

## **Code of Conduct for suppliers**

### **Preamble**

The Supplier Code describes the requirements and principles for the cooperation of companies of Ziegler Group (with contractors, suppliers and service providers (hereinafter: "Business Partners")).

As a globally active, modern family-owned company, respect for applicable laws and regulations as well as social and environmental values are a central component of Ziegler Group's corporate culture and guiding principle for corporate management. We expect the same from supplier companies - also along their own supply chains.

The following defines requirements for our suppliers with regard to relevant social and environmental aspects such as human rights, working conditions, environmental protection and business conduct with integrity. These aspects include, among others, the principles of the United Nations Global Compact ([www.unglobalcompact.org](http://www.unglobalcompact.org)), the Universal Declaration of Human Rights, the conventions of the United Nations Organization (UNO), the core labor standards of the International Labor Organization (ILO), the OECD Guidelines for Multinational Enterprises, and the Supply Chain Sourcing Obligations Act (LkSG).

Ziegler Group reserves the right to suspend or terminate the business relationship with a supplier who does not comply with these principles or applicable law at any time.

### **I. Compliance with laws, rules and standards**

#### **1. Human rights and fair working conditions**

##### **1.1 Respect for human rights/discrimination**

All employees of Ziegler Group business partners have the right to fair, courteous and respectful treatment. No one may be harassed or discriminated against on the basis of their ethnic origin, skin colour, nationality, ancestry, gender, sexual identity, faith or religious affiliation, world view, political views, age, physical constitution, appearance or other personal characteristics.

We expect that our business partners also promote equal opportunities and equal treatment and prevent discrimination in the hiring of employees as well as in the promotion or granting of training and further education measures.

No employee of a business partner may be discriminated against because of his or her gender, age, skin colour, culture, ethnic origin, nationality, sexual identity, gender, disability, religious affiliation, political views or ideology.

## **1.2 Health protection/occupational safety/ fire protection**

Our business partners shall ensure a safe, healthy and hygienic working environment and take necessary measures to prevent accidents and damage to health that may arise in connection with the activity. The business partner is therefore obliged to ensure that the applicable occupational safety standards are complied with in the relationship with its employees and at its business partners. To this end, the business partner is obliged to take appropriate measures and operate systems in order to identify and prevent potential health hazards due to accidents, injuries and work-related illnesses of its employees. We expect our business partners to know and comply with the applicable national legislation on health protection, occupational safety and fire protection.

## **1.3 Remuneration and working hours**

Our suppliers must comply with all applicable national laws with regard to working hours, overtime, wages and social benefits. At least the legally applicable minimum wage must be paid. Deductions from wages as a disciplinary measure are not permitted without a legal basis. Working hours must comply with the applicable national laws and regulations and the relevant core labor standards of the International Labor Organization (ILO).

For the duration of the execution of the Contract, the Business Partner is obliged to grant its employees the benefits applicable to them by law or by collective agreement established by law and also to employ only those subcontractors or other third parties who also undertake to do so.

## **1.4 Prohibition of child labor**

Exploitation of children and young people is not tolerated. Our business partners do not use child labor. The provisions of ILO Conventions No. 138 and No. 182 are observed. This includes, among other things, that only persons are employed who can show the necessary minimum age and that no persons are employed for risky work who cannot show a minimum age of 18 years.

## **1.5 Prohibition of forced labor**

Our business partners will neither use nor contribute to the use of any form of slavery, servitude, forced or compulsory labor or human trafficking. The principle of freely chosen employment will be respected and adhered to. For example, neither physical nor sexual violence will be used or the mobility of employees will be restricted.

## **1.6 Combating illegal employment**

The Business Partner shall comply with the relevant statutory regulations on the employment of employees and is obliged to take effective action against illegal employment and moonlighting.

## **1.7 Freedom of association**

In accordance with local laws, business partners must respect the right of their employees to decide freely, without discrimination, threats and intimidation or other retaliation, to join or establish a trade union/employee representation of their choice or not to do so. Business partners must recognize and respect the free activity of trade unions in accordance with the law of the place of employment, in particular the right to strike and the right to collective bargaining.

In the event that national standards restrict the right to organize and bargain collectively, the business partner shall work to enable and permit the free and independent association of employees for the purpose of bargaining.

## **1.8 Disciplinary action**

All employees are to be treated with dignity and respect. Sanctions, fines, other penalties or disciplinary measures may only be imposed in accordance with applicable national and international standards and internationally recognized human rights. The business partner shall take appropriate measures to ensure that employees are not subjected to verbal, psychological, sexual or physical violence, coercion or harassment.

## **2. Environment and climate protection**

Our business partners act in accordance with the applicable legal norms and international standards with respect to the environment. Environmental pollution and the associated risks to people, animals and ecosystems are prevented as far as possible and environmental protection is continuously improved.

Our business partners are constantly working to improve their contribution to climate protection, for example by increasing energy efficiency or sourcing energy from renewable sources.

Our business partners do not commit any violations of legitimate rights of others to land, forests or waters. Harmful soil changes, water and air pollution, noise emissions as well as excessive water consumption that damage the health of persons, significantly impair the natural basis for the production of food or prevent the access of persons to safe drinking water or sanitary facilities must not be brought about.

## **3. Integrity in business transactions/fair business practices**

### **3.1 Prohibition of corruption and bribery**

Our business partners will not tolerate any form of corruption or bribery. They will not participate directly or indirectly and will not offer, grant or promise, or accept or allow to be promised, any benefits to politicians, officials or persons from the private sector in order to influence official actions or achieve an unfair advantage. This also includes refraining from granting or accepting improper acceleration payments.

Business partners must therefore implement effective fraud prevention and reporting programs and report all incidents of fraud (confirmed or under investigation) related to the business relationship.

### **3.2 Fair competition, antitrust law and intellectual property rights**

Our business partners act in accordance with national and international competition laws and behave fairly. They will not engage in price fixing, market or customer sharing, or other arrangements that distort competition. Intellectual property rights of others will be respected by our business partners.

### **3.3 Avoidance of conflicts of interest**

The business partner is obliged to make decisions on the basis of factual considerations and not to be guided in an inadmissible manner by personal interests. As soon as a business partner becomes aware of a potential conflict of interest, he is required to take internal measures to eliminate these conflicts and to inform Ziegler Group immediately.

### **3.4 Money laundering and terrorist financing**

Our business partners comply with the relevant legal provisions with regard to the prevention and reporting obligations of money laundering and terrorist financing. Money laundering or terrorist financing are neither directly nor indirectly promoted.

### **3.5 Data protection**

Our business partners respect the privacy of all, treat personal data confidentially and process it responsibly. Furthermore, it is ensured that personal data is effectively protected and only processed for legitimate purposes. The relevant laws and regulations are complied with.

### **3.6 Responsible procurement of raw materials**

Our business partners take appropriate measures to avoid the use of raw materials in their products that originate from conflict and risk areas and contribute to human rights violations, corruption, financing of armed groups or similar negative impacts. Where such raw materials are used, care is taken to ensure that they come from responsible sources.

### **3.7 Export control and customs**

Our business partners comply with the relevant export control and customs regulations and observe sanctions lists.

## **4. Due diligence in supply chains**

The business partner is obliged to observe human rights and environmental due diligence obligations in an appropriate manner and to address them appropriately along the supply chain.

Our business partners make reasonable efforts to ensure that their own business partners also comply with the basic principles of this Code of Conduct.

If the business partner culpably violates serious human rights or environmental due diligence obligations in connection with the contract, Ziegler Group is entitled to terminate the contract for cause.

## **5. Complaints procedure/whistleblower system**

Ziegler Group has set up the whistleblower system "rexx" to facilitate the reporting of potential violations of laws, regulations, or this Code of Conduct. The business partner is obliged to inform its employees as well as all business partners involved (subcontractors, suppliers, service providers) about the content of this Supplier Code of Conduct and all legal regulations affecting them in a manner accessible to them.

The business partner shall inform its employees and suppliers about the accessibility and anonymous usability of the complaint mechanism of Ziegler Group and shall request them to pass on the information about this whistleblower system along the supply chain.

We encourage our business partners to report violations of this Code of Conduct or other ethical concerns. Any reported violations or concerns will be treated confidentially and appropriately investigated.

The electronic reporting center can be accessed at the link: <https://hr.Ziegler.global/whistleblowing/>

For more information about the whistleblower system and related policies, please refer to our "Whistleblower System/Complaint Procedure" rules of procedure, which are available at <https://www.ziegler.global/hinweisgeberportal/>.

## **6. Audit rights for compliance with the supplier code**

Ziegler Group shall be entitled to verify compliance with the aforementioned requirements either itself or through third parties bound to secrecy. As far as reasonable, the business partner shall assist in this. It shall grant Ziegler Group or third parties commissioned by Ziegler Group access to the business partner's premises as well as inspection of its business documents.

Plößberg, August 2023



Stefan Ziegler, CEO