

# INTEGRITY AND COMPLIANCE

## Overview

## THE PRINCIPLES OF GOVERNANCE AT H-TEC SYSTEMS

As a company H-TEC SYSTEMS has a corporate responsibility to its customers, employees, investors, and the public. This corporate responsibility includes complying with laws everywhere and always, respecting ethical values and acting sustainably. Integrity and compliance are a fundamental part of the H-TEC SYSTEMS strategy and are practiced at all levels of the company and by all employees — the management, executives and all other employees.

As a subsidiary of MAN Energy Solutions, H-TEC SYSTEMS is integrated into the Integrity & Compliance Management System of MAN Energy Solutions. The compliance organization of MAN Energy Solutions supports H-TEC SYSTEMS in the execution of its integrity and compliance tasks and provides advice. The Integrity and Compliance Program focuses on integrity as well as white collar crime, especially anticorruption and the prevention of money laundering and antitrust law. The group-wide Integrity and Compliance Program is designed to

- prevent compliance violations (prevention),
- detect as early as possible compliance violations that may arise despite preventative measures (detection),
- and respond quickly and efficiently to any compliance violations (response).

## PREVENTION

The aim of the Compliance Organization of MAN Energy Solutions is to further establish and promote awareness and understanding of responsible and honest conduct among all H-TEC SYSTEMS employees, suppliers and business partners. In order to prevent compliance violations, the Compliance Organization of MAN Energy Solutions has taken and implemented various measures in cooperation with MAN Energy Solutions:

### Code of Conduct

The H-TEC SYSTEMS Code of Conduct applies to all H-TEC SYSTEMS employees — the management, executives and all other employees. The Code of Conduct is at the heart of H-TEC SYSTEMS' corporate culture and sets forth specific and binding guidelines for situations in which managers and employees should pay particular attention to acting responsibly. The Code of Conduct uses examples to describe how conflict situations can be addressed in everyday business.

### Code of Conduct for Suppliers and Business Partners

H-TEC SYSTEMS expects its suppliers and business partners and their employees to respect laws and behave responsibly and with integrity, everywhere and always. That is why H-TEC SYSTEMS has a Code of Conduct for Suppliers and Business Partners, which communicates the ethical standards that H-TEC SYSTEMS requires suppliers and business partners to uphold.

### Communication

The Compliance Organization of MAN Energy Solutions continuously communicates across all levels of the organization. Integrity and compliance topics are regularly featured in H-TEC SYSTEMS' company media, such as the Intranet. In addition, the Compliance Organization of MAN Energy Solutions informs and advises managers and other employees through trainings, the helpdesk service, and at internal conferences and meetings.

### Compliance policies

H-TEC SYSTEMS has compliance policies, which establish requirements related to anticorruption, antitrust law, the prevention of money laundering and terrorism financing, and Business Partner Integrity. These policies contain binding rules for all employees throughout the Group.

### Training program

H-TEC SYSTEMS has a robust Integrity and Compliance training program which covers all operations and employees worldwide. Key content includes information about the Code of Conduct and the Compliance Organization of MAN Energy Solutions.

### Exchange of experiences with experts

The Compliance Officers participate in regular exchanges on integrity and compliance topics with experts from industry and academia. Through memberships of the parent company ,MAN Energy Solutions, in external compliance-related initiatives, H-TEC SYSTEMS supports and encourages Integrity & Compliance initiatives individually and in partnership with other companies.

### Helpdesk

H-TEC SYSTEMS offers a Compliance Helpdesk service to all employees, which they can use to address their integrity and compliance related questions directly to Compliance Officers via phone or e-mail. The queries made to the Compliance Helpdesk provide the Compliance Organization of MAN Energy Solutions with an overview of the most common questions that arise in the business. The knowledge gained from these questions is used to identify new risks and trends and to identify preventative compliance measures.

### **Monitoring**

To ensure the sustainability of the Integrity and Compliance Program, the Compliance Organization of MAN Energy Solutions continuously reviews the Program's effectiveness and efficiency, by tracking the implementation of measures and projects.

### **Tone from the Top**

The Executive Board of the H-TEC SYSTEMS is aware of its responsibility for integrity and compliance and is committed to fulfilling this responsibility. MAN Energy Solutions' management and executives consider integrity and compliance to be an integral part of the corporate strategy.

## DETECTION

The occurrence of legal violations within H-TEC SYSTEMS can lead to considerable risks for the H-TEC SYSTEMS GmbH and the affected employees. Integrity and compliance with the law therefore have the highest priority within the H-TEC SYSTEMS GmbH. In order to guarantee these values, H-TEC SYSTEMS has created clear and transparent processes that ensure that violations of the law are identified, clarified and immediately remedied internally.

### Compliance risk analysis

The Compliance Organization of MAN Energy Solutions carries out periodic group-wide compliance risk analysis. The risk analysis takes into account information such as the number and size of individual Group companies, the business model, the customer and sales structure, country risk, and the structure of competition in the local market. In addition, the implementation of compliance measures and controls in the reviewed companies are audited internally.

### Mergers and acquisitions (M&A)

To identify, prevent, and mitigate compliance risks during acquisition and divestment transactions, the Compliance Organization of MAN Energy Solutions is engaged in H-TEC SYSTEMS' M&A projects. The Compliance Organization of MAN Energy Solutions undertakes compliance due diligence assessments on concerned entities, which are intended to detect any compliance risks that may arise.

### Whistleblower system

H-TEC SYSTEMS offers a secure whistleblower system for providing information on potential compliance violations, which is accessible to all, employees, customers, suppliers and other business partners. This allows anonymous, safe, and confidential sharing of such information at any time and from anywhere in the world. Tip-offs are forwarded to an independent unit for investigation. All whistleblowers who acted in good faith are protected against discrimination and retaliation. You can find more information about the whistleblowing system here: [www.volkswagenag.com/hint](http://www.volkswagenag.com/hint)

## **RESPONSE AND RESOLUTE ACCOUNTABILITY**

H-TEC SYSTEMS has zero tolerance for compliance breaches. The right response to compliance violations and misconduct is essential for minimizing the negative impact of any breach, by holding those responsible accountable, and ensuring that our commitment to doing business with integrity remains firm.

### **Investigations by authorities**

H-TEC SYSTEMS is also committed to cooperating closely with the responsible authorities. H-TEC SYSTEMS has a guideline for employees which emphasizes the importance of openness, transparency, and cooperation with authorities.

### **Continuous improvement of the Integrity and Compliance Program**

The Compliance Organization of MAN Energy Solutions continuously develops and improves the Integrity and Compliance Program.

## CONTACT

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