

# Code of Conduct for Suppliers

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## PREAMBLE

Konvekta AG and its sister companies and subsidiaries have developed values and principles throughout the course of their respective company histories that form the basis of our business practices. The contractors and suppliers of the Konvekta Group play a significant role in our success. We regard a common understanding of ethical and sustainable practices as the cornerstone of our business relationships. For us, the requirements and principles outlined in this code of conduct play a key role in Konvekta's cooperation with its suppliers and other contractors.

## 1 Principle of strict legality

Konvekta advocates the principle of strict legality for all business, actions, contracts, and all other undertakings of the Konvekta Group. As such we expect all of our suppliers to comply with the respective applicable laws, the basic principles of the United Nations Global Compact as well as this code of conduct in the course of all their business activities with Konvekta and to ensure that this code of conduct is adhered to by any third parties (which also includes all sub-suppliers) enlisted for the purposes of contract fulfillment directly and indirectly.

## 2 Code of conduct

### 2.1 Treatment of staff

Our suppliers adhere to the fundamental workers' rights enshrined in the relevant applicable national laws. The following principles are based on the basic principles of the International Labour Organization (ILO).

### 2.2 Personal rights / harassment

Our suppliers are obliged to respect the personal rights of their employees. Human dignity must be respected. Any form of discrimination, harassment or bullying must be prevented wherever possible and systems to support affected employees upheld. The aim should be to foster a fair, tolerant, appreciative, and friendly working environment.

### **2.3 Whistleblowing**

All kinds of retaliatory measures against persons that report in good faith any violation of this Code are not permitted. Should anyone retaliate directly or indirectly against an employee due to the fact that this employee reported credible possible or actual infringements against this Code we reserve the right to – after an objective verification and confirmation – request for sanctions against the infringing person(s) and/or to restrict or terminate the business relationship. Suspected cases should be announced immediately.

### **2.4 Human rights**

Our suppliers respect internationally recognized human rights and ensure that these are safeguarded.

### **2.5 Child labor**

Our suppliers only employ staff who are of the minimum working age as stipulated by the relevant applicable national law. Our suppliers will respect and uphold the rights of children.

### **2.6 Forced labor**

Our suppliers reject any form of forced labor and respect the principles of freely chosen employment.

### **2.7 Freedom of association**

Our suppliers respect freedom of association and the right to form interest groups. They grant their employees the right to defend their interests within the framework of national legislation.

### **2.8 Equal opportunities**

Our suppliers do not tolerate any employee discrimination on grounds of skin color, ethnic origin, gender, age, nationality, social origin, disability, sexual orientation, religious affiliation or world view.

### **2.9 Fair working conditions**

Our suppliers pay remuneration and benefits which correspond to at least statutory national and local standards, regulations or agreements. The relevant applicable regulations regarding working hours and holidays are also adhered to.

### 2.10 Occupational health and safety

Our suppliers adhere at the very least to the relevant national standards for a safe, hygienic working environment and take appropriate action within this framework to ensure health and safety in the workplace in order to guarantee working conditions which are not harmful to health.

### 2.11 Environmental protection

Our suppliers avoid risks to people and the environment, keep their environmental impact to a minimum and use resources economically. Our suppliers' processes, production sites and equipment correspond to the relevant legal regulations and standards for fire and environmental protection. Our suppliers' efforts as part of their social and corporate responsibility are aimed specifically at reducing energy consumption and greenhouse gas emissions, improving water quality, improving air quality, avoiding waste, and managing chemicals and natural resources.

### 2.12 Sustainability and Material Compliance

Konvekta is a downstream customer and does not purchase raw material directly from the source. However, we expect from our suppliers to take best efforts to ensure sustainability as well compliance with environmental, labor and safety standards in the entire goods delivery chain up to the sources of the used raw materials. Furthermore, we expect from our suppliers to comply with all applicable material compliance standards in their respective current versions for the intended market the goods are supplied to. Namely for the EU market such as but not limited to EU REACH regulation (Regulation (EC) no. 1907/2006, Council Decision 2006/507/EC (Stockholm Convention on Persistent Organic Pollutants), EC Regulation 1005/2009 on substances that deplete the ozone layer in the respective current version, the Global Automotive Declarable Substance List (GADSL), RoHS (2002/95/EC) for products according to their field of application and EC regulation 2017/821 Conflict Minerals regulation.

### 2.13 Data protection

Our suppliers ensure that data transmitted to them is kept secure. They are responsible in particular for ensuring that personal data is protected against unauthorized third-party access and that the necessary security precautions are taken to prevent unauthorized use. They obligate their employees to do so too and ensure compliance with the relevant applicable statutory data protection regulations.

### 3 Business relationships

#### 3.1 Avoiding conflicts of interest

Our suppliers make decisions on the basis of factual considerations and do not allow themselves to be unduly guided by personal interests.

#### 3.2 Free competition

Our suppliers conduct themselves fairly in competition and comply with the respective applicable legal regulations that serve to protect free competition. Our suppliers do not engage in any agreements or concerted practices with other companies which have as their object or effect the prevention, restriction or distortion of competition as defined under the applicable antitrust regulations, neither do they abuse any market dominating positions.

#### 3.3 Corruption/conflicts of interest

Our suppliers ensure compliance with the respective applicable anti-corruption laws.

Our suppliers ensure a strict division between the interests of the company and the private interests of employees on either side. Actions and (purchase) decisions are not guided by extraneous considerations or personal interests. It follows from this that employees should refrain from entering into any relationship with a supplier (financial or otherwise) which might influence their obligation (to act in the interests of Konvekta). The responsibility for the disclosure of private relations lies with the supplier.

No personal monetary advantages, gifts, payments, invitations, or services are offered or promised in the course of business with the intention of unduly influencing a business relationship. Gifts and invitations that fall within the scope of normal business hospitality and custom are generally excluded from this prohibition. Cash and cash equivalents, such as vouchers, are not generally accepted. The rules outlined above also apply to any gifts or courtesies sent to the private address of an employee.

#### 3.4 Trade secrets

Our suppliers ensure that confidential information from Konvekta is kept confidential. This applies even after the termination of business relationships.

#### 3.5 Money laundering

Our suppliers comply with the relevant legal regulations regarding the prevention of money laundering.

### 3.6 Disclosure of information

Our suppliers have a responsibility to disclose financial and non-financial information in line with the applicable legal regulations and standard industry practice, this specifically includes information about their workforce, occupational safety measures, environmental practices, business activities, financial circumstances, and performance.

### 3.7 Financial responsibility

Our suppliers assume their financial responsibility by keeping books and records in accordance with the applicable law and the generally accepted accounting principles. Documents such as annual financial statements, quality reports, time logs, expenses invoices and submissions to customers and regulatory authorities are issued, maintained and, where necessary, disclosed with the conscientiousness and care of a prudent businessman.

### 3.8 Export control/foreign trade law

Our suppliers monitor the international trade law regulations applicable to them and their products and adhere to these accordingly. This applies both to goods as well as intangible goods and services. These include, in particular, regulations relating to military goods and civil products which may also be used for military purposes (DUAL-USE) and restrictions for certain countries (such as armament or luxury goods embargoes).

## 4 Intellectual property

### 4.1 Counterfeit products

Our suppliers will develop, implement, and maintain methods and processes appropriate to their products and services aimed at minimizing the risk of counterfeit products and materials infiltrating saleable products. Our suppliers are also responsible for establishing effective means of identifying counterfeit products and materials. If such materials are discovered, these should be excluded, and Konvekta and/or law enforcement authorities informed immediately. If selling products to Konvekta, it should be ensured that the products comply with regulations and that these may be used by Konvekta and its customers in accordance with the law.

### **4.2 Know-how/property rights/technological development**

Our suppliers are obliged to keep confidential any information received from Konvekta relating to technology and/or know-how at all times, to respect the industrial property rights of Konvekta and to refrain from registering any industrial intellectual property rights based on technology-related information and/or know-how shared with the supplier without prior written consent. Our suppliers guarantee to support Konvekta continually in the further development of the state of the art and the protection of intellectual property.

## **5 Compliance with the code of conduct and audit**

Compliance with this code of conduct on the part of our suppliers may be reviewed by means of an audit. Konvekta will come to an agreement with the supplier as to the scale, timeframe, and location for this.

Any violation against this code of conduct will be deemed as endangering the business relationship between Konvekta and the supplier. Notwithstanding any other rights, Konvekta reserves the right in this case to demand that fact-finding measures and countermeasures be initiated by the supplier. If the supplier demonstrably fails to initiate any suitable improvement measures within an appropriate period of time, or, if the violation is so serious that Konvekta cannot reasonably be expected to continue the business relationship, Konvekta reserves the right, notwithstanding any other rights, to terminate the contractual relationship in question without notice, or to withdraw from the contract in question.

Schwalmstadt, 19<sup>th</sup> May, 2021