

## **Rolls-Royce Deutschland Corporate Policy**

The Corporate Policy of Rolls-Royce Deutschland Ltd & Co KG is demonstrated in an integrated management system which includes the quality management policy as well as the health-, safety- and environmental policy.

The members of the managerial staff assume special responsibility. Their personal example will contribute to the implementation of the company's policy into a corporate culture and to develop it further.

The company's policy shall be made known to all employees and be available to the public.

### **Quality Management Policy**

It is Rolls-Royce policy to establish and work to processes which ensure that we understand our customers' needs and that we design, produce, deliver and support our products and services to satisfy those needs better than our best competitor. Measured levels of customer satisfaction demonstrate our progress towards this goal.

Rolls-Royce processes are defined in the Rolls-Royce Quality Management System, which is designed to satisfy all customer, regulatory and legal requirements. Rolls-Royce businesses are expected to operate to the system and to hold the certification to EN/AS 9100 and other standards appropriate to their business.

Rolls-Royce businesses are expected to carry out self-assessments against the internationally recognised criteria of the EFQM excellence model as the basis for planning improvement. The Company is a member of the EFQM and supports active participation in its activities.

(EFQM: European Foundation of Quality Management)

Continuous improvement is essential to establish and maintain world-class performance on quality, delivery and cost. Everyone is responsible for improving their work and for sharing those improvements with others whose work can benefit from them.

### **Quality Targets**

Targets for continuous improvement are:

- Halve the rate of customer incidents every 3 years.
- Halve the cost of non-conformance from all business processes every 3 years.
- Ten times reduction in delivered defects every 2 years, measured as parts per million (PPM) or defects per unit (DPU) as appropriate.
- Set benchmark lead times and achieve them including appropriate intermediate milestones within 3 years.

We will satisfy our customers and become their first choice through teamwork. This is not limited to one project, business or function. Teamwork means everyone acting together in the best interests of the customer and the Company.

## **Health, Safety and Environment (HS&E) Policy Statement**

The Rolls-Royce Group will make proper provision for the health, safety and welfare of its people, visitors and contractors and those in the community who may be affected by its activities. It will care for the environment through a commitment to good environmental practices. Continual improvement will be achieved by implementing the Group's HS&E Management System and related standards, which will include the setting of objectives and targets. As a minimum, the standards will meet relevant legal, industry and other requirements.

The Group aims to reduce the health, safety and environmental impacts of its products and processes and prevents pollution by utilising a structured risk management approach, taking into account the needs of its customers and society at large. All new activities will be assessed for environmental impact and appropriate health and safety provision.

The Presidents / Managing Directors are responsible for enacting this policy and giving HS&E equal priority with all other business issues. Implementation will be through line management who will involve employees in the achievement of the Groups objectives. They will be advised by an adequate number of competent occupational health, safety and environmental professionals.

It is recognised that accidents, ill health and environmental incidents may result from failings in management control and are not necessarily the fault of an individual employee. All employees, however, are expected to accept their responsibility to work safely, adhering to safety rules and work procedures, using safety equipment provided, and generally to contribute to the maintenance of safe and healthy conditions. They also have a duty to be environmentally responsible.

The Group is committed to effective communication and consultation on health, safety and environmental matters with all relevant parties and will report internally and publicly on its HS&E performance on a regular basis. It will provide appropriate health, safety and environment trainings to employees to enable them to meet the required standards of performance.

Whilst we are each responsible for health, safety and the environment, we do much better when we work as a team. Protecting the environment and promoting the welfare of both our people and the community matters to us all.

### **HS&E Targets**

Rolls-Royce Deutschland businesses are expected to operate to the system and to hold certification to EN ISO 14001.

Health, safety and environmental aspects are taken into account in the annual target agreement process of Rolls-Royce Deutschland.

More details are described in the HS&E Manual.

### **Risk management**

The targets of risk management are:

- To identify potential risks
- To assess the probability and the impact
- To plan and to implement actions to mitigate the probability and the impact
- To prepare contingency plans to mitigate the impact of a calculable event to an acceptable level
- To provide a documentation to communicate the risk situation to all persons involved