



COMPANY GROUP  
**LUDWIG FREYTAG**



# Company values

Core values, ethics and integrity

(as at 24 January 2024)



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## **1 Scope of application**

Our company values apply to the entire LUDWIG FREYTAG Group, including all subsidiaries and all dependent and independent branches, departments and holdings, and to all employees. The Group's management, the operational managing directors of all subsidiaries, the branch managers and all executives take particular responsibility for implementing these values.

These company values are intended to help answer questions that arise in connection with strategic considerations and operational decision-making processes correctly and appropriately.

Our company values are based on our convictions, national laws and regulations such as the Supply Chain Duty of Care Act and occupational health and safety regulations, international conventions such as the United Nations Universal Declaration of Human Rights and the international labour standards of the International Labour Organization.

The company values are also aimed at our contractual partners. They are required to accept our company values unless they have already implemented comparable principles of their own in their company. The contractual partners also undertake to involve their subcontractors in the implementation. The agreement is an integral part of all future business relationships. A breach of these values may ultimately be reason and cause for the LUDWIG FREYTAG Group to terminate the business relationship, including all associated contracts.

The company values come into force upon signing.



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## **2 Introduction of the management**

The LUDWIG FREYTAG Group hereby establishes company values that are decisive and forward-looking for its business activities. With these values, we act in the conviction that maintaining and enhancing the reputation of the LUDWIG FREYTAG Group as a trustworthy, fair and legally compliant partner strengthens our position in the market. The basic values formulated here are binding for us.

The management of the LUDWIG FREYTAG Group and all of the Group's executives are actively involved in promoting and upholding the company values.

The company values are made known to all employees of the LUDWIG FREYTAG Group as a supplement to their employment contracts. Compliance is mandatory for all employees of the Group. Employees who violate the requirements of our company values must expect disciplinary measures or consequences under labour law.

Within the LUDWIG FREYTAG Group, officers for sustainability, compliance and human rights as well as occupational, environmental and health protection have been appointed or assigned to external bodies.

Our actions and behaviour in the LUDWIG FREYTAG Group are characterised by the fundamental value of integrity. The reputation built up by our managers and all employees in our long company tradition for fair, reliable and contractually compliant planning and execution of our activities must be confirmed in every new business transaction, from the calculation to the purchase of materials, subcontractor services to execution and invoicing. We undertake to fulfil the requirements specified by our clients in compliance with all official, legal and technical requirements and our binding obligations.

We want our own and third-party services to be carried out safely, in an environmentally friendly manner and without personal injury or damage to property.

We strive to achieve our business objectives exclusively by legally compliant and ethically acceptable means. We do not tolerate corruption, manipulation, anti-competitive agreements, illegal employment, disclosure of business or trade secrets or other unlawful behaviour. We do not tolerate such behaviour either explicitly or tacitly.

We also expect our partners, such as public and private clients, contractors, subcontractors and suppliers, to adhere to the same level of values. We promote this by drafting appropriate contracts.

Our company values are also communicated externally by the responsible departments.



## **2.1 Statements on our core values**

- We respect international human rights.
- We do not tolerate child labour, forced labour or other involuntary labour in accordance with the conventions of the International Labour Organisation.
- We adhere to fair working conditions, working hours and payment of appropriate wages, measured in accordance with national and local legal standards and regulations.
- We respect the right to freedom of association and collective bargaining to safeguard and promote labour and economic conditions.
- We do not tolerate discrimination of any kind, bullying or harassment, be it due to derogatory remarks or behaviour, offensive jokes or pictures, insults or aggressive, intimidating behaviour within the LUDWIG FREYTAG Group as well as with the subcontractors commissioned by us.
- No one may be discriminated against on the basis of ethnic origin, gender, religion or belief, disability, age, sexuality, language, trade union activity or political opinion.
- With regard to sustainability, we act in an economically, socially and ecologically responsible manner. The aspects of economic, social and ecological responsibility are considered and evaluated in all activities.
- We strive to improve the quality of life in society through our general entrepreneurial activities, but also through the use of products such as the provision of construction services.
- We ensure that all applicable regulations on our financial responsibility, including the associated documentation, are complied with.
- In our activities, we take into account the sanctions lists provided by the countries and the EU on country and personal embargoes, export controls and economic and financial sanctions.

## **2.2 Statements on the protection of the environment**

- By acting sustainably, we contribute to the protection and preservation of natural resources.
- For us, but also for our contractual partners and suppliers, the ban on unlawful eviction and the ban on unlawful seizure of land, forests and bodies of water for any use whatsoever applies. People's livelihoods must not be jeopardised by development, which also includes respect for soil quality.
- Legal requirements and official regulations on environmental protection are implemented as standard. Non-statutory regulations are implemented on the company's own responsibility as part of its commitment to environmental protection.
- We fulfil all environmental obligations in accordance with the precautionary principle.
- We minimise the environmental impact of our activities through the economical use of resources (raw materials, energy, water) and continuous further development. We reduce environmental pollution - such as exhaust fumes, noise, waste and waste water - to an economically justifiable minimum. We pay particular attention to energy efficiency and reducing greenhouse gas emissions. We prioritise the reduction of material usage and the recycling of materials over disposal.
- We actively promote environmental awareness among our employees.
- We consider environmental impact before future investments and purchases; environmentally friendly options or the sensible use of alternative energy sources are favoured.



### **2.3 Statements on quality**

- We want to achieve a trusting co-operation with satisfied clients through high-quality, punctual and economically successful project execution.
- Our aim is to continuously improve our work processes.
- Through regular training, we give our employees the opportunity to adapt their knowledge to ongoing developments and requirements.
- We use modern, state-of-the-art working methods.
- We avoid damage to property.
- We strive to provide a legally compliant service at the highest level.
- We provide targeted information to improve co-operation between all parties involved.
- We promote a culture of error in which we do not look the other way, but look for improvement.

### **2.4 Statements on occupational health and safety**

- Our vision is: zero accidents - prevention of accidents at work and on the way to work and occupational illnesses.
- We contribute to maintaining the health of all employees and third parties.
- We avoid work-related health hazards.
- We strive to continuously improve our occupational health and safety standards and promote occupational health and safety as a profitable factor for the LUDWIG FREYTAG Group.
- We encourage the active involvement of our employees in recognising and eliminating unsafe situations and actions and in recognising the need for action.
- We provide suitable resources for the activities to be performed, taking into account the safest, most environmentally friendly and economical way of working.
- Safety is an integral part of our operational processes and an essential aspect of our employees' thinking and behaviour at work.
- Our managers speak to employees and subcontractors in a positive manner about undesirable misbehaviour.
- Our occupational health and safety officers and all employees can contact the company management directly at any time.
- When selecting our contractual partners, their behaviour and performance in the area of occupational health and safety is an important aspect.
- We do not tolerate the consumption of alcoholic beverages, drugs or intoxicants in the workplace. Persons under the influence of alcohol, drugs or intoxicants will be removed from the company premises or the construction site.
- To protect the health of all employees, smoking is prohibited in all areas. This also applies to e-cigarettes and vaporisers. Smoking is only permitted in designated areas.

## 2.5 Statements on our integrated management system

- We endeavour to continuously improve our integrated management system. Through extensive checks, inspections, internal and external audits and the submission of suggestions for improvement, our management systems are constantly updated in the sense of a "continuous improvement process" and thus made more effective.
- We strive to continuously improve procedures and processes in the areas of occupational safety, health, environmental compatibility and quality improvement. Through targeted cooperation between all those involved, e.g. through various committees, meetings or toolbox meetings, the above statements can be realised and sustainable improvements achieved in our LUDWIG FREYTAG Group. Managers in particular also have a positive impact on the achievement of our goals. It is important to set an example to all employees by demonstrating the importance of our corporate goals.
- The specialist departments for occupational health and safety, environmental protection and quality management are actively supported by the company management.

## 2.6 Statements on ethics and integrity

- It is forbidden within the LUDWIG FREYTAG Group to give or accept dubious gifts or other favours to clients and contractors that could be regarded as unfair business influence. This applies to business contacts with both private and public clients. No behaviour will be tolerated that could call our integrity into question or damage our reputation.
- We ensure compliance with all relevant competition law requirements. Agreements and arrangements that influence prices, conditions, strategies or customer relationships, particularly in connection with participation in tenders, are prohibited at our company. The same applies to the exchange of competitively sensitive information and other behaviour that could restrict or limit competition in an unlawful manner.
- We are committed to complying with all tax regulations, not concealing important information, not illegally avoiding the payment of taxes or obtaining unauthorised tax advantages. All employees work cooperatively with the tax authorities to provide the tax information required by law.
- We do not actively or passively participate in money laundering. All employees are required to be vigilant if there are any doubts about the integrity of natural or legal persons with whom a contract is to be concluded.
- Our employees, as well as the employees of our contractual partners, are required to respect the property of others, the business assets of our group of companies, our customers and partners.
- All employees are responsible for the proper and exclusively business-related use of company assets, be it buildings, equipment, computers, materials, information, etc. The protection of our company's tangible and intangible resources is a high priority for all employees. Tangible resources include all items, vehicles, machinery/equipment, tools, IT systems and documents. Our company's intangible resources are our expertise, business secrets and other important information that must be protected for our group of companies.
- In the LUDWIG FREYTAG Group, we treat information from our business partners confidentially. We expect the same behaviour from our business partners.
- Our employees are prohibited from engaging in sideline activities at and investments in third-party companies. Exceptions must be expressly authorised in writing by the management.
- Donations are made by us on a voluntary basis and without expectation of any economic consideration. We do not use sponsorship from individuals, groups or organisations to gain unlawful business advantages.



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- We respect and honour the intellectual and material property of our group of companies and that of our contractual partners.
- We treat knowledge and information about clients, contractors and other business partners that we obtain in the course of our business activities as confidential.
- Fairness is our top priority when drafting contracts, negotiating prices and invoicing. Our behaviour towards contractual partners in bidding and joint ventures and towards our subcontractors is also characterised by great fairness.

## **2.7 Complaints system and whistleblower protection system**

We have introduced a complaints system and a whistleblower protection system so that employees and other stakeholders can report possible violations of laws and company values while maintaining confidentiality and effective protection against discrimination. Our suppliers and subcontractors also undertake to set up a similar complaints system.

We have commissioned a service provider to operate our reporting centre. You can report violations in confidence by post to the following office:

**Persönlich/vertraulich**  
**einfach.effizient. Treuhand Unternehmensberatung GmbH & Co KG**  
**Meldestelle der Unternehmensgruppe Ludwig Freytag**  
**Langenweg 55**  
**26125 Oldenburg**

Our internal reporting centre can also be contacted by email ([hinweise.lf-gruppe@treuhand.de](mailto:hinweise.lf-gruppe@treuhand.de)) or by telephone (+49 (0) 441 9710-500). Personal meetings to discuss the matter are also possible by prior arrangement.



### **3 Avoidance of corruption**

The aim of our company values is also to prevent corruption in the course of our business activities and to consistently pursue individual cases of corruption that arise. The company values also serve to sensitise all employees.

**Corruption is not a trivial offence, but violates the fundamental values of the LUDWIG FREYTAG Group and leads to criminal liability.**

It should be noted that corruption begins with small favours or courtesies, as the transition to corruption under criminal law is fluid.

The aspects mentioned refer to all employees of the LUDWIG FREYTAG Group as well as to our clients and to the partners and subcontractors commissioned by us.

#### **3.1 Separation from the private sphere**

Business and private contacts must be strictly separated, as it is known to be particularly difficult to refuse or accept a "favour" when good private contacts exist.

In the case of private contacts with persons with whom business relationships also exist or may exist in the future, as well as their relatives, it must therefore be made clear from the outset that a strict distinction must be made between business and private life in order to avoid any suspicion of accepting or granting an advantage.

If existing or potential conflicts with an official activity are recognised during private contacts, these must be reported immediately in writing to the immediate superior and must be avoided.

#### **3.2 Identification of work areas at risk of corruption**

All positions at risk of corruption within the LUDWIG FREYTAG Group have been identified. Any work area or position in which information is available or decisions are made that could represent a significant material or immaterial advantage or disadvantage for third parties outside the immediate LUDWIG FREYTAG Group is to be considered at risk of corruption.

#### **3.3 Multi-eyes principle**

In work areas or positions where there is a risk of corruption, decisions must be made on the basis of a four-eye or two-signature system.

#### **3.4 Central function prevention of corruption**

The central point of contact for all tasks relating to the prevention of corruption in the entire LUDWIG FREYTAG Group, including all its companies and shareholdings, is

**Lawyer Stephan Schade**  
**Tel.: +49 (0) 30 54703040**  
**email: [schade@juskonzept.de](mailto:schade@juskonzept.de)**



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### **3.5 Procedure in the event of suspected corruption**

Our employees are obliged to report concrete suspicions of corruption immediately and in writing to the central contact point for all tasks relating to the prevention of corruption. From here, the management of the LUDWIG FREYTAG Group is informed immediately.

After consultation with the management of the LUDWIG FREYTAG Group, the central contact point must then immediately investigate the suspected corruption. The result of the investigation shall be documented in writing and kept on file at the central contact point.

The investigation itself and the results, including the documentation, must initially be kept strictly confidential and internal to the company.

However, strict care must be taken to ensure that any subsequent investigations by the law enforcement authorities are not jeopardised, and in particular that those involved in the crime are not warned.

The information of public bodies, in particular criminal investigation authorities, about the investigation of concrete suspicions of corruption or the result of this investigation shall only take place after consultation with and written approval by the management of the LUDWIG FREYTAG Group.

This does not affect the right of any person to file criminal charges themselves. However, the prohibitions on the disclosure of business and trade secrets by employees, which are protected by the German Criminal Code, must be observed.

### **3.6 Procedure in the event of detected corruption**

If corruption is detected, this is consistently reported immediately to all those responsible for penalising such measures, in particular the criminal prosecution authorities.

Furthermore, disciplinary measures within the company, in particular under labour contract law, including dismissal, are immediately reviewed, consistently pursued and enforced.

If damage has occurred, claims for damages are seriously examined and consistently enforced, taking into account the provisions of labour contract law.



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## **4 Monitoring the implementation of company values**

The LUDWIG FREYTAG Group reserves the right to audit the implementation of the company values as well as legally required audits both internally and at the premises of contractual partners and to document the results. The LUDWIG FREYTAG Group also encourages its contractual partners to audit their business partners and subcontractors with regard to the implementation of the company values.

The implementation of and compliance with the values are ensured by internal company information, training, instructions, internal and external audits and the central responsibilities within the LUDWIG FREYTAG Group.

Oldenburg, 2024-01-24

**Management of the LUDWIG FREYTAG Group**