

## Code of Conduct for our partners

The Code of Conduct includes the following elements:

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### 1 Introduction/Preamble

Hörnlein GmbH is committed to environmentally and socially responsible business management. We demand the same from all our partners. We also expect our employees to behave in an environmentally, socially and ethically responsible way and incorporate these principles into our corporate culture. We continually strive to make our business processes and products more sustainable, and we ask our partners to help us with this in the interests of a holistic approach.

The contracting partners agree that the following rules will apply to all future collaborations as a joint Code of Conduct. This agreement will serve as the basis for all future deliveries. The contracting partners agree to follow the Code of Conduct principles and obligations and make every effort to oblige their own subcontractors to abide by the standards and rules set out in this document. This agreement will enter into force upon its signature. In accordance with clause 3, any breach of this Code of Conduct may give Hörnlein GmbH grounds to terminate the business relationship, including all associated supply agreements, following an unheeded warning.

The Code of Conduct is based on national laws and regulations and international agreements, such as the United Nations Universal Declaration of Human Rights, the Children's Rights and Business Principles, the United Nations Guiding Principles on Business and Human Rights and the International Labour Organization International Labour Standards.

## **2 Requirements for partners**

### **2.1 Corporate social responsibility**

#### No forced labour

No forced labour, slave labour or similar is permitted. All work must be voluntary, and employees must be free to leave their jobs at any time. In addition, unacceptable treatment of workers, such as psychological cruelty or sexual and personal harassment, is not permitted.

#### No child labour

No child labour is permitted at any stage of production. Partners must comply with the International Labour Organization (ILO) conventions on the recommended minimum age for the employment of minors. According to the latter, this should not be below the age at which compulsory education ends and, in no circumstances, below the age of 15 years. If children are discovered working, the partner must document the steps it plans to take to remedy the situation. Young workers' rights must be respected, and special protection rules must be observed.

#### Fair wages

Wages for standard working hours and overtime must be in line with the national statutory minimum wage or industry minimum standards, whichever is higher. Workers must be granted all benefits required by law. The partner shall ensure that workers receive clear, detailed and regular written information about how their wages are calculated.

#### Freedom of association

Workers' rights to create and join organisations of their choice and negotiate collectively must be respected. Workers must be provided with alternative means of independent and free association to negotiate collectively where their right to freedom of association and collective bargaining is restricted by law. Workers' representatives must be protected from discrimination. They must have free access to their colleagues' workplaces to exercise their rights in a lawful and orderly manner.

#### No discrimination

Discrimination against employees is prohibited in any form. This includes, for example, discrimination based on gender, race, caste, skin colour, disability, political opinions, origin, religion, age, pregnancy or sexual orientation. Personal dignity, privacy and individual rights are respected.

#### Health and safety in the workplace

The partner is responsible for providing a safe and healthy working environment. It shall take the necessary precautions against potential accidents and health problems associated with work activities by establishing and implementing appropriate occupational health and safety systems. Regular briefings and training will also be provided for workers on applicable health and safety standards and procedures. Employees must have access to adequate drinking water and clean sanitary facilities.

### Complaints procedures

The partner is responsible for establishing an appropriate complaints procedure for the facility for individuals and groups who may have suffered negative consequences.

### Dealing with conflict minerals

Hörnlein GmbH establishes processes for the conflict minerals tin, tungsten, tantalum and gold, and other raw materials such as cobalt, from conflict-affected and high-risk areas in accordance with the Organisation for Economic Cooperation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains and expects the same from its partners. Smelters and refineries without proper audited due diligence processes should be avoided.

## **2.2 Environmental responsibility**

### Industrial waste water treatment and discharge

Before being discharged or disposed of, waste water from operational procedures, manufacturing processes and sanitary facilities must be categorised, monitored, tested and treated as necessary. In addition, measures should be taken to reduce the amount of waste water generated.

### Emissions

General emissions from operational procedures (airborne and noise emissions) and greenhouse gas emissions must be categorised, systematically monitored, tested and treated as necessary before they are released. The partner is also responsible for monitoring its emission control systems and shall come up with cost-effective methods to minimise any emissions.

### Waste and hazardous substances

The partner shall use a systematic method to identify, handle, reduce and dispose of or recycle solid waste responsibly. Hazardous chemicals or other materials must be identified and handled in a way that ensures safety during handling, transportation, storage, use, recycling or reuse and disposal.

### Reduce consumption of raw materials and natural resources

The use and consumption of resources during production and the generation of any type of waste, including water and energy, must be reduced or avoided. This can be accomplished directly at the point of production or through procedures and measures, such as changing production and maintenance processes or company procedures, using alternative materials, saving, recycling or reusing materials.

### Energy consumption and efficiency

Energy consumption must be monitored and documented. Cost-effective alternatives must be identified to improve energy efficiency and minimise energy consumption.

## **2.3 Ethical business practices**

### Fair competition

The standards of fair business, fair advertising and fair competition must be followed. In addition, the applicable antitrust laws must be applied, which expressly prohibit collusion and other practices that influence prices or conditions when dealing with competitors. Furthermore, these regulations prohibit agreements between customers and partners that restrict customers' freedom to set their prices and terms when reselling.

### Confidentiality/Privacy

The partner undertakes to meet the reasonable expectations of Hörnlein GmbH and its customers and employees concerning the protection of personal information. The partner must adhere to the data protection and information security legislation, particularly the General Data Protection Regulation (GDPR), the German Federal Data Protection Act (BDSG), and official regulations when collecting, storing, processing, transmitting and forwarding personal data.

### Intellectual property

Intellectual property rights must be respected. Technology and know-how transfers will be done in a way that protects intellectual property rights and customer information.

### Integrity/Bribery, Accepting benefits

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

### Non-disclosure

The partner may only use all documents (including samples, models and data) and knowledge obtained from the business relationship with Hörnlein GmbH for the jointly pursued purpose and must keep them secret from third parties with the same due care as exercised in respect of their own documents and knowledge, where they have been designated as confidential or where Hörnlein GmbH has an obvious interest in keeping them secret. This obligation will commence upon receipt of said documents or knowledge and will continue for 36 months after the end of the business relationship.

### **3 Implementing the requirements**

We expect our partners to identify risks in their supply chains and take appropriate measures. In the event of suspected violations and to safeguard supply chains with higher risks, the partner will inform us promptly and, if necessary, regularly about the identified violations and risks and the measures taken.

Hörnlein GmbH will verify compliance with the standards and regulations set out in this document through a self-assessment questionnaire and sustainability audits at the partner's production sites. The partner agrees that Hörnlein GmbH may have such audits to verify compliance with the code carried out at the partner's production sites during normal business hours by persons appointed by Hörnlein GmbH with reasonable advance notice. However, the partner may object to individual audit measures that would violate mandatory data protection regulations.

If Hörnlein GmbH finds a violation of this Code of Conduct, it shall notify the partner in writing within one month and give the partner a reasonable grace period to comply with the terms. If this violation was deliberate and makes it unreasonable for us to continue with the business relationship until its normal expiry, we may terminate the business relationship, including all related supply agreements, if the deadline we set for rectification is not met, providing we informed the partner of our intention to do so when granting the grace period. A statutory right to extraordinary termination without a grace period, and the right to compensation for damages, remain unaffected.

### **4 Partners' acknowledgement and acceptance**

By signing this document, the partner undertakes to act responsibly and comply with the principles/requirements outlined in this Code of Conduct. The partner agrees to communicate the contents of this code to its employees, agents and subcontractors clearly and understandably and take all necessary precautions to implement the requirements.

Company: Hörnlein GmbH \_\_\_\_\_

Name: Marc Sauer \_\_\_\_\_

Position: Head of Procurement \_\_\_\_\_

Date: 14/03/2022 \_\_\_\_\_

Signature: i.V. M. Sauer \_\_\_\_\_