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ALBERTS®



CODE OF CONDUCT

for Business Partners
Status May 2023

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1 INTRODUCTION

At Gust. Alberts GmbH & Co. KG, we are committed to responsible and sustainable corporate management. We require our employees to observe the principles of ecological, social and ethical conduct. We expect the same behaviour from our business partners. We have set ourselves the goal of continually optimising our business operations in a sustainable manner.

For us, sustainability means that we are aware of our impact on our environment, and try to limit the negative effects as far as possible. Our sustainability concept is made up of the five pillars "Product range and customers," "Suppliers and partners," "Environmental and climate protection," "Society" and "Employees." We are committed to a society in which inter and intra-generational justice is lived.

We also call on you, as our business partner, to contribute to this. By signing this Code of Conduct, the contracting parties accept the validity of the following regulations as the basis for all future deliveries. The contracting parties undertake to comply with the principles and requirements of the Code of Conduct. The business partners are requested to place their subcontractors under obligation in a contract to comply with the standards and regulations listed in this document. This agreement shall come into force once it is signed.

Violation of this Code of Conduct may be grounds and cause for us to terminate the business relationship, including all associated supply contracts.

2 REQUIREMENTS FOR BUSINESS PARTNERS

The contents and regulations of this Code of Conduct are based on national laws and regulations as well as international conventions, such as

- The Universal Declaration of Human Rights of the United Nations
- The Guidelines on Children's Rights and Business Conduct
- The United Nations Guidelines on Business and Human Rights
- The international labour standards of the International Labour Organization (ILO)
- The ten principles of the UN Global Compact (UNGC)
- The 17 Sustainable Development Goals of the UN (SDG)

Beyond this, we expect our business partners to comply with all relevant laws and regulations and the requirements of this Code of Conduct.

Social responsibility

In this section we refer to

- ILO Conventions
- UNGC 1-6
- SDG 1 – 11 & 16 / 17



Exclusion of forced labour

No forced labour, slave labour or work of a similar nature may be used. All work must be voluntary, and workers must be able to leave work or employment at any time. There must be no unacceptable treatment of workers such as psychological hardship, sexual or personal harassment. By way of these requirements, we explicitly refer to ILO Conventions 29 and 105.



United Nations
Global Compact

Prohibition on child labour

Child labour must not be used at any stage of the business operations. We ask our business partners to adhere to the recommendation of the ILO conventions on the minimum age for the employment of children. According to this, the age should not be less than the age at which compulsory schooling ends, and in any case not less than 15 years. By way of these requirements, we explicitly refer to ILO Conventions 79, 138, 142 and 182.

Fair remuneration

Remuneration and other benefits must, at least, correspond to the respective national and local legal standards, or the level of the national economic sectors/industries and regions. Punitive measures against workers in the form of wage deductions are not permitted. The basis on which the workers are paid shall be made known to the workers continually in the form of a pay slip.

By way of these requirements, we explicitly refer to ILO Conventions 26 and 131.

Fair working hours

Working hours must comply with applicable laws or sector standards. Overtime is only permitted if it is performed voluntarily, and does not exceed twelve hours each week. In any case, workers must be given at least one day off after six consecutive workdays. The weekly working hours of 48 hours may not be regularly exceeded.

By way of these requirements, we explicitly refer to ILO Conventions 1 and 14.

Freedom of association

The business partner shall respect the right of workers to associate freely, join trade unions, call on labour representatives or be members of works councils, in accordance with local laws. Workers must be able to communicate openly with management without fear of reprisals or harassment. By way of these requirements, we explicitly refer to ILO Conventions 87, 98, 135 and 154.

Prohibition of discrimination

Discrimination against employees in any form is prohibited. This applies, for example, to discrimination based on gender, race, caste, skin colour, disability, political conviction, origin, religion, age, pregnancy or sexual orientation. The personal dignity, privacy and personal rights of each individual shall be respected.

By way of these requirements, we explicitly refer to ILO Conventions 110, 111 and 159.

Health protection; safety at the workplace

The business partner is responsible for a safe and healthy working environment. By putting in place and applying appropriate occupational safety systems, necessary precautionary measures are taken against accidents and detrimental effects on health that may occur in conjunction with the activity. In addition, employees are regularly informed and trained in respect of applicable health protection and safety standards and measures. Employees are given access to sufficient drinking water and clean sanitary facilities.

By way of these requirements, we refer to ILO Conventions 155 and 164.

Complaints mechanisms

The business partner is responsible for putting in place an effective complaints mechanism at company level for individuals and communities who may be affected by negative impacts.

Notice: For information and complaints regarding possible breaches of duty in relation to our environmental and human rights due diligence obligations, please contact: hinweis-geben@wgw.law or call +49(0)234/588440-24.

Dealing with conflict minerals

With regard to the conflict minerals tin, tungsten, tantalum and gold, as well as other raw materials such as cobalt, the business partner shall put in place processes in accordance with the Organisation for Economic Cooperation and Development (OECD) Due Diligence Guidelines for Promoting Responsible Supply Chains for Minerals from Conflict and High-Risk Areas, and expects its supplier to do the same. Smelters and refineries without adequate, audited due diligence processes should be avoided.

Ecological responsibility

In this section we refer to:

- UNGC 7-9
- SDG 2, 6, 7, 9, 11 – 15, 17



The business partner shall adopt measures to avoid harmful impacts on nature or the environment as a result of its actions and within the supply chain. This includes soil contamination, and water and air pollution. Similarly, the business partner is committed to

opposing excessive use of water, which deprives people of the natural basis for food production and preservation, deprives them of access to clean drinking water, impedes access to clean sanitation or otherwise harms their health. The protection of forests, in particular rainforests and water bodies, is indispensable for climate protection. We therefore oppose illegal logging. In addition to averting the negative effects of our own actions, we expect our business partners to actively work towards reducing their ecological footprint. This includes, in particular, increasing their own resource efficiency, for example in water and energy consumption as well as minimising waste production and the use of chemicals. The business partner shall comply with the Minamata Convention on Mercury when using mercury and the Stockholm Convention on Persistent Organic Pollutants (POPs)

when using chemicals. In no way do we accept criminal environmental activities or the reckless use of natural resources. We expect our business partners to maintain an environmental management system, ideally in accordance with ISO 14001 or EMAS or DIN EN 16247 or ISO 50001.

Independent of an externally certified environmental management system, we require our business partners to comply with the following environmental aspects.

Treatment and discharge of industrial water

Wastewater from operations, manufacturing processes and sanitary facilities are to be typed, monitored, inspected and, if necessary, treated prior to discharge or disposal. Furthermore, measures should be introduced to reduce the creation of wastewater.

Dealing with air emissions

General emissions from operations (air and noise) and greenhouse gas emissions should be typed, routinely monitored, reviewed and treated as necessary prior to release. The business partner is also responsible for monitoring its emission control systems and is required to find economic solutions to minimise any emissions.

Handling waste and hazardous substances

The business partner shall follow a systematic approach to identifying, handling, reducing and responsibly disposing of or recycling solid waste. Chemicals or other materials that pose a risk if released into the environment are to be identified and handled in a manner that ensures safety during their handling, transport, storage, use, recycling or reuse and disposal.

Reducing consumption of raw materials and natural resources

The use and consumption of resources during production and the generation of waste of all kinds,

including water and energy, are to be reduced. This is done either directly at the point of origin or by way of procedures and measures, e.g. by changing production and maintenance processes or procedures in the company, the use of alternative materials, savings, recycling or with the help of the reuse of materials.

Managing energy consumption and efficiency

Energy consumption shall be monitored and documented. Economic solutions are to be found to improve energy efficiency and minimise energy consumption.

We expect our business partners to endeavour to put in place a carbon footprint at least at company level (CCF), better still at product level (PCF). Such data is to be made available to us annually to specify our own carbon footprint.

Ethical business conduct

In this section we refer to

- UNGC 10
- SDG 3, 16, 17



Fair competition

The standards of fair business, fair advertising and fair competition are to be observed. In addition, the valid antitrust laws are to be applied, which, in particular, prohibit collusion and other activities that influence prices or conditions in dealings with competitors. Furthermore, these regulations prohibit agreements between customers and suppliers that are intended to restrict customers' freedom to determine their prices and other conditions autonomously when reselling.

Confidentiality/data protection

The business partner undertakes to meet the reasonable expectations of its principal, suppliers, customers, consumers and employees with regard to protection of private information.

The business partner shall observe the laws on data protection and information security and the official regulations when collecting, storing, processing, transmitting and forwarding personal information. The business partner shall maintain the confidentiality in respect of business secrets and other confidential data, in particular personal data, unpublished financial, technical and other data.

Intellectual property

Intellectual property rights are to be respected; the transfer of technology and know-how is to be carried out in such a way that intellectual property rights and customer information are protected.

Integrity/bribery, taking advantage

The highest standards of integrity must be applied to all business activities. The business partner must adopt a zero-tolerance policy with regard to the prohibition of all forms of bribery, corruption, extortion and embezzlement. Procedures for monitoring and enforcing standards are to be put in place to ensure compliance with anti-corruption laws.

3 IMPLEMENTING THE REQUIREMENTS

In relation to supply chains, we expect our business partners to identify risks within them as well as to take appropriate measures. In the event of suspected violations, and to safeguard supply chains with increased risks, we require the disclosure of supply chains. We check compliance with the standards and regulations listed in this document with the help of a self-assessment questionnaire and sustainability audits at our business partners' production sites.

We reserve the right to take appropriate measures against business partners who do not meet these requirements, which may ultimately lead to the suspension or termination of a supply relationship.

The business partner agrees that we may conduct such audits to verify compliance with the Code of Conduct for Business Partners at the business partner's premises during normal business hours after giving reasonable, advance, notice if we have reasonable grounds to suspect that the

business partner has violated the Business Partner Code of Conduct.

Furthermore, you guarantee that this Code of Conduct for Business Partners is made available to all employees of the business partner in a language they understand. In addition, as a business partner we place you under obligation to place your own business partners or subcontractors under obligation to comply with this, or an equivalent, code of conduct.

As a business partner, we also place you under obligation to grant our company, on request, the opportunity to inspect and obtain information about your mechanisms for preventing legal violations (compliance management system). We are entitled to exercise these inspection and information rights via third parties provided they are, in turn, placed under obligation to maintain secrecy in this respect.

4 ACKNOWLEDGEMENT AND CONSENT OF THE BUSINESS PARTNER

By signing this document, the business partner undertakes to act responsibly and comply with the stated principles/requirements. The business partner confirms that it will effectively communicate the content of this Code to employees, agents, subcontractors and suppliers, and assures that all the necessary precautions have been properly implemented.

If you have any questions or suggestions, please send an e-mail to compliance@alberts.de.

Business Partner

Date

Name

Position

Signature

ALBERTS®

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