ENGINEERING  
YOUR SPRAY SOLUTION



# »» LECHLER CODE OF CONDUCT

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# INTRODUCTION



## Dear Colleagues,

As a socially committed company with regional roots, values such as honesty and openness are key elements of our corporate culture. The really unique thing about our company is the awareness of its social responsibility. On Christmas Eve 1875, five years before the company was founded, the future managing partners Christian Lechler and Paul Lechler agreed to make a tenth of their profits available for social purposes every year. Up to the present day, 10% of the distributed profits are therefore given to the Lechler Foundation established in 1928, which is also a majority shareholder in the company. In this way, the Lechler Group does not just create values today such as security, honesty, trust, independence and stability within the company itself, but also does the same in its surroundings and for our society.

The Code of Conduct of the Lechler Group is intended to serve as a basis for you for all business actions and decisions in the relationships with customers, suppliers, competitors, business partners, employees and family members. In addition to the usual reference to compliance with legal regulations, the Code of Conduct contains important binding rules on the topics of "Social responsibility" and "Behavior towards others".

Ethical and legally conforming behavior is the responsibility of each and everyone of us.<sup>1</sup> Our managers have the obligation to serve as role models and to also live this in practice for employees. Every manager and every employee is responsible for ensuring that their behavior complies with the principles outlined in the Code of Conduct.

The Code of Conduct applies to all employees at Lechler GmbH and in the affiliated companies of the Lechler Group worldwide. The Code of Conduct naturally cannot answer all the questions that we encounter in our daily work. As a guide, we should ask ourselves the following questions in all that we do:

- Is my behavior legal?
- Am I acting in the interests of the company?
- Does my behavior correspond to the values of our company and my own values?
- Would I act in exactly the same way in my own affairs?
- Would I accept responsibility for this?

It is not short-term success that counts. But long-term stability, fairness and trustworthiness. So that the Lechler Group remains a company which we can all be proud of.

Your Management

A handwritten signature in blue ink, appearing to read "Patrick Muff".

Patrick Muff

<sup>1</sup> In order to make the document easier to read, groups of persons are referred to in neutral form in the text (employees, colleagues), but this always includes all genders.



# THE BASIC RULES OF THE CODE OF CONDUCT OF LECHLER GROUP

- I** We adhere to our laws and keep our promises
- II** We support a fair and free market
- III** We treat our partners fairly
- IV** We respect the dignity and individual personality of all people and prevent discrimination
- V** We protect the assets and business secrets of our company
- VI** We contribute to responsible use of natural resources
- VII** We have a culture of open and honest communication
- VIII** We conform to the Code of Conduct and our compliance regulations



## I. We adhere to laws and keep our promises

### **We carry out our business in accordance with the law**

We comply with the valid legislation wherever we are active and observe the laws that apply in the respective working environment as well as standards and directives, irrespective of whether these are externally stipulated or internally defined.

### **We keep our promises**

Long-term stability, fairness and trustworthiness are what count for our company. Trustworthiness must be earned through reliability. That is why we keep our promises.

## II. We support a fair and free market

### **Performance in fair competition is all that counts for us**

Lechler wants to measure itself against its competitors only based on the performance principle, and we therefore reject anti-competitive behavior.

Market decisions are taken autonomously and without consultation with competitors. This applies to express, tacit, formal or informal, written or oral agreements or arrangements in relation to competition-relevant topics and prices. In competition, we place our faith in innovation and customer orientation as a reliable business partner.

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

We do not pursue any personal interests in business matters and disclose these to our superiors where applicable.

### **We do not tolerate corruption**

Corruption damages competition and prevents innovation. Lechler therefore does not tolerate any form of corruption.

### **Appropriate behavior when accepting benefits such as gifts, hospitality and invitations**

We do not want to allow our business decisions and our behavior as a market participant be influenced by gifts, hospitality or invitations. Particularly not if the above are linked to the expectation of consideration in return. We naturally observe general rules of politeness. We therefore accept the invitations of business partners to events only within the scope of our work obligations as representatives of Lechler and only if they can be considered as socially appropriate. Further information on this is provided in the Annex "Frequently Asked Questions". In cases of doubt, consult your superior.

### **We do not promise or grant any benefits**

We do not promise customers and their employees any direct or indirect benefits and also do not grant these if requested by the business partner.

### **Prudent contact with officials**

We pay particular attention to the integrity of our business conduct in contact with domestic and foreign authorities. We do not grant payments, contributions or other non-cash benefits to civil servants, public sector employees or employees in publicly-owned companies in order to obtain orders or benefits.

**Donations and sponsoring are a social and cultural responsibility of the Lechler Foundation**

The Lechler Foundation primarily assumes the task of social responsibility for the companies of the Lechler Group.

The granting of donations for social and cultural causes by individual companies of the Lechler Group is therefore permitted only with the approval of the respective management within the scope of the rules of procedure. The Board of Directors of the respective company must be consulted where applicable. Donations in cash are not permitted. No donations are made to political parties, organizations linked to the latter, officials and elected representatives or candidates for a public office.

We use our sponsoring to positively influence our image and the public awareness of our company. Sponsoring is therefore an exchange transaction that is based on appropriate performance and counter-performance.

**We observe export control regulations**

As a globally active company, exchange of goods and services across borders is an important part of our business activities. Before making decisions about import or export of goods, services or information, employees are therefore obliged to check the foreign trade legislation and other export regulations and observe the export control process.

**We ensure transparent documentation**

Business documents are needed by our business partners for purposes other than conclusion of a transaction, such as for obtaining finance or for tax purposes. We therefore use our templates and model contracts and deviate from these only after internal consultation.

Travel expenses and other company-related expenses are documented transparently in accordance with tax regulations and our guidelines for work and business trips.

**III. We treat our partners fairly**

**We behave fairly**

Treating our customers, suppliers, market partners, competitors and employees fairly is a matter of course for us. We do not create any unjustified advantages for ourselves over others. We conduct business in accordance with the law and also expect the same from our business partners.

**We choose our business partners carefully**

The performance capability of our partners is also a key to our success. We therefore choose our partners carefully according to the criteria of integrity, quality, reliability, creditworthiness and price. Our partners are obliged to adhere to the Lechler Code of Conduct or have a similar code of values.

**We do not involve consultants or service providers in customer relationships**

Customers are supplied by us and our trade partners. The involvement of external consultants or service providers could create the impression of corruption and this must be avoided. Exceptions require the approval of the management of the respective Lechler company.

**We protect our customers**

For Lechler, customer orientation also means excluding possible risks and dangers to health and safety from handling the products as far as possible. For this reason, all employees must take into account technical standards and must not enter into any compromises that negatively affect product safety.

#### IV. We respect the dignity and individual personality of all people and prevent discrimination

##### **We pay attention to non-discrimination and equal opportunities**

The companies in the Lechler Group are active in many different countries and cultural environments; this variety distinguishes us and makes Lechler into a successful international company. Our cooperation is therefore characterized by mutual respect and esteem.

We observe the basic rights of all people, particularly the rights of dignity and individual personality. We do not tolerate discrimination for reasons for national or ethnic origin, gender, sexual orientation, religion or ideology, age or disability.

Professionalism and performance can develop only in a work climate that is characterized by respect, trust, tolerance and fairness. Mobbing is not tolerated at Lechler.

We are guided by the principles of equal opportunity, qualifications and performance in all personnel decisions such as selection, employment, promotion, job changes, remuneration and training.

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##### **We ensure fair working conditions**

We offer fair working conditions that comply with all legal requirements. We reject all forms of exploitation, particularly forced or child labor. We also expect this from our business partners.

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##### **We ensure appropriate compensation**

We ensure appropriate compensation taking into account the respective legal regulations.

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##### **We ensure health and safety at the workplace**

The Lechler Group ensures a safe and healthy work environment in order to prevent potential accidents. It is therefore mandatory to observe legal and other safety regulations.

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##### **We ensure the development of our employees**

We prepare our employees for changes and future tasks by actively supporting and developing them. The experience and high level of competence of our employees form the basis for our economic success.

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##### **We encourage self-responsibility**

We transfer responsibility to our employees and therefore encourage independent action and thinking.

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## V. We protect the assets and business secrets of our company

### **We protect the assets of our company**

All employees are obliged to treat the property and assets of the Lechler Group in an appropriate, economical and completely responsible way. All assets and operating resources must be used only for business-related purposes.

### **We handle business documents and intellectual property confidentially**

Every employee must ensure that company information of all kinds is kept securely and protected against being seen or accessed by unauthorized third parties.

Where permitted and possible, true, relevant and comprehensive information must be passed on at an early point in time to decision-makers within Lechler. Knowledge that is relevant for business activities must not be wrongfully retained, corrupted or passed on selectively. Information must be forwarded correctly, promptly and completely to other departments if there are no overriding interests, particularly confidentiality interests, that prevent this.

We ensure that suitable measures are implemented for protection of data that requires confidentiality and intellectual property. This also includes information where our employees, our contract partners or others have an interest in it remaining confidential.

The contact persons in cases of doubt are the responsible superior or management.

### **We handle public expressions of opinion carefully**

Public information about individual Lechler companies or the Lechler Group is provided exclusively through the respective managing directors or the employees responsible for this. We avoid giving the impression that we are speaking on behalf of Lechler if this is not part of our work tasks. Personal views must be identified as such.

Internal company information or confidential information, i.e. information that is not made public, is not passed on.

### **We comply with IT security and data protection standards**

We observe the existing regulations on provision and use of communication devices and software, physical and data access to the document management system as well as the introduction and use of email, intranet and internet services by employees.

IT devices are stored in a suitable way at all times; the specified password protection is complied with. Personal passwords are not passed on to other employees or third parties. We observe the legal and internal data protection regulations and in particular protect all personal data against loss, destruction and unauthorized access.

### **We comply with our travel expenses regulation**

Every employee is obliged to comply with the respective company directive when booking travel and for expense claims and to save Lechler money and resources



## **VI. We contribute to responsible use of natural resources**

### **We contribute actively to environmental protection**

The Lechler Group is aware of its responsibility towards the environment to ensure sparing use of resources. The Lechler Group acts in an environmentally aware way in all business areas and complies with the respective legal regulations as well as the specifications that apply within the organization.

The development of energy-efficient technologies and products is a central element of our efforts to protect resources.

Within the scope of their work, employees are committed to complying with the laws and regulations on environmental protection. We support employees in informing themselves about the respective requirements in their work environment through corresponding training.

Violations against the requirements of applicable environmental legislation are reported immediately to the responsible superior.

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## **VII. We have a culture of open and honest communication**

### **We provide orientation and create trust**

We create a trusting company climate and constructive collaboration through open and honest communication as well as reliable and respectful cooperation.

We provide constructive criticism and are ourselves willing to accept criticism. Employees and managers provide each other with feedback on performance and behavior for the purpose of mutual orientation.

Our managers create trust through their leadership style. Their behavior is credible and predictable for their employees.

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### **We strive for continuous improvement**

We deal with mistakes openly and thus continuously improve our products, processes and structures.

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## VIII. We adhere to the Code of Conduct and our compliance regulations

### **We adhere to compliance regulations in all business areas and business processes**

Our business transactions in all functional areas and business processes comply with the applicable laws as well as external and internal guidelines such as work instructions and templates.

We are committed to making truthful statements in all reporting. No subledger accounts or secondary records are maintained that are not legally permitted.

All employees perform their work tasks carefully, transparently and exactly.

### **We adhere to the four-eyes principle**

The four-eyes principle is a central principle of all compliance regulations. The respective signature or competency regulation applies. Every employee must check their authorization before signing external contracts.

### **Your contact persons for compliance matters**

Several contact persons are available:

- the Compliance Coordinators,
- the responsible superior and
- the responsible legal officers in the national companies within the scope of the country-specific legislation and their defined task fields.

### **Clarification in cases of doubt**

The most important questions and answers are provided in an annex to this Code of Conduct for employees.

If you have further questions about application of the Code of Conduct as an employee of the Lechler Group, we would ask you to clarify these with your responsible superior and/or with a responsible legal officer.

The Code of Conduct and the associated questions and answers will be adapted by the Compliance Coordinator if required.

### **Legal notice**

Management



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