

## Table of content

1. Scope.....	3
2. Code of Business.....	3
3. Ecological responsibility.....	4
4. Social responsibility .....	5
5. Supply chain responsibility .....	7

## ***Preamble***

Our sustainability requirements for suppliers are the basis for the business relationship with AUNDE Group. Sustainability is the foundation for economic, ecological and social actions. It allows us to find innovative solutions, to pursue new business opportunities, to control and minimize risks and to strive for efficiency in economic, ecological and social terms.

## **Economic responsibility**

AUNDE Group stands for fair business relations with its business partners as well as for a continuous striving for efficiency and stability. Therefore, healthy competition is important to us. Ethical conduct towards its business partners is AUNDE Group's economic obligation. We expect the same approach from our suppliers in their business relations with their business partners.

## **Ecological responsibility**

One of AUNDE Group's main concerns has always been to conduct its business activities in an environmentally friendly manner. We proactively shape our business processes towards sustainability. In that regard we consider our supply chain as a relevant piece on our way to achieve ecological sustainability. Our motivation is to increase resource efficiency along the entire value chain, to reduce CO<sub>2</sub> emissions and to implement and guarantee compliance with legal regulations regarding conflict materials. Therefore AUNDE Group expects suppliers to operate or develop a systematic environmental management system.

## **Social responsibility**

Respecting and observing human rights is part of AUNDE Group's self-image. Thus, we take this into account in every business activity. This applies to our own employees, our supply chain as well as to the company's environment. We place particular emphasis on the safety and health of each individual, protect minorities from any form of discrimination and ensure that the dignity and freedom of our employees is guaranteed at all times.

## 1. Scope

Our present sustainability requirements apply to all business relationships between AUNDE Group and its suppliers. Suppliers must comply with the AUNDE Group supplier sustainability requirements and - as far as this is relevant for the respective business activity - consider the requirements in their own guidelines and processes.

In addition, suppliers are requested to ensure that these requirements are met by their suppliers and along the supply chain in an appropriate manner. Compliance with AUNDE Group's sustainability requirements is the foundation for long-term cooperation as well as for new projects.

## 2. Code of Business

Transparency, integrity and respect are fundamental principles for long-term cooperation. These principles can be anchored in the supply chain only through a proactive approach. AUNDE Group calls on its suppliers to take corporate and financial responsibility seriously and ensure the following topics.

### 2.1 Market conduct - corporate and financial responsibility

Suppliers respect fair and free competition. The supplier also ensures compliance with the applicable competition and antitrust laws. No anti-competitive agreements and arrangements may be made with competitors, suppliers, customers or other third parties, which could result in the abusive use of a market-dominating position. Suppliers are responsible for ensuring that there is no exchange of sensitive information under competition law or any other behavior that restricts or may restrict competition in an inadmissible manner. Likewise, it shall be ensured that financial responsibility is met through accurate records and orderly bookkeeping.

### 2.2 Corruption, Bribery and Conflicts of Interest

Entrepreneurial decisions by the supplier are based on factual criteria and cannot be influenced by financial, personal interests or relationships. AUNDE Group does not tolerate unfair competition from its suppliers. The supplier does not tolerate any form of corruption, i.e. the offering, granting as well as demanding and accepting advantages to which there is no legitimate claim. In the event of corruption and attempted bribery or other unacceptable practices, the supplier is requested to notify AUNDE Group accordingly.

### 2.3 Conflict minerals

When selecting products and purchasing components, it must be ensured by due diligence that AUNDE Group receives only raw materials that do not contribute in any way to the financing of conflicts and human rights violations during their extraction, transport, processing and trading.

### 2.4 Data protection, confidential information and intellectual property

Information and data shall be handled according to their classification and treated confidentially in the case of a valid non-disclosure agreement. The supplier must ensure that sensitive information is appropriately collected, processed, saved and deleted.

Any processing of personal data from employees and business partners must be carried out in accordance with the applicable country-specific legal requirements in accordance with the General Data Protection Regulation.

For confidential information and intellectual property of the AUNDE Group and/or its customers which is shared with the supplier for the purpose of fulfilling contractual obligations, the supplier is obliged to treat the information discreetly and not to pass it on to third parties.

### 2.5 Legal framework

AUNDE Group's suppliers must ensure compliance with the relevant country-specific laws and regulations. Furthermore, the supplier is requested to comply with the applicable import restrictions and export controls and economic sanctions on goods, services and information.

## 2.6 Exclusion of counterfeit parts in the supply chain

Suppliers must ensure that no counterfeit components can enter the supply chain. To this end, parts destined for the AUNDE Group shall be stored in secure warehouses and delivered under appropriate security measures with the help of reliable logistics service providers.

## 2.7 Disclosure of information

Suppliers of the AUNDE Group are committed to disclosing financial and non-financial information in accordance with applicable regulations and prevailing industry practice.

## 3. Ecological responsibility

Each supplier is responsible for the continuous optimization of its use of resources in production as well as the environmental compatibility of its products. A meaningful minimization of the use of finite resources is a constant goal. Country-specific environmental laws and regulations must be observed when carrying out the activities.

### 3.1 Striving for and continuously developing environmental and energy management systems

Suppliers must strive for and continuously develop a suitable environmental and energy management system in accordance with international standards ISO 14001 and ISO 50001.

An existing certification according to the standards ISO 14001 and 50001 is desirable at first contact.

### 3.2 Ressource management

When developing and manufacturing products for AUNDE Group, the supplier takes into account the efficient use of natural resources (e.g. water, energy sources, raw materials, etc.) and strives to use recycled materials where possible.

### 3.3 Responsible chemicals management

The handling of substances must ensure that the safety for the environment and health is always guaranteed.

Workers handling hazardous substances must receive regular training regarding the potential dangers and the protective measures specified to avoid damage to health or the environment.

### 3.4 Handling of industrial wastewater

The supplier must ensure that official limit values for industrial wastewater are within legal parameters and that the concentration of pollutants is kept at a minimum.

Optimisation options and measures for wastewater reduction are to be regularly checked, assessed and, if necessary, implemented.

### 3.5 Energy consumption, efficiency and greenhouse gas emissions

In addition to the efficient use of energy sources, the supplier must also aim to reduce greenhouse gases. The supplier should strive for CO<sub>2</sub> neutrality for their own production and pass this requirement on to sub-suppliers.

### 3.6 Air and noise emissions

In compliance with country-specific laws, the environmental impact of relevant air and noise emissions should be regularly checked and assessed. If necessary, an optimization or protective measures should be sought in such a way that permanent damage to people or the environment is excluded.

### 3.7 Waste and recycling

Waste avoidance, recycling and the safe, environmentally friendly disposal of residual waste, chemicals and wastewater must be strictly considered during the development and manufacturing of products. The local official regulations regarding the disposal of waste are to be followed.

## 3.8 Hazardous substances

### *Heavy metals*

The supplier undertakes to comply with the relevant laws and regulations regarding the avoidance and limitation of heavy metals, in particular chromium VI.

### *REACH (SVHC)*

The supplier undertakes to register the delivered substances or mixtures or the substances present in the delivered product with REACH. For substances and mixtures according to REACH, the supplier shall provide a safety data sheet with the initial delivery at a minimum. Furthermore, the supplier is obliged to proactively inform the AUNDE Group if a substance, mixture or article contains a SVHC substance in a concentration higher than 0.1%.

### *CMR substances / GADSL*

Any CMR substances in products provided by the supplier have to be avoided. In the case of specific customer and legal requirements, the use of these substances within the products provided must be indicated by name and percentage. The substances, limit values and notification obligations of the GADSL must be observed.

### *IMDS*

The entries into the IMDS system must be made by the supplier independently, provided that the products are used by the AUNDE Group in the manufacturing of its products

## 3.9 Biodiversity and soil quality

The supplier commits to assess the impact of its own business activities on biodiversity and soil quality, and to maintain and promote existing biodiversity and soil quality through appropriate land use and avoidance of deforestation.

For the AUNDE GROUP, this term includes the different forms of life (species diversity, plant species, fungi, etc.), the different habitats in which species live (ecosystems such as forests, soil or water bodies), as well as the genetic diversity within species (e.g., subspecies, varieties and breeds).

## 3.10 Animal welfare

We expect our suppliers to respect the principles of animal welfare in all their business activities. The supplier recognises the Washington Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) for the protection of animals and plants of endangered species and aligns its business activities accordingly.

## 3.11 Proactive handling of ecological challenges

Suppliers are required to deal with ecological challenges in a prudent and forward-looking manner. We must work towards the development and dissemination of environmentally friendly technologies. Suppliers are expected to improve the environmental performance of products and services by setting targets and monitoring their environmental indicators.

# 4. Social responsibility

Each supplier is obligated to grant its employees adequate social standards, which are based on the UN Global Compact for sustainable development and the SA8000 social standard. In the following we define our minimum requirements.

## 4.1 Occupational health and safety and fire protection at the workplace

The supplier is responsible for a safe working environment in accordance with national regulations. Necessary precautions must be taken to prevent accidents and the resulting health consequences for

employees that could arise in connection with their activities. In particular, the supplier must guarantee the following aspects:

- Employees must be regularly instructed about hazards and precautionary measures.
- Personal protective equipment (PPE) must be provided to the employee.
- Work-related hazards must be monitored and controlled, and preventive protective measures must be taken if risks / dangers are identified.

In addition, an internationally recognized occupational health and safety management system (e.g. according to ISO 45001) should be aimed for.

## 4.2 Working hours

Compliance with working time regulations in accordance to national legal regulations must be ensured. When organizing working hours and breaks, operational and individual interests / concerns should be considered. Overtime is only permitted if it is done on a voluntary basis. No more than 12 hours of overtime may be worked per week.

All employees are entitled to rest periods/ breaks on each working day. A day off must be granted after six consecutive working days. Public holidays shall be observed.

## 4.3 Fair wages

Suppliers must not fall below state or collectively agreed minimum wages as well as minimum standards customary in the industry. AUNDE Group's suppliers ensure that in countries without collectively agreed or statutory wage framework, wages for regular full-time work are sufficient to meet the basic needs of the employees. Wages are not withheld and are paid regularly in a form which is suitable for the employee. The supplier must inform his employees about the composition of their wages on a regular basis.

## 4.4 Non-discrimination, women's rights and promotion of diversity, equality and inclusion

Suppliers must ensure that any form of discrimination, exclusion or preferential treatment based on ethnic origin, skin color, gender, sexual orientation, religion, political opinion, national origin, affiliation to minorities and social origin is refrained from and that equal opportunities as well as equal treatment in employment or occupation are not impaired. Furthermore, the principle of equal pay for male and female workers for work of equal value must apply. The work environment must be free from harassment. A social environment is to be promoted which ensures the respect of each individual and offers equal opportunities to all employees.

## 4.5 Freedom of Association

The supplier's employees must be able to communicate openly, respectfully and in mutual trust with the company management regarding the current working conditions without fear of any disadvantages. At their own request, the supplier's employees must be allowed to join forces, unionize and appoint or be elected as an employee representative. In countries where the right is restricted by local laws, alternative, legally compliant options for employee representation are to be promoted.

## 4.6 Ban on child labor and protection of young employees

AUNDE Group is committed to the abolition of child labor. We demand the same from our suppliers. The suppliers are requested to adhere to the recommendation from the ILO conventions on the minimum age for the employment or work assignment of children. Accordingly, the age should not be less than the age at which compulsory schooling ends and in any case not under 15 years.

AUNDE Group suppliers must ensure that young employees under the age of 18 do not work overtime or at night. Employees under the age of 18 must be protected against working conditions that could harm their health, safety or development.

## 4.7 Forced labor, slavery and human trafficking

Any economic activity based on forced or compulsory labor, debt bondage or serfdom, as well as human trafficking is not accepted. This includes any type of work or service that is required of a person under the threat of any penalty and for which they have not volunteered. Therefore, all work performed by employees

must be voluntary. The employees have the right to terminate the employment relationship at their own will and within a reasonable period of time.

#### 4.8 Land, forest, water rights and forced eviction and rights of indigenous people

AUNDE Group suppliers do not engage in forced eviction or unlawful taking of land, forests and waters when acquiring, developing, or otherwise using land, forests, and waters. Particularly in need of protection are also the rights of indigenous peoples, whose displacement or negative impact must be ruled out. High value is placed on compliance with national and international legal and regulatory requirements.

#### 4.9 Whistleblowers and retaliation protection

The supplier must establish a whistleblower process for all types of rule violations and ensure that informing employees do not suffer any disadvantage as a result of pointing out irregularities.

## 5. Supply chain responsibility

### 5.1 Due diligence

Suppliers are requested to introduce a due diligence process to ensure that their suppliers and sub-suppliers adhere to the standards required in this document. The due diligence process must contain at least the following aspects:

- A complaint mechanism with documentation of incidents and the corrective action taken.
- A risk management system, which includes a regular analysis to identify potential risks in the supply chain, especially for the immediate suppliers.
- Preventive measures to avoid social and ecological grievances.
- Designation of a responsible person within the company for monitoring and controlling sustainability requirements.

### 5.2 Complaints

In the event of a violation or a potential risk of the above sustainability requirements, AUNDE Group has set up a complaint mechanism:

**Complaint form:**      [Whistle Blowing Platform - AUNDE Group SE](#)