



Siempelkamp

Code of Conduct

for suppliers of

the Siempelkamp Group



With this Code of Conduct, the Siempelkamp Group communicates its expectations of suppliers with regard to certain behaviors. As an external obligation, it forms the interface between Siempelkamp's corporate values and sustainability goals and the desired behavior of its suppliers.

Against the background of legal requirements along the supply chain, Siempelkamp expects its suppliers to also 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

Siempelkamp is committed to ecologically and socially responsible corporate management. We expect the same behavior from all of our suppliers. We also expect our employees to observe the principles of ecological, social and ethical behavior and to integrate them into the corporate culture. We also strive to continuously optimize our business activities and 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 cooperation, the contracting parties agree to the validity of the following regulations for a joint code of conduct. This agreement shall form the basis for all future deliveries and services. The Supplier undertakes to comply with the principles and requirements of the Code of Conduct and to oblige its subcontractors and sub-suppliers to comply with the standards and regulations set out in this document.



This agreement comes into force upon signature or acceptance of an order from Siempelkamp. A violation of this Code of Conduct may ultimately be reason and cause for Siempelkamp to terminate the business relationship, including all associated supply contracts.

The Code of Conduct is based on national and international laws and regulations such as

- the 10 principles of the United Nations Global Compact Initiative,
- the United Nations Universal Declaration of Human Rights,
- the United Nations Guiding Principles on Business and Human Rights,
- the labor standards of the International Labor Organization, and
- the UNICEF Guidelines on Children's Rights and Business Conduct.

2 Requirements for suppliers

Siempelkamp expects a plan to carry out a sustainability rating in a timely manner and/or a documented commitment from the supplier to introduce a sustainability management system.

Siempelkamp expects all suppliers to comply with minimum social, ecological and ethical standards. These include in detail, without being conclusive:

2.1 Social responsibility

• Exclusion of forced labor

No forced labor, slave labor or comparable work may be used. All work must be voluntary and without threat of punishment. Employees must be able to terminate their work or employment relationship at any time. Furthermore, there must be no unacceptable treatment of workers, such as psychological hardship, sexual harassment and humiliation. The hiring or use of security personnel must be prohibited if persons are treated in an inhumane or degrading manner or are injured during their deployment or if freedom of association is impaired.

• Prohibition of child labor

Child labor may not be used at any stage of production. Suppliers are requested to adhere to 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 at work, the supplier must document the measures to be taken to remedy the situation and enable the children to attend school. Employees under the age of 18 may not be deployed for work that is harmful to the health, safety or morals of children. Special protection regulations must be observed.

- **Fair remuneration**

The remuneration for regular working hours and overtime must correspond to the national statutory minimum wage or the minimum standards customary in the industry, whichever is higher. The remuneration for overtime must in any case 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 accordingly. Employees must be granted all legally prescribed 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.

- **Fair working hours**

Working hours must comply with the applicable laws or industry standards. Overtime is only permitted if it is worked on a voluntary basis and complies with the applicable legal limits, while employees must be granted at least one day off after six consecutive working days. The weekly working hours may not exceed the legally permissible limits.

- **Freedom of association**

The right of employees to form and join organizations 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 for the purpose of collective bargaining must be provided. Employees must not be discriminated against on the basis of founding, joining or being a member of such an organization. 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.

- **Prohibition of discrimination**

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, national, ethnic or social origin, skin color, disability, health status, political beliefs, ideology, religion, age, pregnancy or sexual orientation. The personal dignity, privacy and personal rights of each individual are respected.

- **Health protection; safety in the workplace**

The supplier is responsible for a safe and healthy working environment. The necessary precautionary measures against accidents and damage to health that may arise in connection with the work shall be taken by setting up and applying appropriate occupational safety systems. Appropriate measures must be taken to prevent excessive physical or mental fatigue. In addition, employees are regularly informed and trained on applicable health and safety standards and measures. Employees are provided with access to drinking water in sufficient quantities and access to clean sanitary facilities.



- **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. The supplier must refrain from harmful soil changes, water and air pollution, noise emissions and excessive water consumption if this harms the health of people, significantly impairs the natural basis for food production or prevents people from having access to safe drinking water or sanitary facilities.

- **Complaints mechanism**

The supplier is responsible for establishing an effective complaints mechanism for individuals and communities that may be affected by adverse impacts.

Employees of the supplier can contact a designated complaints office at Siempelkamp. Employees who raise a complaint about violations of this Code of Conduct or relevant laws shall not be subject to any form of disciplinary action.

- **Dealing with conflict minerals**

For the conflict minerals tin, tungsten, tantalum and gold as well as for other raw materials (such as cobalt), the supplier establishes processes in accordance with the Organization for Economic Cooperation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and expects its upstream suppliers to do the same. Smelters and refineries without appropriate, audited due diligence processes should be avoided.

2.2 Ecological responsibility

The following environmental aspects are to be considered, where relevant:

- **Dealing with air emissions**

General emissions from operations (air and noise emissions) and greenhouse gas emissions shall be typified, 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 minimize any emissions. Greenhouse gas emissions are accounted for at least for Scope 1 & 2 in accordance with the internationally applied GHG Protocol. The aim of the accounting is to provide a meaningful balance sheet of the greenhouse gas emissions of the company and the products supplied.

- **Water use, especially in areas of shortage**

The use of water as a resource must be limited to what is necessary and overloading of existing sources must be avoided. Avoiding evaporation and/or seepage is particularly relevant in water-stressed areas. The management of local water resources must take into account not only ecological



but also social concerns. Permanent overuse of local water resources and disregard for third-party water rights must be strictly avoided.

- **Treatment and discharge of industrial wastewater**

Wastewater from operational procedures, manufacturing processes and sanitary facilities must be typed, monitored, checked and, if necessary, treated before discharge or disposal. In addition, measures should be introduced to reduce wastewater generation.

- **Handling waste and hazardous substances**

The supplier shall follow a systematic approach to identify, handle, reduce and responsibly dispose of or recycle solid waste. The prohibitions on the export of hazardous waste in the Basel Convention of March 22, 1989, as amended, shall be observed. Chemicals or other materials that pose a risk if released into the environment shall be identified and managed in a manner that ensures their safe handling, transportation, storage, use, recycling or reuse and disposal. Mercury shall be used in accordance with the prohibitions of the Minimata Convention of October 10, 2013 and persistent organic pollutants in accordance with the Stockholm Convention of May 23, 2001, as amended.

- **Reduce consumption of raw materials and natural resources**

The use and consumption of resources during production and the generation of all types of waste, including water and energy, must be reduced or avoided. This is done either directly at the point of origin or through procedures and measures, e.g. by changing production and maintenance processes or procedures within the company, by using alternative materials, by saving, by recycling or by reusing materials.

- **Dealing with energy consumption/efficiency**

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

- **Contamination of soils**

The processes for providing the service must be designed in such a way that contamination of the soil (both temporary and permanent) is avoided. In addition to contamination, permanent damage to soil in the sense that subsequent use by agriculture or ecosystems can no longer take place must also be avoided. Contamination caused by unplanned events should be eliminated, primarily following the polluter pays principle. It should always be noted that soil contamination can always result in water contamination.

2.3 Ethical business conduct

For the individual areas, reference is made to the OECD Guidelines for Multinational Enterprises.



- **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 when dealing with competitors. These regulations also prohibit agreements between customers and suppliers that are intended to restrict customers' freedom to determine their own prices and other resale conditions.

- **Confidentiality/data protection**

The supplier shall treat all information received from Siempelkamp as confidential information and business secrets, unless this information is obviously publicly accessible. All information shall be used exclusively for the purpose of the respective delivery and shall be protected against unauthorized access by appropriate measures.

The supplier undertakes to meet the reasonable expectations of its client, suppliers, customers, consumers and employees with regard to the protection of private information. The Supplier shall comply with applicable data protection and information security laws and governmental regulations when collecting, storing, processing, transmitting and disclosing personal information.

- **Intellectual property**

Intellectual property rights must be respected; technology and know-how must be transferred in such a way that intellectual property rights and customer information are protected. Any form of "reverse engineering" is prohibited.

- **Integrity/bribery, taking advantage**

The highest standards of integrity must be applied to all business activities. The supplier must have a zero tolerance policy against all forms of bribery, corruption, extortion and embezzlement. The supplier implements and maintains a procedure to ensure compliance with anti-corruption laws. Any violation of this provision may result in the immediate termination of the supply relationship for breach of contract and entitles Siempelkamp to compensation for all resulting damages and internal and external expenses upon first demand. The following are particularly sensitive areas for illegal behavior: consulting and intermediary contracts, dealings with authorities, gifts and invitations, etc. Added to this are money laundering and tax compliance.

2.4 Export control

When importing and exporting, the supplier must observe all applicable national and international provisions of foreign trade law and must not participate in any violations, evasions or deceptions.

Siempelkamp expects suppliers to carry out and document their imports and exports in a traceable manner.



3 Implementation of the requirements

Systematic risk management is an important component of sustainable supply chain management.

Siempelkamp expects suppliers with regard to supply chains to identify risks within the supply chain and to take appropriate measures. In the event of suspected violations and to safeguard supply chains with increased risks, the supplier will inform Siempelkamp promptly and, if necessary, regularly about the identified violations and risks as well as the measures taken.

Every supplier is expected to share information with Siempelkamp about emissions caused. This must be done in a form that enables Siempelkamp to comply with the relevant requirements of the EU CSRD without major effort.

Upon request, the supplier will demonstrate compliance with the standards and regulations listed in this document using self-assessments. Siempelkamp reserves the right to check this as part of audits. In addition, to comply with the requirements of the German Supply Chain Due Diligence Act, Siempelkamp uses external service providers who evaluate suppliers abstractly, based on publicly available information and based on questionnaires. The supplier hereby agrees to this and will answer the relevant questionnaires.

On-site audits may be carried out once a year or for a specific reason to verify compliance with the Code at the supplier's premises during normal business hours after reasonable advance notice by persons authorized by Siempelkamp. The supplier may object to individual audit measures if these would violate mandatory data protection regulations.

If a violation of the regulations of this Code of Conduct is detected, Siempelkamp shall immediately notify the supplier in writing and set a reasonable grace period for the supplier to bring its conduct into compliance with these regulations. If a remedy is not possible in the foreseeable future, the supplier must notify Siempelkamp immediately and, together with Siempelkamp, develop a concept with a timetable for ending or minimizing the violation. If the grace period expires fruitlessly or if the implementation of the measures contained in the concept does not bring about a remedy after the expiry of the time schedule and no milder means are available, Siempelkamp can break off the business relationship and terminate all contracts. A statutory right to extraordinary termination without setting a grace period, especially in the case of violations that are considered very serious, remains unaffected, as does the right to compensation for damages.

Insofar as individual aspects of the requirements of this Code of Conduct are open to examination/certification by third parties, this is expressly welcomed by Siempelkamp.



4 Whistleblower

Siempelkamp gives all business partners and their employees the opportunity to report violations of this Code of Conduct or other violations of applicable law in the context of the business relationship with Siempelkamp. For this purpose, Siempelkamp has set up a reporting office that can be reached via the Siempelkamp Group website.

Siempelkamp expects all suppliers to set up their own possibilities for whistleblowers, insofar as this is provided for by law, but above all Siempelkamp expects that information from employees or business partners on misconduct will be followed up, that any legal violations identified will be remedied and that whistleblowers will not be threatened with any disadvantages as a result of justified information.

5 Acknowledgement and consent of the supplier

With the entry into force of this document, the supplier undertakes to act responsibly and to comply with the principles/requirements listed. The Supplier undertakes to communicate the content of this Code of Conduct to its employees, agents and subcontractors in a manner that is comprehensible to them and to take all necessary precautions to implement the requirements. The Supplier undertakes to pass on this Code of Conduct or all principles contained therein to upstream suppliers in a form that is no less binding or to ensure that upstream suppliers are bound by these principles in another form (e.g. through documented review of the upstream suppliers' codes).

This Code of Conduct is subject to changes from time to time and the current version applies, which is also accessible on the Siempelkamp Group website.