

Supplier Code of Conduct

The masculine form is used to improve the legibility of personal designations and personal words. It applies to all genders.

As an internationally operating company, Erichsen GmbH & Co KG (hereinafter referred to as Erichsen) bears corporate responsibility towards society and the environment. This corporate responsibility includes ensuring that Erichsen complies with applicable laws at all times and everywhere, respects fundamental ethical values and acts sustainably. Erichsen's public image is characterised by the appearance, actions and behaviour of its employees, suppliers and business partners.

Erichsen communicates its expectations of suppliers with the Supplier Code of Conduct (SCoC). As an external obligation, the Supplier Code of Conduct forms the interface between the company's own sustainability values and goals and the desired behaviour of its suppliers. This code of conduct usually addresses direct suppliers. However, the company can require direct suppliers to endeavour to commit their sub-suppliers to this Code of Conduct and to report on the implementation of the requirements by sub-suppliers.



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1. Introduction

Erichsen is committed to ecologically and socially responsible corporate management and expects the same behaviour from all its suppliers. We also expect our employees to observe the principles of ecological, social and ethical behaviour and to integrate them into our corporate culture. We also strive to continuously optimise our business activities as well as our products and services in terms of sustainability and ask our suppliers to contribute to this in the sense of a holistic approach.

For future co-operation, the contractual partners agree to the validity of the following regulations for a joint code of conduct. This agreement shall form the basis for all future deliveries. The contracting parties undertake to fulfil the principles and requirements of the Code of Conduct and to endeavour to contractually oblige their subcontractors to comply with the standards and regulations set out in this document. This agreement comes into force upon signing. A breach of this Code of Conduct may ultimately be cause and reason for Erichsen to terminate the business relationship, including all associated supply contracts.

The Code of Conduct is based on national laws and regulations such as the The Act on Corporate Due Diligence Obligations in Supply Chains (Lieferkettensorgfaltspflichtengesetz, LkSG) and international conventions such as the United Nations Universal Declaration of Human Rights, the Guidelines on the Rights of the Child and Business Conduct, the United Nations Guiding Principles on Business and Human Rights, the international labour standards of the International Labour Organization and the United Nations Global Compact.

2. Requirements for suppliers

2.1. Social responsibility

2.1.1. Exclusion from forced labour

No forced labour, slave labour or comparable work may be used. All labour must be voluntary and without threat of punishment. Employees must be given the opportunity to terminate their work or employment relationship independently at any time. In addition, unacceptable behaviour towards employees, such as psychological hardship, sexual and personal harassment and humiliation, is strictly prohibited. Security forces must not be commissioned or used if they treat people in an inhumane or degrading manner or injure them, or if their freedom of association is impaired.

2.1.2. Ban on child labour

Child labour must not be used at any stage of production. Suppliers are requested to comply with the recommendation of the ILO conventions on the minimum age for the employment of children. Accordingly, the age should not be less than the age at which compulsory education ends according to the law of the place of employment and in any case not less than 15 years. If children are found to be working, the supplier is obliged to document the necessary measures to remedy the situation and give the children access to education. The rights of young workers must be protected. Persons under the age of 18 may not be employed for activities that are harmful to the health, safety or morals of children. Special protective regulations must be observed.

2.1.3. Fair remuneration

The remuneration for regular working hours and for overtime must at least correspond to the national statutory minimum wage or the minimum standards customary in the industry, whichever is higher. The remuneration for overtime must always exceed the remuneration for regular hours. If the remuneration is not sufficient to cover the costs of normal living expenses and to build up a minimum level of reserves, the supplier is obliged to increase the remuneration appropriately. All employees must be granted the legally required benefits. Wage deductions as punitive measures are not permitted. The supplier must ensure that employees receive clear, detailed and regular written information on the composition of their remuneration.

2.1.4. Fair working hours

Working hours must comply with the applicable laws or industry standards. Overtime is only permitted if it is voluntary and does not exceed the limit of 12 hours per week. It must also be ensured that employees are granted at least one day off after six consecutive working days. The weekly working time may not regularly exceed 48 hours.

2.1.5. Freedom of association

The right of employees to form and join organisations of their choice, to engage in collective bargaining and to strike must be respected. In cases where freedom of association and the right to collective bargaining are restricted by law, alternative possibilities for independent and free association of employees must be created to enable collective bargaining. Employee representatives must be protected from discrimination. Employees must not be discriminated against on the basis of their

founding, joining or membership of such an organisation. Employee representatives must be granted free access to the workplaces of their colleagues to ensure that they can exercise their rights in a lawful and peaceful manner.

2.1.6. Prohibition of discrimination

Discrimination and unequal treatment of employees in any form is not permitted unless it is justified by the requirements of employment. This applies, for example, to discrimination based on gender, race, caste, ethnic or social origin, skin colour, disability, state of health, political conviction, origin, ideology, religion, age, pregnancy or sexual orientation. The personal dignity, privacy and personal rights of each individual are respected.

2.1.7. Health and safety in the workplace

The supplier is responsible for a safe and healthy working environment. By implementing and applying suitable occupational safety systems, the necessary precautionary measures are taken against accidents and damage to health that may arise in connection with the work. Suitable measures are taken to avoid excessive physical or mental fatigue. In addition, employees are regularly informed and trained on applicable health and safety standards and measures. Employees are guaranteed access to drinking water in sufficient quantities and access to clean sanitary facilities.

2.1.8. Preserving the natural foundations of life

The supplier may not, in violation of legitimate rights, withdraw land, forests or waters whose use secures the livelihood of people. Harmful soil changes, water and air pollution, noise emissions and excessive water consumption must be avoided if this harms the health of people, significantly impairs the natural basis for food production or restricts people's access to safe drinking water or sanitary facilities.

2.1.9. Complaints mechanisms

The supplier is obliged to pass on the information received from Erichsen regarding availability, responsibilities and the implementation of a complaints procedure to its employees in an appropriate manner. The complaints procedure must be accessible to employees while maintaining confidentiality of identity and effective protection against discrimination. If no notice is given, the supplier itself is responsible for setting up an effective grievance mechanism at company level for individuals and communities that may be affected by adverse impacts.

2.1.10. Dealing with conflict minerals

For the conflict minerals tin, tungsten, tantalum and gold, as well as for other raw materials such as cobalt, Erichsen establishes processes that comply with the guidelines of the Organisation for Economic Cooperation and Development (OECD) to ensure due diligence to promote responsible supply chains for minerals from conflict-affected and high-risk areas. Erichsen expects the same from its suppliers. Smelters and refineries that have not implemented appropriate, audited due diligence processes should be avoided.

2.2. Ecological responsibility

2.2.1. Treatment and discharge of industrial wastewater

Wastewater from operations, manufacturing processes and sanitary facilities must be standardised, monitored, tested and, if necessary, treated prior to discharge or disposal. In addition, measures should be implemented to reduce the amount of wastewater produced.

2.2.2. Dealing with air emissions

General emissions from operations (air and noise emissions) and greenhouse gas emissions shall be standardised, routinely monitored, verified and treated as necessary prior to release. The supplier is also responsible for monitoring its emission control systems and is required to find cost-effective solutions to minimise any emissions.

2.2.3. Handling waste and hazardous substances

The supplier pursues a systematic approach to the collection, handling, reduction and responsible disposal or recycling of solid waste. The prohibitions on the export of hazardous waste in the Basel Convention of 22 March 1989, as amended, shall be observed. Chemicals or other materials that pose a risk when released into the environment must be identified and handled in such a way that safety is ensured during their handling, transport, storage, utilisation, recycling or reuse and disposal. Mercury shall be used in accordance with the prohibitions of the Minamata Convention of 10 October 2013 and persistent organic pollutants shall be treated in accordance with the Stockholm Convention of 23 May 2001, as amended.

2.2.4. Reduce consumption of raw materials and natural resources

The use and consumption of resources during production and the generation of waste of any kind, including water and energy, must be reduced or avoided. This can be done either directly at the point of origin or through procedures and measures, for example by adapting production and maintenance processes or operational procedures, by using alternative materials, by economising, by recycling or by reusing materials.

2.2.5. Dealing with energy consumption and efficiency

Energy consumption must be monitored and documented. Economic solutions must be found to improve energy efficiency and reduce energy consumption.

2.3. Ethical business behaviour

2.3.1. Fair competition

The standards of fair business, fair advertising and fair competition must be observed. In addition, the applicable antitrust laws must be applied, which in particular prohibit agreements and other activities that influence prices or conditions in competition. These regulations also prohibit agreements between customers and suppliers that are aimed at restricting the freedom of customers to determine their own prices and other conditions for resale.

2.3.2. Confidentiality and data protection

The supplier undertakes to fulfil the reasonable expectations of its client, suppliers, customers, consumers and employees with regard to the protection of private information. When collecting, storing, processing, transmitting and disclosing personal information, the applicable laws on data protection and information security as well as the corresponding official regulations must be observed.

2.3.3. Intellectual property

Intellectual property rights must be respected. The transfer of technology and expertise must be carried out in such a way that the intellectual property rights and information of customers are protected.

2.3.4. Integrity, bribery and taking advantage

All business activities shall be conducted under the highest standards of integrity. The supplier must implement a zero tolerance policy towards all forms of bribery, corruption, extortion and embezzlement. Procedures for monitoring and enforcing standards shall be implemented to ensure compliance with anti-corruption laws.

3. Realisation of the requirements

We expect our suppliers to identify risks in relation to their supply chains and to take appropriate measures. In the event of suspected violations and to safeguard supply chains with increased risks, the supplier will inform Erichsen promptly and, if necessary, on a regular basis about the violations and risks identified and the measures taken.

If a breach of the provisions of this Code of Conduct is identified, the client shall inform the supplier immediately in writing within one month and set a reasonable grace period for the supplier to make the necessary adjustments. If a remedy is not possible in the foreseeable future, the supplier shall inform the company immediately and, together with the company, develop a concept with a timetable for ending or minimising the violation. If such a breach has been culpably committed, the grace period expires without result or the implementation of the measures set out in the concept does not remedy the situation after the expiry of the schedule and continuation of the contract until ordinary termination is unreasonable for the client and no milder means are available, the client may terminate the business relationship and terminate all contracts after the fruitless expiry of the set period if it has threatened to do so when setting the grace period. A statutory right to extraordinary cancellation without setting a grace period, in particular in the case of serious breaches, remains unaffected, as does the right to compensation.

4. Acknowledgement and consent of the supplier

By signing this document, the supplier undertakes to act responsibly and to comply with the principles and requirements listed. In addition, the supplier undertakes to communicate the content of this code to employees, authorised representatives and subcontractors in a comprehensible manner and to take all necessary precautions and measures for the implementation of the requirements.

Place, date

Signature