

CORPORATE POLICY

Introduction

HERMETIC is a family-owned company run by partners with a commitment to maintaining the identity of HERMETIC as a family-owned business.

The company has been established for the "manufacture and sale of pumps and systems as well as the manufacture of hydraulic and pneumatic components and systems. The company is entitled to acquire and establish identical or similar businesses and to acquire interests therein, represent these, set up branch offices as well as pursue all business transactions, as appropriate, to enhance and promote the business undertakings of the company. The company is permitted to perform services of any kind."

The partnership agreement is the foundation for the vision, mission, core values and guiding principles of HERMETIC-Pumpen GmbH that form the basis for any action or conduct. The corporate policy, the organisation, the strategy and the self-image of the company are based on them.

HERMETIC stands for **reliability** and **continuity**, for **predictability** and business operations and management guided by **prudence**, and for **decision-making** and **conduct** that is **responsible** and **sustainable**.

Its commitment to social responsibility is part of HERMETIC's self-image.

For HERMETIC it is essential that its corporate strategy remains focused on **customer satisfaction** and that the great **appreciation** of customers for **HERMETIC products** is ensured.

Therefore, HERMETIC resolutely pursues the quality standard of being **number 1 in its field**. We offer **high-quality products**.

Innovation and **research and development**, therefore, play an important role at HERMETIC. The **qualification** of employees **through continuous training** is also essential for the company. And we need to seek new **challenges** and build consumer value through **innovation**.

The achievement of profitable growth is the long-term strategic objective for HERMETIC. It is therefore important to broaden sales and expand particularly sectors and markets in addition to introducing innovative new products. HERMETIC seeks to implement lean production systems that aim to cut fixed costs while enabling the flexible adjustment of capacities.

Essential aspects of the corporate strategy are **sustainability**, **continuity** and the **minimisation of risks**.

Sustainability means

- to maintain the viability of the company for generations to come;
- that we are not geared towards making quick profits, but rather towards long-term, solid earnings that ensure the continued existence of the company for future generations
- to think and act with the big picture in mind;
- to remain grounded and act and make decisions based on facts and prior information;
- we take the time to focus on important issues and then prioritise them;
- that we cannot spend more than we have;
- that we make investment decisions based on solid information
- that we conserve resources;
- that we cultivate a forward-thinking culture to have a head start concerning developments of technical relevance, for example.

- that we preserve the knowledge of the organisation by structuring, documenting and protecting it and conveying this knowledge to our employees.

Sustainability is of particular importance as the company is committed to environmental protection not only through its hermetically sealed pumps but also by using resource-saving equipment.

HERMETIC's commitment to social responsibility is demonstrated in various areas:

- HERMETIC accepts the responsibility for creating and protecting jobs by acting in the interest of the company and ensuring its viability.
- The health of our employees and safety at work is our top priority. Occupational health and safety is, therefore, part of our corporate policy.
- Interesting and challenging tasks provide our employees with opportunities for creative thinking and autonomous work. This staff orientation makes us a responsible and attractive employer.
- With the high quality and the operational safety and reliability of our products, we are also encouraging others to commit to social responsibility.
- We monitor the environmental aspects at our operating sites to keep the impact on the neighbourhood, community or other partners as low as possible.
- Sustainable business management helps to preserve our natural resources. The protection of the environment and the conservation of resources are an essential part of our corporate policy. With the development of environmentally friendly technologies, products and services and their application in pump manufacturing, HERMETIC contributes significantly to environmental protection. Our focus is on reducing adverse environmental impacts and lowering the consumption of energy and natural resources.
- As a family business, we see ourselves as part of the community and make a positive contribution. In assuming our social responsibility, we focus particularly on promoting children, young people, education and sport. It is important to us that promotional activities directly benefit the local community.

Vision

- ➡ HERMETIC – a step ahead

Mission

- ➡ HERMETIC produces hermetically sealed pumps and solutions for pumping critical media.
- ➡ HERMETIC products feature the highest standard of quality and ensure a high degree of operational safety and reliability.
- ➡ HERMETIC aims to ensure fast response times and straightforward processing and this includes customer services.

Values

- **Customer focus** The service provided to the customer is of vital importance to HERMETIC. Together with the customer, HERMETIC develops customised solutions, thus enhancing customer benefits. Apart from customised solutions, HERMETIC also offers standard high-quality solutions.

- **Staff orientation** HERMETIC is an attractive and responsible employer. HERMETIC attaches great importance to employees' qualifications and supports them. HERMETIC promotes the "We are one" spirit throughout the company through open communication.
- **Environment** Protecting the environment and preserving its resources are an essential part of our corporate policy.
- **Company** HERMETIC is a family-owned company. We are part of the community and make a positive contribution. The partners are committed to social responsibility and act accordingly.

Corporate guidelines

- **Customers** We work for and with our customers. Satisfied customers guarantee long-term success and ensure the viability of HERMETIC.
- **Strategy** We only engage in businesses that we have mastered and are in our interests. We want to achieve sustainable growth in the international markets and gain market share.
- **Environment** With the development of environmentally friendly technologies and their application in pump manufacturing, HERMETIC contributes significantly to environmental protection.
- **Location** We are committed to our headquarters location in Gundelfingen, but we also take on global opportunities.
- **Compliance** Ensuring compliance with the law and regulations is a core principle of responsible action to us, even if this entails adverse economic effects.
- **Quality** We want the highest quality for our products, processes and employees. Through prevention and consistent separation of waste, we are striving for systematic improvement and optimisation.
- **Occupational health and safety** The physical and mental health of our employees and others and safety at the workplace have the highest priority.
- **Profit** Achieved profits help to secure the future.
- **Creativity** To create a climate that leads to innovation and progress
- **Energy** The sparing use of resources protects the environment and reduces costs
- **Risk management** We identify and evaluate risks to minimise negative effects

Corporate Policy



Quality policy

Customer satisfaction and the financial success of the organisation on a partnership basis are the essential core of the quality policy.

HERMETIC pursues the quality standard of being the number one in its market segment by offering high-quality products and services.

Upper-level management is responsible for pursuing a suitable quality policy to continually improve the QM system. Our quality policy is openly communicated.

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Environmental policy

Protecting the environment and preserving its resources are an essential part of our corporate policy. With the development of environmentally friendly technologies, products and services and their application in pump manufacturing, HERMETIC contributes significantly to environmental protection. Our focus is on reducing adverse environmental impacts and lowering the consumption of energy and natural resources. Sustainable business management helps to preserve our natural resources.

This corresponds to the following environmental protection guidelines:

- Over and above the requirements of the environmental protection laws and regulations, we are constantly working to reduce negative environmental impact and the consumption of energy and resources.
- Compliance with high environmental standards and the economical use of natural resources are obligations for all managers and employees in our company. Developing and promoting a sense of responsibility for the environment at all levels is an ongoing management task.
- Through compliance with laws and regulations, we make a valuable contribution to sustainable business management and the preservation of our natural resources. We ensure that our environmental policy is effectively implemented. The necessary technical and organisational procedures required for this purpose are regularly reviewed and continuously improved.
- The best possible, waste-free use of resources and the prevention and consistent separation of waste are systematically improved and optimised.
- When developing our products, environmentally friendly design, technical safety and health protection are fixed targets. By using the best available technology and optimising our production processes, we reduce polluting emissions.
- We support our customers in the use of our products in an environmentally compatible way.
- We achieve maximum integration and acceptance through qualification, information, and involvement of all staff in the interest of environmental management.

Occupational health and safety policy

Employees' health and workplace safety are our highest priority. For this reason, occupational health and safety is part of our corporate policy and is incorporated in all relevant company processes that are subject to ongoing improvement to ensure the protection of employees against foreseeable hazards.

The physical and mental health of our employees and others and safety at the workplace are of vital importance to us.

Occupational health and safety are responsibilities we share:

- Upper-level management and executive staff understand occupational health and safety to be a "natural" management task and they are committed to providing a healthy and safe work environment for all employees.
- Executive staff ensure that employees receive adequate instructions regarding the occupational health and safety policy. Furthermore, they make sure that employees understand, follow and implement the policy within the scope of their work environment.
- This means that management and employees alike are equally responsible for the implementation of measures relevant to occupational health and safety.

We believe in open dialogue to develop a mutual understanding. To assure that our occupational health and safety policy remains current, we are committed to ensuring compliance with all statutory provisions and regulatory requirements as well as directives and standards relevant to occupational health and safety. We engage in an ongoing exchange of ideas and suggestions with external specialists in this field.

We act according to the following occupational health and safety guidelines:

- We want to avoid any accident
- We review every procedure so that it can be carried out safely
- We are all role models and take an active role in safety
- The focus is on ergonomics at the workplace to offer employees an optimal working environment
- Health protection and compliance with hygiene rules are also elementary parts of occupational safety

- We treat external personnel and service providers as we do our staff
- We address mistakes to help correct them and prevent future mistakes. Avoiding mistakes is the reason for ongoing improvement
- Our highest priority is the protection of our employees from hazards and the minimisation of risks
- We offer additional qualification options to our employees
- We check that corrective and preventive measures have been implemented

Gundelfingen, 14 March 2022



HERMETIC-Pumpen GmbH
Executive Board
Nicolaus Krämer, CEO, COO