

# Supplier Code of Conduct of the ElringKlinger Group



## I. INTRODUCTION

As a global company, the ElringKlinger Group assumes responsibility for the protection of human rights and compliance with environmental standards throughout its supply chain. We believe that having a trusting cooperation with our suppliers, who also commit themselves to economically, ecologically and socially responsible behaviour, is paramount.

We are committed to ensuring that our suppliers act in accordance with the law, respect human rights, guarantee fair working conditions, take environmental concerns into account and fight corruption. Our expectations of our suppliers' conduct are set out in the following requirements and principles, which are based on internationally recognised standards such as the Ten Principles of the United Nations (UN) Global Compact, the International Bill of Human Rights, the Declaration on Fundamental Principles and Rights at Work of the International Labour Organisation (ILO), the UN Guiding Principles on Business and Human Rights and the Guidelines for Multinational Enterprises of the Organisation for Economic Co-operation and Development (OECD).

This Code of Conduct is binding for all suppliers of the ElringKlinger Group and is therefore an indispensable part of our contractual relationships. Each supplier is obliged to ensure that the contents of this Code of Conduct are integrated in its own contracts and that its suppliers and subcontractors also have corresponding obligations imposed on them.

## II. ENVIRONMENT

### ENVIRONMENTAL MANAGEMENT SYSTEM

The Supplier undertakes to comply with the applicable environmental regulations and to continuously improve its environmental performance by implementing an environmental management system that incorporates the relevant requirements of ISO 14001, the Eco-Management and Audit Scheme (EMAS), the global Responsible Care Initiative of the chemical industry or an equivalent industry-specific standard.

### ENVIRONMENTAL QUALITY

The Supplier commits to taking measures to minimise harmful soil contamination, water and air pollution or harmful noise emissions in its business processes. The Supplier must ensure that its operations are carried out in accordance with the applicable regulations for air, water and soil protection and the requirements of the local authorities. It shall also ensure that the machines and equipment used comply with latest environmental standards and that emissions of pollutants and waste water are kept as low as possible.

### DECARBONISATION

The Supplier is obliged to design its business processes in line with the goals of decarbonisation. This includes analysing and evaluating its own CO<sub>2</sub> footprint in line with our CO<sub>2</sub> guideline for suppliers of the ElringKlinger Group, as well as implementing measures to reduce greenhouse gas emissions throughout the supply chain. The Supplier should focus on renewable energies and energy-efficient technologies and pay attention to their sustainability when selecting materials and raw materials.

### RESOURCE CONSERVATION

The Supplier commits to conserving resources by taking measures to minimise the use of water, energy and raw materials in its business processes and by engaging in initiatives to promote the circular economy. We require our suppliers to continuously improve their energy performance, energy efficiency and energy savings and to implement an adequate energy management system according to ISO 50001 or an industry-specific standard.

## PROTECTING THE BIODIVERSITY

The Supplier is obliged to protect natural ecosystems and to ensure that it does not cause any changes, deforestation or damage to natural forests and other ecosystems. The Supplier shall in particular comply with the applicable national and international environmental and nature conservation laws and all other relevant provisions. Furthermore, we expect our suppliers to commit to certified, sustainable agriculture and forestry in the context of their land and forest use.

## WASTE DISPOSAL

The Supplier undertakes to ensure that all hazardous materials used and waste are labelled, safely handled, transported, stored, reused, recycled or disposed of in accordance with applicable laws and regulations. At our request, the Supplier is obliged to provide information on the use of substances in production and operation which are subject to legal regulations and restrictions. In addition, the Supplier must provide written procedural descriptions regarding the handling of these substances.

## HAZARDOUS MATERIALS

The Supplier is obliged to label hazardous materials, chemicals and substances in accordance with the relevant legal provisions and to ensure that they are properly handled, transported, stored, reused, recycled or disposed of. In particular, the principles of the Minamata Convention on Mercury, the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, and the Stockholm Convention on Persistent Organic Pollutants must be observed.

## III. SOCIAL STANDARDS

### PROHIBITION OF CHILD LABOUR

The Supplier undertakes to comply with the prohibition of child labour. In particular, it undertakes to comply with ILO Conventions No. 138 on the Minimum Age for Employment and No. 182 on the Elimination of the Worst Forms of Child Labour. The Supplier shall ensure that child labour is not practised in its operations and that it does not have any business relationships with persons or organisations that commit child labour.

### PROHIBITION OF FORCED LABOUR

The Supplier undertakes to prevent any form of forced or involuntary labour, including slavery, bonded labour, human trafficking and forced or compulsory labour, in accordance with international labour standards and laws. The Supplier shall ensure that it does not use labour from unlawful sources or forced labour camps.

### OCCUPATIONAL HEALTH AND SAFETY

The Supplier undertakes to provide a safe and healthy working environment for its employees and to comply with all applicable laws, regulations and industry standards relating to occupational health and safety. The Supplier guarantees that workplaces are designed in such a way that potential hazards are excluded and risks are minimised. The Supplier undertakes to provide regular training, information and education to promote awareness and competence in safe working practices. We require our suppliers to work continuously to improve their occupational health and safety performance and, where appropriate, to implement an occupational health and safety management system in accordance with ISO 45001 or an industry-specific standard.

### FREEDOM OF ASSOCIATION

The Supplier undertakes to respect and support the right of its employees to freedom of association and the right to collective bargaining. Employees have the right to join, form or affiliate with a trade union without the threat of discrimination or retaliation by the Supplier.

### EQUAL TREATMENT

The Supplier undertakes to ensure equal opportunities and fair conduct and to refrain from any discrimination based on personal characteristics such as ethnic origin, skin colour, age, gender, sexual orientation, disability, religion, nationality, trade union membership or political orientation. The Supplier shall ensure that all employees are treated equally and, in particular, receive equal pay for work of equal value.

### FAIR WORKING CONDITIONS

The Supplier undertakes to ensure fair working conditions in accordance with national and international labour and social standards such as the ILO standards. This concerns in particular the payment of adequate remuneration as well as compliance with all applicable legal labour regulations, e.g. with regard to working hours, remuneration, and social benefits.

## **PROTECTION OF LAND RIGHTS AND INDIGENOUS PEOPLES' RIGHTS**

The Supplier shall respect all applicable local, national, international and traditional land, water and resource rights and ensure that in the conduct of its business it protects, supports and respects the rights of indigenous peoples and local communities in accordance with the United Nations Declaration on the Rights of Indigenous Peoples.

## **CONTRACTING PRIVATE OR PUBLIC SECURITY FORCES**

The Supplier undertakes to ensure that, when private or public security forces are commissioned and used for the protection of the company, the prohibition of torture and cruel, inhuman or degrading treatment is strictly observed, that life and limb are not injured and that freedom of association is not impaired, for example due to a lack of instruction or scrutiny on the part of the company in deploying security forces.

## **IV. LAWFULNESS AND BUSINESS ETHICS**

### **CONFLICT MINERALS**

The Supplier undertakes to exercise the utmost care in the procurement of raw materials and minerals and to ensure that they do not originate from illegal sources or conflict areas. This applies in particular to the raw materials tantalum, tin, tungsten and gold, which are partly used to finance conflicts in the Congolese region and neighbouring countries. For this reason, we expect our suppliers to refrain from using raw materials from this region and to inform us immediately if conflict minerals are used.

### **CORRUPTION**

The Supplier undertakes to refrain from any actions that could be considered corruption or bribery. The Supplier will not pay or offer improper payments, gifts or other benefits to its business partners in order to gain an unfair advantage or to secure business.

### **MONEY LAUNDERING**

The Supplier undertakes to comply with all applicable laws and regulations relating to money laundering and terrorist financing. The Supplier will ensure that all transactions and business relationships are transparent and accountable.

## **CONFLICTS OF INTEREST**

The Supplier undertakes to maintain its professional integrity in all decisions and actions in connection with business relationships and to avoid any conflicts of interest or even any semblance of it. Should the Supplier become aware of a potential conflict of interest, it is obliged to take internal measures immediately to eliminate this conflict and to inform us about it.

## **TAX, CUSTOMS AND EXPORT CONTROL REGULATIONS**

The Supplier undertakes to comply with all applicable tax, customs and export control laws and regulations. The Supplier shall ensure that all exports and imports comply with the applicable regulations and meet the requirements of the competent authorities.

## **FREE COMPETITION**

The Supplier undertakes to comply with all the applicable laws and regulations relating to free competition and to not engage in any anti-trust or anti-competitive practices. In particular, the Supplier shall ensure that price fixing, market division or customer allocation and other anti-competitive agreements are prohibited.

## **DATA PRIVACY AND INFORMATION SECURITY**

The Supplier undertakes to comply with all the applicable data privacy and data security laws and regulations and to ensure that personal data is processed only for the purposes for which it was collected. The Supplier shall take appropriate technical and organisational measures to ensure the security of the personal data and to protect the confidentiality, integrity and availability of the data.

## **PROTECTION OF INTELLECTUAL PROPERTY**

The Supplier undertakes not to use or offer any plagiarized, counterfeit or copied products in the manufacture and supply of goods and services. The Supplier must ensure that all products and services it supplies are free from infringement and intellectual property of third parties.

## V. REPORTING CHANNELS FOR REPORTS OR COMPLAINTS

The Supplier undertakes to inform its employees and subcontractors about the existence and functioning of our reporting channels, in particular our whistleblowing system SHARE WITH US: <https://sharewithus.elringklinger.com/en>, and to request them to report legal violations, in particular human rights and environmental risks or violations, via the system. The report will be dealt with in an appropriate internal complaints procedure.

## VI. IMPLEMENTATION AND COOPERATION

### COOPERATION

We are committed to identifying human rights and environmental risks not only in our own business, but also vis-à-vis our direct suppliers. The Supplier is also obliged to cooperate in this respect and will provide all necessary information at our request, to the extent legally permissible.

### TRAINING

The Supplier undertakes to ensure that its employees as well as the employees of its suppliers are informed about human rights and environmental requirements and have received the necessary education and training to ensure the implementation of the provisions of this Code of Conduct. In addition, the Supplier undertakes to participate in training and further education on the principles of this Code of Conduct, insofar as this is offered by us or a third party commissioned by us.

### AUDIT

The Supplier agrees that we or third parties commissioned by us as well as our customers or third parties commissioned by our customers may carry out audits on compliance with the obligations arising from this Code of Conduct and may request to review the documents of the Supplier and even its suppliers for this purpose. We reserve the right to make copies if necessary. Reviewing documents is limited to documents that are related to the fulfilment of this Code of Conduct and this shall be done in compliance with the legal data protection regulations and in compliance with company and business secrecy. The audit will take place during normal business hours and with prior notice.

### REMEDIAL MEASURES AND LEGAL CONSEQUENCES

In the event of a suspected violation of human rights and environmental regulations or of the provisions of this Code of Conduct, the Supplier undertakes to immediately initiate appropriate remedial measures to prevent, end or minimise the violation, irrespective of whether the violation has occurred or is impending at the Supplier itself or in its supply chain. In doing so, the Supplier is obliged to check the effectiveness of the remedial measures taken and to inform us immediately about the violations and the remedial measures taken. If the remedial measures are obviously unsuitable to avert, end or minimise the violation or risk, or if the remedial measures are not put in place without undue delay or the implementation of the measures fails, we are entitled to suspend the business relationship until the Supplier has ended the violation. In the event of good cause, we reserve the right to terminate the contractual relationship without notice. Good cause shall be deemed to exist in particular if the Supplier (a) commits a serious culpable breach of the provisions of this Code of Conduct or (b) repeatedly culpably breaches these obligations or (c) culpably fails to remedy a breach within a set period of time or (d) culpably refuses to undergo auditing in accordance with the above provisions.

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