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# SUPPLIER CODE OF CONDUCT

## R01 05/2023

### PREAMBLE

The object of the LEFFER family company is the development, manufacture and sale of steel and sheet metal structures, of pressure equipment and process plants of all kinds, of machines and tools, of piping and of equipment for environmental technology, as well as the assembly of these products, and also the provision of services in the aforementioned areas. The Company is also entitled to hire out employees on a commercial basis, provided that the legal requirements and the legally prescribed official permits are met. LEFFER operates internationally.

With our technologies, ideas and experience, we work for the economical, safe and environmentally friendly manufacture of products that are designed to meet the needs of our globally active customers. Our Code of Conduct describes the demands we impose on ourselves in terms of responsible action. We put a special focus on compliance with legal regulations, fair competition, sustainability and the protection of human rights.

We source raw materials, goods and services worldwide to manufacture our products. In collaboration with our trading partners (suppliers from whom we procure goods or services, and customers who receive goods or services from us), we emphasize the importance of implementing legal requirements, international agreements and standards, and sustainability efforts. With this Supplier Code of Conduct, we address our expectations on our trading partners, within their own company and along their entire supply chain. Our trading partners commit to comply with and promote the following principles, to continuously develop their employees in this regard, and to apply these contents also to their subcontractors.

Our procurement process is based not only on qualitative, technical and economic aspects, but also on social, ecological and ethical criteria.



**We expect our trading partners and their subcontractors to ensure compliance with the following principles – in all business activities, across the entire supply chain – by taking appropriate measures:**

## LAWS AND INTERNATIONAL REGULATIONS

Our trading partners are committed to ...

Compliance with all applicable laws, regulations and standards in the countries in which the companies are located or operate.



Compliance with the principles of the Global Compact and the United Nations International Bill of Human Rights, the international conventions on civil, political, economic, social and cultural rights and the standards of the International Labour Organization (hereinafter referred to as "ILO").

Compliance with the Paris Climate Change Agreement, the Stockholm Convention on Persistent Organic Pollutants, the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, and the Minamata Convention on Mercury.

Compliance with the terms of the REACH Regulation (Regulation (EC) No. 1907/2006) on the Registration, Evaluation, Authorization and Restriction of Chemicals and the RoHS Directive (Directive 2011/65/EU) on the restriction of the use of certain hazardous substances in electrical and electronic equipment.

Compliance with the United Nations (UN) and Organization for Economic Cooperation and Development (OECD) conventions on fighting corruption and relevant anti-bribery laws, including those dealing with bribery abroad.

## ENVIRONMENTAL AND CLIMATE PROTECTION



**Efficient and responsible use of resources:** Our trading partners are committed to the responsible use of resources such as energy, water and raw materials. We expect active sustainability efforts, for example by increasing energy efficiency, generating or purchasing energy from renewable sources, or reusing raw materials. Transparency on CO<sub>2</sub> emissions is to be established and ambitious CO<sub>2</sub> reduction targets are to be set. Our trading partners always comply at least with local legal regulations and official requirements.

**Material Compliance:** Our trading partners are obliged to comply with the legal ingredient prohibitions, restrictions and declaration regulations, applicable standards on the prohibition and declaration of ingredients. In particular, these include the ban on the production of mercury-added products, the use of mercury and mercury compounds in manufacturing processes, and the treatment of mercury waste under the Minamata Convention, the ban on the production and use of certain chemicals defined in the Stockholm Convention on Persistent Organic Pollutants, and the ban on the export of hazardous waste under the Basel Convention.

## SOCIAL STANDARDS

**Child labor:** Our trading partners must only employ personnel who have reached the minimum age for performing work in accordance with the applicable national legislation and must not tolerate child labor. The ILO core labor standards must be complied with.



**Forced labor and slavery:** We expect our trading partners to strictly reject and refrain from any form of forced labor, human trafficking, torture and slavery. Employees must have the right to freely choose to separate from their employer in compliance with the statutory notice periods.

**Freedom of association:** The rights of employees to form employee representations as well as to strike and collective bargaining are respected by our trading partners. The ILO core labor standards are to be respected.

**Remuneration and working hours:** Our trading partners agree to comply with applicable national legislation on working hours, compensation, minimum income and benefits. If there is no legal regulation on working hours, the international ILO standards must apply.

**Equal opportunities and equal treatment:** We expect our trading partners to reject and refrain from any form of harassment and discrimination, for example on the basis of skin color, ethnic origin, social origin, health status, disability, sexual orientation, age, gender, political opinion, religion or belief, or political and trade union activity. The principle of equal pay for work of equal value, with comparable requirements and tasks, must apply regardless of gender. The standards of the ILO must be observed in this regard.



**Occupational health and safety:** Our trading partners undertake to comply with the respective national standards for a safe and hygienic working environment. The establishment and further development of an appropriate occupational health and safety management system (analogous to ISO 45001 or a comparable occupational health and safety management system for the industry) for the best possible prevention of accidents and work-related illnesses shall be promoted. Our trading partners shall also introduce suitable measures to implement the objectives of such an occupational health and safety management system.

**Use of private or public security forces:** In the event of the commissioning or use of private or public security forces, our trading partners ensure that the risk of torture, cruel, inhuman or degrading treatment, injury to life or limb or the impairment of freedom of association and freedom of labor is excluded through appropriate instruction and control of these security forces.

**Protection against forced eviction and deprivation of land:** Our business partners undertake not to carry out any unlawful forced evictions. In addition, they commit not to unlawfully deprive land, forests and waters through acquisition, development or other use.

**Protection from harmful environmental impacts:** Our trading partners commit not to cause harmful soil changes, water pollution, air pollution, harmful noise emissions or excessive water consumption that may significantly affect the natural basis for food production, impede access to safe drinking water or sanitation, or harm human health.



**Conflict Minerals:** We expect our trading partners to conduct due diligence and promote responsible commodity supply chains in the unavoidable use of conflict minerals (tin (Sn), tantalum (Ta), tungsten (W) and gold (Au)) to protect human rights in conflict regions. Our trading partners must ensure to stop direct or indirect financing of armed groups and comply with applicable legal requirements related to conflict minerals.

## INTEGRITY IN THE BUSINESS ENVIRONMENT



**Conflicts of Interest:** Decisions regarding business activities with LEFFER are made by our trading partners solely on the basis of objective criteria and are not improperly guided by personal interests. As soon as a trading partner becomes aware of a potential conflict of interest, they are required to take internal measures to eliminate these conflicts and to inform LEFFER immediately.

**Prohibition of corruption:** Compliance with the respective applicable anti-corruption laws shall be ensured by our trading partners, rejecting any form of corruption, theft, embezzlement, fraud or blackmailing behavior. In particular, they shall ensure that their employees, subcontractors or agents do not offer benefits to personnel of our company with the aim of obtaining a contract or any other preferential treatment in business dealings. These principles also apply if our trading partners work together with other third parties in connection with their activities for LEFFER.

**Free competition:** Our trading partners are obliged to behave fairly in competition. They shall refrain from participating in agreements that violate antitrust law, from exploiting a dominant market position and from engaging in other anti-competitive business practices.

**Money laundering:** Our trading partners comply with the relevant statutory regulations on money laundering prevention and duly fulfill their reporting obligations.



**Data protection and information security:** Compliance with the right to informational self-determination, the protection as well as the security of all business information and personal data in line with the legal requirements and the applicable data protection and information security laws, are guaranteed by our trading partners at all times.

**Foreign trade law:** Our trading partners comply with the applicable international and national regulations of customs and foreign trade law. We expect them to proactively exchange information relevant to foreign trade in order to ensure a secure supply chain.

## COMPLYING WITH THE SUPPLIER CODE OF CONDUCT

LEFFER reserves the right to reasonably verify compliance with this Supplier Code of Conduct. The trading partner undertakes to actively support any necessary checks, to provide relevant data upon request and to immediately terminate breaches of duty in the context of our expectations described above. If a breach of duty cannot be terminated immediately, the trading partner must create a concept to terminate or minimize the breach. This concept must be implemented along a defined schedule. Measures introduced must be documented and checked for their effectiveness. In addition, if a violation is suspected, the trading partner must immediately clarify possible violations and inform LEFFER of the clarification measures taken.



If the trading partner proves not to meet our described expectations or does not aim for and implement improvement measures or does not take remedial action within a reasonable period of time, LEFFER reserves the right to terminate individual or all contractual relationships.



### REPORTING POSSIBLE COMPLIANCE CASES

Possible misconduct can be reported - also anonymously - at <https://www.leffer.de/compliance>. To the extent required by law, LEFFER expects its trading partners to set up an appropriate reporting system themselves.