

Supplier Code of Conduct / Verhaltenskodex für Lieferanten Julius Schulte Trebsen GmbH & Co. KG

I General information

1 Subject Matter of the Code of Conduct

Julius Schulte Trebsen GmbH & Co. KG (hereinafter referred to as SCHULTE or We) is committed to social responsibility, ecological sustainability and ethical behaviour in all its business activities. We have set ourselves the goal of continuously developing our standards applicable in this area and along our entire supply chain.

Against this backdrop, in the present "Supplier Code of Conduct" (hereinafter only: "Code of Conduct" or "SCoC" for Supplier Code of Conduct) we have set out minimum standards and requirements for companies and individuals from whom we purchase goods or services (hereinafter referred to as: "Suppliers"). The requirements of the SCoC are based on national laws and regulations such as the Supply Chain Due Diligence Act ("LkSG") as well as international conventions such as the UN Civil Pact and the UN Social Pact, the Guidelines on the Rights of the Child and Business Conduct, the United Nations Guiding Principles on Business and Human Rights, and the labour standards of the International Labour Organization.

2 Compliance with the Code of Conduct

SCHULTE expects all suppliers to fulfil the requirements of the SCoC and to encourage their suppliers and/or subcontractors to do the same. When selecting and evaluating our suppliers, we use compliance with the specifications as a decision-making criterion. If we become aware of violations of the SCoC by suppliers or their subcontractors, we expressly reserve the right to take appropriate action, which in individual cases – depending on the severity of the violation – may extend to the termination of the business relationship.

The requirements of the SCoC apply in addition to the contractual agreements made and the relevant statutory provisions. Should there be any discrepancies between contractual or statutory provisions and this SCoC, the stricter provisions must be complied with. For certain procurement categories, extended requirements may apply over and above these SCoC.

3 Respect for law and order

Compliance with the law is a fundamental principle of responsible behaviour. Against this background, SCHULTE expects all suppliers to conduct their business activities in all respects in accordance with the legal regulations applicable to them and to demand the same from their suppliers. This includes in particular that every supplier:

- complies with all applicable national laws and regulations applicable to the respective contractual relationship;
- demonstrates, through appropriate management systems, policies and guidelines, effective risk management, training and the allocation of sufficient resources, a commitment to and compliance with the requirements of this SCoC or its own equivalent Code of Conduct and all other applicable laws and regulations, appropriate to the nature and scale of the supplier's business;

- carries out appropriate remedial and/or preventive measures within the meaning of the LkSG or – where necessary – co-operates and supports SCHULTE in such measures;
- ensures that its employees and business partners, as well as other relevant stakeholders, have access to whistleblowing centres to confidentially and/or anonymously report possible violations of the law or potential misconduct;
- provides processes and procedures to appropriately investigate and, if necessary, remedy reported violations/potential misconduct;
- can prove in case of doubt that it has complied with the standards of this SCoC.

II Social responsibility

4 Health and safety in the workplace

SCHULTE expects suppliers to strive for impeccable occupational health and safety in their company in order to avoid accidents, injuries and work-related illnesses. In particular, each supplier shall:

- comply with all applicable occupational health and safety regulations.
- create and maintain a safe and healthy working environment for employees and visitors.
- appoint a person personally responsible for occupational health and safety in their organisation.
- implement all necessary measures to avoid hazards and accidents in the workplace.
- carry out regular risk assessments of workplaces and take appropriate measures to prevent and avert the hazards identified, including the provision of suitable personal protective equipment.
- carry out appropriate measures to train and sensitise employees to occupational health and safety.

5 Human rights and fair working conditions

SCHULTE respects internationally recognised human rights and complies with the relevant corporate due diligence obligations in order to avoid and, if necessary, remedy adverse effects. We guarantee our employees working conditions in accordance with international labour standards (ILO - 1998). We also expect the same standards from all our suppliers. This includes the following points in particular:

5.1 No child labour

Children who have not yet reached the statutory minimum working age (MBA) in the respective country are not employed. When employing young people who have reached the MBA but are still under 18 years of age, the legal requirements regarding working hours and other working conditions are observed and it is ensured that the employment does not jeopardise their personal development, health, safety or morals.

The supplier shall take appropriate measures to ensure that the minimum standards of the Convention on the Minimum Age for Admission to Employment (ILO Convention 138) are observed in its own business activities and those of its business partners.

5.2 No forced labour

The supplier shall not use forced labour, bonded labour, involuntary labour or modern forms of slavery and shall take reasonable measures to prevent such forced labour within its supply chain. Work must always be done voluntarily. This also includes voluntarily entering into an employment relationship and terminating it with reasonable notice. All employees are granted control over their work and identification documents (e.g. passport, work permit, personal legal documents).

The supplier shall ensure that employees do not have to pay any fees or other payments in order to be employed during the recruitment phase and their entire period of employment.

Punishments involving psychological and/or physical coercion and any other form of human trafficking are prohibited. Disciplinary guidelines and measures must be clearly defined and communicated to employees.

5.3 Working hours

Nationally applicable laws and binding industry standards on working hours must be complied with. This also applies to overtime, breaks and rest periods as well as paid holiday.

5.4 Remuneration

All employees must be paid in accordance with the local minimum wage law and the applicable collective labour agreements as well as in accordance with industry standards. The supplier pays the employees on time and informs them clearly and comprehensibly about the basis on which they are paid (i.e. that they receive the employment documents in a language they understand). Deductions from wages and salaries as a disciplinary measure are not permitted unless they are legally authorised.

5.5 Non-discriminatory working environment and working conditions

The supplier promotes a respectful and appreciative working environment. Any form of physical, psychological, verbal or sexual harassment or abuse towards employees is prohibited and will be stopped.

Employees and business partners are offered equal opportunities. No one may be discriminated against on the basis of gender, national origin, ethnicity, skin colour, age, disability, religious, ideological or political conviction, sexual orientation or gender identity or similar characteristics.

SCHULTE expects all suppliers to promote equal opportunities and to prevent unequal treatment in recruitment, remuneration, promotion or the granting of training and further training measures.

5.6 Freedom of association and the right to collective bargaining

The supplier respects the right of its employees to organise themselves and to engage in collective bargaining. It ensures that employees can openly discuss working conditions with the company management without having to fear any disadvantages and are entitled to set up and join employee representative bodies or passively or actively support their activities.

III Ecological sustainability and environmental protection

6 Environmental protection

As a family business with more than 130 years of history, we attach particular importance to the sustainability and far-sightedness of our entrepreneurial activities and actions. We treat nature with care and endeavour to use natural resources as efficiently and sparingly as possible in order to make the greatest possible contribution to preserving an environment worth living in. In this context, we expect our suppliers to:

- know and comply with all applicable legal regulations on environmental protection and sustainability.
- ensure that they are in possession of all environmental permits required for their business activities, keep them up to date and comply with the relevant requirements.
- use natural resources sparingly and efficiently and utilise environmentally friendly technologies, packaging and means of transport.
- establish and maintain appropriate structures and mechanisms to identify and eliminate adverse environmental impacts and environmental risks arising from their business activities as early as possible or to minimise them.
- conduct regular evaluations of carbon emissions, water, energy and raw material consumption, wastewater generation, pollution and the storage and handling of chemicals, hazardous materials and operational waste.
- cooperate with SCHULTE to continuously improve environmental performance, for example by reducing general emissions from their operations (air and noise emissions) as well as greenhouse gas emissions and energy consumption through increased efficiency, improving water quality and reducing waste.

7 Preservation of natural resources

In the interests of sustainable protection of the natural foundations of life, SCHULTE expects its suppliers to refrain from harmful soil changes, water and air pollution, noise emissions and excessive water consumption that significantly impair the natural foundations for the preservation and production of food, prevent people's access to clean drinking water, impede or destroy access to sanitary facilities or damage people's health.

When acquiring, developing or otherwise utilising land, forests and waters, the use of which secures the livelihood of a person, the supplier shall not participate in measures that lead to the unlawful eviction or unlawful seizure of land, forests and waters.

IV Ethical behaviour and responsible corporate governance

8 Free and fair competition

SCHULTE maintains an open and respectful relationship with business partners and respects the rules of free and fair competition vis-à-vis competitors and other market participants. This is also expected of all suppliers. Applicable competition and antitrust laws must be complied with. Agreements with competitors on prices and other offer or contract conditions must be refrained from. This also applies to all other agreements and arrangements that serve to restrict competition, divide up the

market or customer groups or otherwise unfairly influence market developments.

9 Confidentiality and data protection

The supplier shall ensure that personal data under its responsibility is collected and processed in accordance with the applicable legal standards on data protection, such as the General Data Protection Regulation.

With regard to this and all other data and documents, the supplier must ensure appropriate, state-of-the-art data and information security.

Confidential or sensitive information shall be used by the supplier exclusively for the intended purpose and protected by appropriate technical and organisational measures against loss or disclosure to unauthorised persons.

10 Intellectual property

Intellectual property can exist primarily in the area of copyright, trademark law and patent law or be protected as a trade secret. We respect the intellectual property of third parties and expect the same from suppliers. The use of protected works, inventions, trademarks and other intangible assets as well as the transfer of technology and know-how must be carried out in accordance with all applicable legal provisions.

11 Business integrity

The supplier shall comply with all applicable national and international laws and regulations against bribery, corruption, extortion and embezzlement. He ensures that business decisions within his sphere of influence are made free of conflicts of interest with private interests or other activities. Any conflicts of interest identified must be reported to SCHULTE immediately.

In addition, the supplier shall not offer, grant or broker any monetary payments or other benefits (either directly or indirectly) in order to improperly influence official or business actions or decisions or to obtain an improper advantage.

The applicable laws and regulations to combat money laundering and to prevent the financing of terrorist or criminal activities must be observed by the supplier.

In addition, the supplier shall also comply with all applicable rules and regulations on product safety and all quality and due diligence obligations for goods and services manufactured or supplied by it, including any rules laid down by SCHULTE in this regard.

12 Trade regulations and restrictions

The supplier shall comply with all applicable import and export restrictions, trade bans, sanction regulations and customs regulations. He ensures that he, his beneficial owners, his representatives and other persons associated with him are not included on any of the applicable sanctions lists as "denied parties". If he becomes aware of the inclusion of one of the named persons on such a list, he shall notify SCHULTE immediately.

The applicable regulations and resulting due diligence obligations regarding the procurement of minerals and materials from conflict regions and risk areas that contribute to human rights violations, corruption, the financing of armed groups or similar negative effects are observed by the supplier.

V Compliance/control/improvement

13 Documentation and testing

This SCoC is an integral part of the business relationship between SCHULTE and its suppliers. Against this background, the supplier is obliged to adequately document its own measures to comply with or fulfil the requirements of the Code of Conduct and to grant SCHULTE access to these documents and records upon request. In addition, the supplier is obliged to regularly check its business activities for compliance with the requirements of the SCoC.

SCHULTE reserves the right to check compliance with the requirements of the Code of Conduct. For this purpose, SCHULTE may also involve third parties who are appropriately bound to confidentiality. The inspection must be carried out in such a way that any impairment of the supplier's business activities and operating procedures is avoided as far as possible. The supplier and SCHULTE shall agree on the specific test procedure on a case-by-case basis.

14 Dealing with infringements

If the supplier discovers violations of the requirements of the SCoC, it must inform SCHULTE immediately and without being asked. Where necessary, appropriate remedial action shall be taken to end the infringement and/or minimise its impact.

The supplier shall prepare a report on the incident within a reasonable period of time and define corrective measures to prevent further similar violations in the future.

15 Termination

A breach of the obligations arising from this SCoC entitles SCHULTE in particular to set the supplier a reasonable deadline for remedying the breach and to withdraw from or terminate the contract if the deadline expires without success. There is no need to set a deadline if the breach is serious. In the event of cancellation or termination, SCHULTE is not obliged to compensate the supplier for any damages arising from the cancellation or termination.

16 Continuous improvement

The supplier shall continuously strive to improve compliance with the requirements of this SCoC by setting performance targets, executing plans to achieve them and taking action to correct deficiencies identified during internal or external audits, inspections and management reviews.

17 Adaptation of the Code of Conduct

SCHULTE will regularly review the compliance of this Code of Conduct with the legal and actual framework conditions and adapt or supplement it if necessary. Changes become effective six weeks after publication and are binding for suppliers.