

# SCHOCK



## COMPANY PHILOSOPHY

FOR SCHOCK GMBH

# COLOUR YOUR LIFE

Society, technology and the economy are constantly changing. SCHOCK is always identifying opportunities to shape developments, actively influence change and find creative solutions.

In the past few years, SCHOCK has modernised its organisational structures from the ground up. Our high quality standards, combined with our innovative strength and the passion of our employees, enable us to make our customers' lives better, more convenient and more vibrant. As well as commitment, this requires the will of all our employees to take responsibility and to bring the company's core values to life.

Our success is measured in terms of our customers' delight with our products and services. The high expectations of consumers, retailers and employees present an ongoing challenge for SCHOCK. We want to win them over with expertise, experience and fresh ideas.

A strong market position is not only achieved by innovating and having dedicated employees. Motivating our employees to keep on strengthening their team spirit and supporting them to achieve their individual and collective goals is our management team's main duty.

If we want to lay claim to a leading position on the international market, we need to set trends, not follow them. Securing a global competitive advantage means identifying trends early and actively shaping them.

With the introduction and application of management systems for quality in accordance with ISO 9001, environment in accordance with EMAS and ISO 14001, and energy in accordance with ISO 50001, we aim to secure long-term success for the company and continuously improve in a sustainable way.

## QUALITY POLICY

### MARKET-ORIENTATED QUALITY

The customer sets the standard for quality. Accordingly, the quality of our products and services must meet our customers' requirements. Our own employees, our suppliers and our service providers are all responsible for achieving this goal.

### ECONOMIC AND ENVIRONMENTAL QUALITY

Quality is determined and assured according to economic and environmental factors.

### RESPONSIBLE FOR QUALITY

Quality assurance falls under our management's area of responsibility, and guaranteeing this is a duty for our leadership. Every single employee at the company is responsible for the quality of the work that they do. Risks and opportunities are identified early during the planning phase, then these are analysed and taken into account in the implementation of processes.

### QUALITY AWARENESS

Quality secures jobs – that's why every employee at SCHOCK must strive for continuous quality improvement to maintain and strengthen the success and reputation of the company.

Our high-quality requirements are reflected in our quality awareness. We think it's important that our employees are aware of how much responsibility they have, as well as of the impact and influence of their actions on the environment. That's why we encourage conscious awareness and knowledge of the requirements, and their significance and consequences if these and other standards are not met.

### QUALITY MANAGEMENT SYSTEM

To ensure that our quality goals are achieved, we follow a quality management system in accordance with ISO 9001. By regularly performing internal and external audits, management reviews and company inspections, we are able to ensure compliance with legal and internal requirements. This helps us to continuously improve our quality management system here at SCHOCK.

## ENVIRONMENTAL POLICY

SCHOCK regularly reviews compliance with and the effectiveness of environmental measures. Continuous improvement is as much a part of environmental conservation as compliance with laws, regulations and standards.

As SCHOCK products come in contact with food, we are subject to strict requirements. That's why for us, safety and environmental protection start in the development phase with the careful selection of raw materials and their technical implementation in the production process. Every aspect of production and management is incorporated in this process. This allows us to meet our environmental goals in a meaningful, efficient and accurate way.

Because environmental protection is important to SCHOCK, we not only support biodiversity with green spaces on our company premises, but have introduced a new product line and a green philosophy within the company. The SINK GREEN product line is dedicated to resource-friendly production. With our ingenuity, we have developed a process that makes Green Line products sustainable and recyclable; even our drain fittings are made of recycled materials.

Our preventative approach to environmental protection is reflected in our continuous close partnership and coordination with authorities and local residents.

Our complete environmental report and certification in accordance with EMAS, the Bavarian Environmental Pact, ISO 14001 and the test seal for Assured Sustainability, awarded by the German Institute for Sustainability and Economy, can be found on our home page at <https://www.schock.de/unternehmen/sinkgreen/engagement>.



## ENERGY POLICY

With this energy policy, SCHOCK GmbH commits to reducing carbon emissions, especially in relation to the following energy-intensive operations:

- foundry
- finishing
- extraction systems
- processing
- natural gas burners for process heat and heating
- compressed air production
- cooling

The policy aims to continuously and sustainably reduce CO<sub>2</sub> emissions in compliance with legal regulations, with the end goal of carbon-neutral production. This will be achieved on the basis of our energy goals, which are set annually by the most senior management level. These goals are defined based on our past consumption and production data, as well as the cost-efficiency of the required measures. For this reason, SCHOCK is also certified in accordance with DIN EN ISO 50001 (Energy Management).

## GUIDELINES FOR THE PREVENTION OF CONFLICTS OF INTEREST AND CORRUPTION

The basis of a successful and sustainable business activity is honest, transparent employee behaviour, which is guided by ethical principles and free from corruption and harmful actions.

To provide a binding framework for our employees' conduct, we have defined the following mutual guidelines to be followed when conducting business processes. These are to be strictly applied in all interactions with business partners, or other institutions and persons with whom the company is connected.

### GIFTS AND OTHER CONTRIBUTIONS

- The giving/receiving of courtesy gifts is permitted up to a maximum limit of EUR 35 per business partner per year, but the respective manager must be notified.
- Giving/receiving of money, non-cash benefits, material assets or other benefits exceeding the maximum value of EUR 35 is prohibited.
- If this limit is exceeded, or in case of any doubt regarding the value of a gift, the gift should be declined and returned to the giver.

### BUSINESS DINNERS

- Participation in business dinners is only permitted if they serve a legitimate business purpose and take place within an appropriate, conventional business framework.
- The respective department manager or company management must be informed about the frequency of and reason for business dinners.

### OTHER EVENTS

- Sending or receiving invitations to events (e.g. sports events, cultural events, product information events or seminars) must be approved in advance by the respective department manager or the company management.
- Sponsoring events is only permitted after having consulted the company management.
- The payment of travel and accommodation costs by or on behalf of business partners is normally not allowed.

### WORKING FOR OTHER COMPANIES

- Employees who wish to participate in or work for companies that are in an existing business relationship with SCHOCK must first seek approval in writing.
- The employment of employees or their family members at companies of any kind that are in a business relationship with SCHOCK must be approved in writing by the company management.
- In the event of a conflict of interest, the work or activities must be discontinued.

### SUSPECTED CORRUPTION

- If there are reasonable suspicions or legal doubts about the actions of external third parties, which indicate an attempt at corruption, a conflict of interest or criminal economic activity, all employees are obligated to report this to the company management, the respective department manager, the Works Council or the head of the Human Resources department.
- In the event that such a report is made, absolute discretion is assured.

## MEASURES AND SANCTIONS

Violations of this guideline can lead to the following legal consequences:

- general disciplinary action (e.g. warning, reassignment),
- extraordinary termination (without notice) and/or
- prosecution.

All of the above may only take place on the basis of fair, open and honest actions.

For this reason, we operate a strict zero-tolerance policy towards any undue advantage for our employees, as well as towards any actions that are not prohibited but morally questionable, such as child labour, the inhumane treatment of people and environmental damage.

## CHILD LABOUR

SCHOCK operates a zero-tolerance policy towards child labour. Strict compliance with all the relevant laws – including by our suppliers and subcontractors – is regularly inspected via external audits. If illegal child labour is discovered, the supplier will be asked to discontinue this practice immediately. If the supplier does not comply, the business relationship will be terminated without delay. Compliance with our customers' expectations that we do not use child labour is verified on an annual basis.

## COMPLAINTS

SCHOCK operates an open-door policy, meaning that every employee has the right and the opportunity to have their complaints or issues heard. In addition, SCHOCK has a Works Council, which is responsible for ensuring employee rights are upheld and serves as a point of contact for employees.

## PREVENTION OF ADDICTION

Our employees' health and safety is important to us. All employees must be protected against hazards to their health and exposure to tobacco smoke, as well as hazards caused by excessive alcohol consumption.

To ensure the safety of employees and company premises, bringing alcoholic beverages on site and consuming alcohol during working hours (except during break times) and in the workplace is prohibited. This rule applies during working hours, on and off the premises.

Furthermore, smoking is prohibited in all facilities, buildings and indoor spaces on company premises, as well as in all company vehicles. However, there are designated smoking areas, which are marked for this purpose.

In addition to the scope of our duty of care, we are prepared to offer assistance with addiction issues, employ preventative measures, such as presentations and seminars, and grant interested employees the opportunity to take part.

## WHISTLE-BLOWER PROTECTION/EMPLOYEE SUPPORT

To protect the anonymity of whistle-blowers and employees in need of support (e.g. due to bullying or harassment), SCHOCK has an email address that is independent from the company network and accessible only by the company management:

Schock\_Box@gmx.de

This address can be found on all noticeboards at SHOCK, along with further information.

## UNITED NATIONS GLOBAL COMPACT

As a proud member, SCHOCK is expressly committed to the ten universal principles of the UN Global Compact Initiative.

## UK MODERN SLAVERY ACT 2015

SCHOCK has voluntarily committed to the transparency standards of the British Modern Slavery Act and consistently implements these in practice.

## UNIVERSAL DECLARATION OF HUMAN RIGHTS (UDHR) OF THE UNITED NATIONS

(A/RES/217, UN Doc. 217/A-(III))

SCHOCK is expressly committed to the 30 articles of the UN Universal Declaration of Human Rights and strictly aligns its business practices accordingly.

THESE GUIDELINES ARE THE FOUNDATION FOR ALL OUR ACTIONS AND PLANS.

Regen, 17 March 2021



Ralf Boberg  
CEO



Sven-Michael Funck  
CEO



