

RENK

 CORPORATE GOVERNANCE

# Code of conduct

for Suppliers and other Business Partners

| <b>Content</b>   | <b>Page</b> | <b>Foreword</b>  |
|--|-------------|--|
| <b>Foreword</b>  | <b>3</b>    | As a global group of companies with 150 years of tradition and experience, RENK Group ("RENK") has a responsibility to employees, contractors, and the society. This responsibility also requires sustainable procurement and supplier management.   |
| <b>1. Corporate responsibility</b>   | <b>4</b>    | Compliance with all applicable legal regulations and ethical, ecological, and social standards enjoys highest priority for RENK, both within the company and across the entire supply chain.   |
| <b>2. Transparent business relationships</b>   | <b>6</b>    | This Code of Conduct describes the values and basic principles of RENK that also must be observed by suppliers and other business partners. It defines a binding minimum standard and constitutes the basic understanding underlying our cooperation.  |
| <b>3. Fair market conduct</b>  | <b>7</b>    | By acceding to the United Nations Global Compact, RENK has committed to observing its ten principles in the areas of human rights, labour, environmental protection, and anti-corruption. Apart from the UN Global Compact, the requirements outlined in this Code of Contact are guided by laws and international standards such as the German Act on Corporate Due Diligence Obligations in Supply Chains and the labour standards laid down by the International Labour Organization.   |
| <b>4. Protection of data, business secrets and company assets</b>                                      | <b>8</b>    | This Code of Conduct applies to  |
| <b>5. Legal consequences of violating the RENK Code of Conduct for suppliers and business partners</b> | <b>9</b>    | <ul style="list-style-type: none"> <li>■ <b>Suppliers</b><br/>All contractors supplying RENK with goods, materials, value-added work, or services</li> <li>■ <b>Other business partners</b><br/>Business partners with in an intermediary and/or representative function, that act in the interest or on behalf of RENK in a sales support function, such as consultants, intermediaries, sales representatives, authorized dealers/importers, as well as partners in e.g. development or sales cooperations, joint ventures or consortium partners</li> <li>■ <b>All executives and employees of suppliers and other business partners</b></li> </ul> |
| <b>6. Complaint procedure / whistleblower system</b>   | <b>9</b>    | RENK expects its suppliers and other business partners to share the requirements and values defined in this Code of Contact with their subcontractors and own suppliers, to bind them accordingly and secure their compliance.   |
| <b>Appendix</b>  | <b>10</b>   |  |

## 1. Corporate responsibility

For every supplier and other business partner – just as for RENK – corporate responsibility involves a duty to comply with all applicable rules and regulations and to observe basic ethical principles, without any exception.

### ■ Human rights

RENK suppliers and business partners respect and protect the globally applicable regulations to protect human rights as fundamental and general requirements. This includes the prohibition of any form of child labour, forced labour, modern slavery, trafficking in human beings, and any other kinds of exploitation of human beings. RENK suppliers and other business partners comply with the ILO Convention 138 on the minimum age of employment, and the prohibition of the worst forms of child labour laid down in the ILO Convention 182. The employment of adolescents must never jeopardize their physical and mental development.

RENK suppliers and other business partners respect the rights of local communities, indigenous peoples, and minorities. They do not take any reprisals against human rights defenders.

### ■ Equal opportunity and non-discrimination

RENK suppliers and other business partners do not tolerate any discrimination or disadvantage on the grounds of ethnic or national origin, sex, religion, beliefs, age, disability, sexual orientation, colour, political opinion, social background, or any other legally protected characteristics. This applies in particular to the recruiting, hiring and promotion of employees and to disciplinary action and other conditions of employment. Harassment in any form whatsoever must not be tolerated.

### ■ Freedom of association and fair working conditions

RENK suppliers and other business partners respect the right of employees to organize employee representations, to join the same and to bargain collectively.

RENK suppliers and other business partners warrant fair working conditions and ensure a commensurate remuneration of their employees as well as social benefits. At the very least, they abide by the applicable statutory and/or collective bargaining regulations.

### ■ Health and safety

RENK suppliers and other business partners comply with the applicable legal requirements concerning health and safety at work. Through an appropriate health and safety management, they ensure the safety of employees and external persons within their area of responsibility. RENK suppliers and other business partners observe the respective national regulations and agreements on working hours and holidays.

### ■ Environmental protection and sustainability

RENK suppliers and other business partners take responsibility for environmental protection and comply with all legal requirements and internationally recognized standards for the protection of the environment. They actively contribute to maintaining a good water, air, and soil quality by operating an appropriate environmental management system. This also includes reducing air pollution, noise emissions, the consumption of energy and water, the generation of waste including effluents, and the consumption of natural resources.

As part of the decarbonization efforts, RENK suppliers and other business partners undertake to take suitable measures to reduce the emission of greenhouse gases and to improve their energy efficiency. This also comprises the use of renewable energies. RENK expects from its suppliers and other business partners that they establish transparency about their own emissions.

RENK suppliers and other business partners use resources sparingly. Wherever possible, materials are recycled.

### ■ Handling of hazardous substances

RENK suppliers and other business partners operate a chemicals management system to minimize the use of hazardous substances. Where the use of hazardous substances is unavoidable, they take suitable action to minimize the risks and protect man and the environment.

### ■ Product safety

RENK suppliers and business partners comply with all applicable legal regulations and requirements related to product safety. This especially concerns the safety, labelling, and packaging of products as well as the use of dangerous substances and materials. RENK suppliers and other business partners ensure appropriate internal processes to prevent the use of safety-critical or counterfeit parts (fakes) that are supplied for incorporation into RENK products.

### ■ Responsible procurement of raw materials and conflict minerals

RENK suppliers and other business partners ensure that they procure raw materials from sustainable and ethical sources. For conflict minerals (tin, tantalum, tungsten, gold) as well as for cobalt and mica, RENK expects that the melting of the minerals can be identified.

## 2. Transparent business relationships

Openness and transparency are key to trust in business, and trust is the basis of a successful cooperation. RENK is a trusted and reliable partner. RENK demands the same from its suppliers and other business partners.

### ■ Avoiding conflicts of interest

RENK suppliers and business partners make decisions based solely on objective criteria and do not allow themselves to be guided by personal interests or relationships. Any potential conflicts of interests with private concerns or other commercial or non-commercial activities, also including those by relatives or other related parties, are nipped in the bud.

### ■ Prohibition of corruption

RENK suppliers and other business partners do not tolerate corruption. They ensure that their employees, subcontractors, or representatives do not grant, offer or accept any bribes, kickbacks, inadmissible donations or other inadmissible payments or benefits to or by customers, officials or other third parties. This also applies to so-called facilitation payments (illegal payments to accelerate administration matters that are routinely encountered).

### ■ Gifts, hospitality, and invitations

RENK suppliers and other business partners do not abuse gifts, hospitality, and invitations to exert influence. They neither directly nor indirectly offer RENK employees or third parties any inappropriate benefits in the form of gifts, hospitality, or invitations to unduly influence them. RENK suppliers and other business partners do not ask for and do not accept such inappropriate benefits from any other persons.

### ■ States as customers and dealing with authorities

RENK suppliers and other business partners consistently comply with strict legal provisions when dealing with governments, authorities, and public institutions, and ensure a particularly high degree of transparency in their communication with representatives of authorities. When taking part in public invitations to tender, they comply with the respective legal requirements and abide by the rules of free and fair competition.

### ■ Consultants and intermediaries

RENK suppliers and other business partners only employ consultants, lobbyists, or intermediaries in line with applicable legal regulations. They take particular care to ensure that the remuneration paid to consultants, lobbyists, or intermediaries is permissible, and that consultants, lobbyists, or intermediaries are only remunerated for consulting and agency services actually provided, and that the payments are commensurate with the performance rendered.

## 3. Fair market conduct

RENK is a fair and responsible market participant and adheres to its contractual obligations. RENK expects the same from its suppliers and business partners.

### ■ Free competition

RENK suppliers and other business partners comply with the applicable competition and antitrust legislation. In particular, they do not enter into any anti-competitive agreements with other market participants, suppliers, or customers. If they enjoy a dominant market position, they do not abuse this position. They refrain from any acts that may have the appearance of a concerted action.

### ■ Export control & trade compliance

RENK suppliers and other business partners make sure that they comply with all applicable legal regulations on the import and export of goods, services, and information, including sanctions, embargoes, regulations, government orders and guidelines. This also includes the transport of goods and the transfer of data and know-how. RENK requires its suppliers and other business partners to implement suitable processes that ensure that their business transactions and activities with third parties as well as with RENK do not violate export control and sanction regulations, and that any required evidence and information is readily supplied.

### ■ Money laundering and financing of terrorism

RENK suppliers and other business partners comply with the applicable legal regulations to fight against money laundering and the financing of terrorism. They neither participate in nor enable activities connected with money laundering and financing of terrorism.

### ■ Tax and reporting

RENK requires its suppliers and other business partners to comply with the applicable fiscal regulations. RENK suppliers and other business partners report on their business activities truthfully and in line with the applicable laws.

## 4. Protection of data, business secrets and company assets

Confidential data, business secrets and company assets are a valuable good and must therefore also be protected by RENK suppliers and other business partners.

### ■ Data protection and data security

RENK suppliers and other business partners warrant the protection of personal data and the security of business information (especially of customer and final customer data) in all their business processes. They observe all applicable legal regulations on data protection, information security and, where applicable, confidentiality.

### ■ Intellectual property, trade and business secrets

RENK suppliers and other business partners respect the know-how, the intellectual property rights (such as patents and trademarks), and the trade and business secrets of RENK and third parties. No such information may be passed on to third parties without the prior express written consent of RENK or in any way that is otherwise inadmissible.

### ■ Handling company assets

RENK suppliers and other business partners respect RENK's tangible and intangible assets and do not use them for unfair or non-business purposes. They ensure that their employees as well as any third parties they commission in the business relationship (such as subcontractors or representatives) neither damage RENK assets nor misuse the same, i.e. use these assets contrary to RENK's interests.

### ■ Security of the international supply chain

RENK suppliers and other business partners must ensure that business premises and handling areas where goods destined for RENK are produced, stored, processed, loaded, and transported are protected as part of a secure supply chain against unauthorized access by third parties, and that all personnel employed are reliable.

## 5. Compliance with the Code of Conduct and legal consequences of any violations

RENK suppliers and other business partners undertake to comply with the principles and requirements laid down in this Code of Conduct. This compliance is verified through a self-declaration questionnaire. Audits can be performed in consultation with the suppliers or other business partners.

RENK suppliers and other business partners must oblige their subcontractors and own suppliers to observe the principles laid down in this Code of Conduct for Suppliers and other Business Partners and to ensure that these principles are passed on and complied within the supply chain. If RENK suppliers or other business partners identify risks within their own supply chain related to the compliance with the defined principles, they must take appropriate action to mitigate such risks. If RENK suppliers or other business partners identify a violation of the defined principles within their supply chain, they must inform RENK accordingly without delay.

If a RENK supplier or other business partner is suspected of non-compliance with this Code of Conduct, RENK reserves the right to demand information about the respective matter. RENK also has a right to terminate for cause and with immediate effect all contractual relationships with any supplier and other business partner that does not observe this Code of Conduct, that demonstrably fails to perform its obligations thereunder or that is unwilling to make or fails to implement improvements after RENK has set an appropriate period to do so.

## 6. Complaint procedure / whistleblower system

RENK encourages its suppliers and other business partners and their employees to report any violations of this Code of Conduct as well as human rights and environment related risks via the digital whistleblower system (RENK Integrity Line):

**<https://renk.integrityline.com>**

All reports are processed exclusively by specially trained employees within the Group Compliance Department acting objectively and observing confidentially. Whistleblowers are protected according to the German Act on the Protection of Whistleblowers and the EU Whistleblower Directive (EU2019/1937).

## Appendix

### Human Rights and Environmental Prohibitions in the Supply Chain

The German Act on Corporate Due Diligence Obligations in Supply Chains came into force on January 1, 2023. The Act imposes on the RENK Group the responsibility to monitor and oblige suppliers and other business partners to comply with internationally recognized human rights and environmental standards. The following human rights and environmental prohibitions listed in the Act must therefore be observed by suppliers and other business partners and along their supply chains:

1. the prohibition of the employment of a child under the age at which compulsory schooling ends according to the law of the place of employment, provided that the age of employment is not less than 15 years, except where the law of the place of employment so provides in accordance with Article 2 (4) and Articles 4 to 8 of Convention No. 138 of the International Labour Organization;
2. the prohibition of the worst forms of child labour for children under 18 years of age; in accordance with Article 3 of Convention No. 182 of the International Labour Organization this includes:
  - a) all forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom, as well as forced or compulsory labour, including the forced or compulsory recruitment of children for use in armed conflicts,
  - b) the use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances,
  - c) the use, procuring or offering of a child for illicit activities, in particular for the production of or trafficking in drugs,
  - d) work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children;
3. the prohibition of the employment of persons in forced labour; this includes any work or service that is required of a person under threat of punishment and for which he or she has not made himself or herself available voluntarily, for example as a result of debt bondage or trafficking in human beings; excluded from forced labour are any work or services that comply with Article 2 (2) of Convention No. 29 of the International Labour Organization or with Article 8 (3) (b) and (c) of the International Covenant on Civil and Political Rights;
4. the prohibition of all forms of slavery, practices akin to slavery, serfdom or other forms of domination or oppression in the workplace, such as extreme economic or sexual exploitation and humiliation;
5. the prohibition of disregarding the occupational safety and health obligations applicable under the law of the place of employment if this gives rise to the risk of accidents at work or work-related health hazards, in particular due to:
  - a) obviously insufficient safety standards in the provision and maintenance of the workplace, workstation and work equipment;
  - b) the absence of appropriate protective measures to avoid exposure to chemical, physical or biological substances;
  - c) the lack of measures to prevent excessive physical and mental fatigue, in particular through inappropriate work organisation in terms of working hours and rest breaks; or
  - d) the inadequate training and instruction of employees;
6. the prohibition of disregarding the freedom of association, according to which
  - a) employees are free to form or join trade unions,
  - b) the formation, joining and membership of a trade union must not be used as a reason for unjustified discrimination or retaliation,
  - c) trade unions are free to operate in accordance with applicable law of the place of employment, which includes the right to strike and the right to collective bargaining;
7. the prohibition of unequal treatment in employment, for example on the grounds of national and ethnic origin, social origin, health status, disability, sexual orientation, age, gender, political opinion, religion or belief, unless this is justified by the requirements of the employment; unequal treatment includes, in particular, the payment of unequal remuneration for work of equal value;
8. the prohibition of withholding an adequate living wage; the adequate living wage amounts to at least the minimum wage as laid down by the applicable law and, apart from that, is determined in accordance with the regulations of the place of employment;
9. the prohibition of causing any harmful soil change, water pollution, air pollution, harmful noise emission or excessive water consumption that
  - a) significantly impairs the natural bases for the preservation and production of food,
  - b) denies a person access to safe and clean drinking water,
  - c) makes it difficult for a person to access sanitary facilities or destroys them or
  - d) harms the health of a person;
10. the prohibition of unlawful eviction and the prohibition of unlawful taking of land, forests and waters in the acquisition, development or other use of land, forests and waters, the use of which secures the livelihood of a person;
11. the prohibition of the hiring or use of private or public security forces for the protection of the enterprise's project if, due to a lack of instruction or control on the part of the enterprise, the use of security forces
  - a) is in violation of the prohibition of torture and cruel, inhumane or degrading treatment,
  - b) damages life or limb or
  - c) impairs the right to organise and the freedom of association;
12. the prohibition of an act or omission in breach of a duty to act that goes beyond nos. 1 to 11, which is directly capable of impairing a protected legal position in a particularly serious manner, and the unlawfulness of which is obvious upon reasonable assessment of all the circumstances in question;
13. the prohibition of the manufacture of mercury-added products pursuant to Article 4 (1) and Annex A Part I of the Minamata Convention;
14. the prohibition of the use of mercury and mercury compounds in manufacturing processes within the meaning of Article 5 (2) and Annex B Part I of the Minamata Convention from the phase-out date specified in the Convention for the respective products and processes;
15. the prohibition of the treatment of mercury waste contrary to the provisions of Article 11 (3) of the Minamata Convention;
16. the prohibition of the production and use of chemicals pursuant to Article 3 (1) (a) and Annex A of the Stockholm Convention on Persistent Organic Pollutants (POPs Convention), last amended by decision of 6 May 2005, in the version of Regulation (EU) 2019/1021 of the European Parliament and of the Council of 20 June 2019 on persistent organic pollutants, as last amended by Commission Delegated Regulation (EU) 2021/277 of 16 December 2020;
17. the prohibition of the handling, collection, storage and disposal of waste in a manner that is not environmentally sound in accordance with the regulations in force in the applicable jurisdiction under the provisions of Article 6 (1) (d) (i) and (ii) of the POPs Convention;
18. the prohibition of exports of hazardous waste within the meaning of Article 1 (1) and other wastes within the meaning of Article 1 (2) of the Basel Convention, as last amended by the Third Ordinance amending Annexes to the Basel Convention of 22 March 1989 of 6 May 2014, and within the meaning of Regulation (EC) No 1013/2006 of the European Parliament and of the Council of 14 June 2006 on shipments of waste (Regulation (EC) No 1013/2006), as last amended by Commission Delegated Regulation (EU) 2020/2174 of 19 October 2020
  - a) to a party that has prohibited the import of such hazardous and other wastes (Article 4 (1) (b) of the Basel Convention),
  - b) to a state of import as defined in Article 2 no. 11 of the Basel Convention that does not consent in writing to the specific import, in the case where that state of import has not prohibited the import of such hazardous wastes (Article 4 (1) (c) of the Basel Convention),
  - c) to a non-party to the Basel Convention (Article 4 (5) of the Basel Convention),
  - d) to a state of import if such hazardous wastes or other wastes are not managed in an environmentally sound manner in that state or elsewhere (Article 4 (8) sentence 1 of the Basel Convention);
19. the prohibition of the export of hazardous wastes from countries listed in Annex VII to the Basel Convention to countries not listed in Annex VII (Article 4A of the Basel Convention, Article 36 of Regulation (EC) No 1013/2006);
20. the prohibition of the import of hazardous wastes and other wastes from a non-party to the Basel Convention (Article 4 (5) of the Basel Convention).



**Trusted Partner.**

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