

The Standard-Metallwerke GmbH is aware of its social, ecological, and corporate responsibility. The Standard-Metallwerke GmbH complies with legal requirements as well as ethical and moral standards. In this regard, the Standard-Metallwerke GmbH is also committed on a social and cultural level to promoting sustainable co-existence. For this purpose, the Standard-Metallwerke GmbH has defined its own code of conduct, which includes guidelines to ensure the responsible behaviour of all employees.

The Standard-Metallwerke GmbH would like to promote its principles of conduct throughout the entire value chain. In order to achieve this, the Standard-Metallwerke GmbH also requires its suppliers to uphold and respect general human rights and laws and also demands its own suppliers in the supply chain to do the same. The supplier is therefore responsible for ensuring the stated principles are passed on to, promoted by, and abided by in its supply chain.

We base our principles in particular on the Automotive Industry Guiding Principles to Enhance Sustainability Performance in the Supply Chain. We also ask our suppliers to introduce behavioural guidelines for themselves and their employees that include requirements for ethical and sustainable action and demand compliance with these requirements.

The Standard-Metallwerke GmbH reserves the right to have compliance with these principles reviewed by suitable persons who are bound to secrecy (e.g. auditors) within the scope of the usual or contractually agreed supplier audits. If there is well-founded suspicion of a violation, the Standard-Metallwerke GmbH is entitled to perform an audit or have an audit performed, including unscheduled audits, with reasonable prior notice and during normal office hours.

If the supplier culpably violates any principle of this Supplier Code of Conduct, the Standard-Metallwerke GmbH is entitled to demand the the supplier to refrain from the violating activity unless the violation is insignificant. If, after the fruitless expiry of a reasonable period of time, the required behavioural changes are not effected, and consequently further violations occur, the Standard-Metallwerke GmbH is entitled to terminate the relevant contract with immediate effect since there is an immediate and considerable risk that fines will be imposed or products will be confiscated in case of non-compliance with the regulations of the German Supply Chain Due Diligence Act (LkSG).

Standard-Metallwerke GmbH	Changed on	Approved	Process:	G
Rustige Strasse 11	Name/date	Name/date	FF No.:	14
59457 Werl	Mrs. Höfer/09/02/24	Mrs. Höfer / Mr. Körbe /	Revision:	5
		09/02/24	Page: 1 of:	11

The suppliers shall undertake to implement (specific) measures to safeguard against and minimise risks or to implement preventive measures and to inform the Standard-Metallwerke GmbH of any violations and/or increases in risk without request. The information must be provided in writing and sent to the following email address:

Sustainability@standardmetall.de

1 Business ethics

Suppliers shall adhere to the highest standards of integrity and ensure an honest and fair approach throughout the supply chain.

Suppliers shall implement a business ethics management system that includes the following:

- **Anti-Corruption and Anti-Money Laundering:**

Suppliers shall ensure that corruption, bribery, money laundering, and extortion are not tolerated. Based on the United Nations (UN) Convention against Corruption and the relevant applicable national regulations, it shall be ensured that all forms of corruption are refrained from and prevented. Invitations and gifts are only permitted to a reasonable extent and may not have any influence on the business relationship. The supplier shall take action against all forms of money laundering and corruption, including extortion and bribery, and report all suspicious transactions.

- **Data Protection and Data Security:**

Suppliers shall protect the personal and confidential data of employees, customers, suppliers, and other stakeholders as such data is highly sensitive. Such data shall be handled in compliance with the applicable data protection regulations and in accordance with existing confidentiality agreements. Suppliers shall respect the privacy and civil liberties in respect of the collection, retention, use, or dissemination as well as any other processing of personal data.

- **Financial Responsibility/Accurate Records:**

Suppliers shall perform their business dealings in a transparent manner and accurately reflect them in the companies' financial reports and filings. Suppliers shall confirm an adequate financial reporting system control is in place.

- **Disclosure of Information:**

Suppliers shall disclose financial and non-financial information in accordance with applicable regulations and prevailing industry practices.

- **Conflicts of Interest:**

Suppliers shall ensure that their employees avoid and disclose situations where their financial or other interests conflict with job responsibilities, or situations giving any appearance of impropriety.

- **Counterfeit Parts:**

Suppliers shall minimise the risk of introducing counterfeit and/or diverted parts and materials into deliverable products and adhere to relevant technical regulations in the product design process.

- **Intellectual Property:**

Suppliers shall respect valid intellectual property rights.

- **Export Controls, Trade, and Economic Sanctions:**

Suppliers shall comply with applicable restrictions on the export or re-export of goods, software, services and technology, as well as with applicable restrictions on trade involving certain countries, regions, companies, or entities and individuals.

- **Grievance Mechanism:**

Suppliers shall establish an effective grievance mechanism in line with UN Guiding Principle 31 that allows concerns related to business ethics, human rights, or any other topic to be raised anonymously, confidentially, and without retaliation.

- **Remediation:**

Suppliers shall provide for or cooperate in remediation through legitimate processes when their business activities cause or contribute to adverse environmental or social impacts.

- **Non-retaliation:**

Suppliers shall avoid any form of threats, intimidation, and physical or legal attacks against stakeholders, including those exercising their legal rights to freedom of expression, association, peaceful assembly, and protest against their business activities.

- **Product integrity:**

Suppliers shall observe, consider, and comply with the requirements and expectations arising from product integrity throughout the entire product life cycle. These measures also serve to protect against plagiarism.

- **Conduct in Compliance with Competition Laws:**

Suppliers shall comply with the applicable national and international competition laws. In this regard, particular reference is made to the principles of fair competition and the prohibition of competition-distorting agreements.

2 Environment

Suppliers shall comply with applicable environmental protection standards and prohibitions on substances. In addition, measures that are required within the framework of global and social responsibility and which promote environmental protection in general shall be taken. The supplier shall follow the precautionary principle when dealing with environmental problems, promote greater environmental awareness, and accelerate the development and diffusion of environmentally friendly technologies. The supplier shall determine its environmental performance. The supplier shall set environmental targets that take the applicable legal and other requirements as well as the environmental impact on its operations, products, and services into account in order to reduce its environmental impact and save resources and costs.

Suppliers shall implement an environmental management system that includes the following:

- **Carbon Neutrality:**

Suppliers shall strive to set science-based and time-bound emission reduction goals and renewable energy objectives that are aligned with the Paris Agreement, and put in place energy efficiency measures that drive forward the decarbonisation of the entire value chain.

- **Water Quality, Consumption & Management:**

Suppliers shall minimise water consumption, effectively reuse and recycle water with responsible treatment of wastewater discharges and prevent potential impacts from flooding as a consequence of rainwater run-off, as required by and in accordance with applicable law.

- **Air Quality:**

Suppliers shall routinely monitor and disclose, appropriately control, minimise, and to the extent possible, eliminate emissions contributing to air pollution, as required by and in accordance with applicable law. Suppliers shall assess the cumulative impacts of pollution sources at their facilities and mitigate their pollution levels accordingly.

- **Responsible Chemical Management:**

Suppliers shall identify, minimise, or eliminate the use of restricted substances in manufacturing processes and finished products to ensure regulatory compliance. Companies shall also be aware of any use of restricted substances in processes and finished products and actively investigate suitable substitutes to maintain product and environmental stewardship.

- **Circularity:**

Suppliers shall promote closed-loop systems by supporting the use of sustainable, renewable natural resources while simultaneously reducing waste and increasing reuse and recycling.

- **Animal Welfare:**

Suppliers shall respect the five animal freedoms formalized by the World Organization for Animal Health (OIE) concerning animal welfare. No animal shall be raised and killed for the single purpose of being used in an automotive product.

- **Biodiversity, Land Use and Deforestation:**

Suppliers shall protect ecosystems, especially key biodiversity areas, impacted by their operations, and avoid illegal deforestation in accordance with international biodiversity regulations, including the IUCN Resolutions and Recommendations on Biodiversity.

- **Soil Quality:**

Suppliers shall monitor and control their impact on soil quality to prevent soil erosion, nutrient degradation, subsidence, and contamination

- **Noise Emissions:**

Suppliers shall monitor and control the levels of industrial noise to avoid noise pollution.

3 Human Rights and Working Conditions

Suppliers must respect the human rights of workers, local communities, and other relevant stakeholders, and prevent and address adverse human rights impacts linked to their business activities, in accordance with the UN Guiding Principles on Business and Human Rights.

Suppliers shall implement a management system for human rights and working conditions that includes the following:

- **Child Labour and Young Workers:**

Suppliers are required to comply with the minimum purchasing age in their operations and throughout the supply chain in accordance with the ILO Minimum Age Convention and to ensure that no form of child labour is tolerated.

- **Wages and Benefits:**

Suppliers shall provide their workers with remuneration in accordance with applicable regulations and prevailing industry practices; such remuneration shall be adequate to cover basic needs and enable a decent standard of living for the workers and their families, which includes respecting minimum wages, overtime compensation, medical leave, and government-mandated benefits.

- **Working Hours:**

Suppliers shall comply with local laws and collective bargaining agreements (where applicable) regarding working hours, or shall comply with the ILO Standards on Working Time¹ in the absence of relevant local regulations.

- **Modern Slavery:**

Suppliers shall prohibit all forms of forced or compulsory labour, including human trafficking.

- **Ethical Recruiting:**

Suppliers shall not mislead or defraud potential workers about the nature of the work, ask workers to pay recruitment fees, and/or confiscate, destroy, conceal, and/or deny access to worker passports and other government-issued identity documents. Workers shall receive a written contract or employment notification at the start of their recruitment in a language well understood by them, stating in a truthful, clear manner their rights and responsibilities.

- **Freedom of Association and Collective Bargaining:**

Suppliers shall heed fundamental employee concerns at all levels and implement the correspondingly necessary measures. Such measures include, in particular, measures to promote and ensure the health of employees, safety at the workplace, compliance with minimum wage laws, freedom of association, and a non-discriminatory work environment. The supplier shall uphold the freedom of association and the effective recognition of the right to collective bargaining and promote the elimination of discrimination in recruiting and employment practices. The companies shall respect worker rights to associate freely, to join or not join labour unions, bargain collectively, seek representation, and join workers' councils.

- **Non-Discrimination and Harassment:**

Suppliers shall not tolerate any form of discrimination or harassment with respect to employment and occupation and shall provide equal employment opportunities regardless of worker or applicant characteristics such as age, gender, sexual orientation, gender identity, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union association, covered veteran status, genetic information, or marital status.

¹ To the extent a company in the United States does have independent working standards that do not reference ILO standards, such company may comply with ILO in the absence of local laws and collective bargaining agreements.

- **Women's Rights:**

Suppliers shall provide equal opportunity in employment and commit to equal pay for equal work.

- **Diversity, Equity, and Inclusion:**

Suppliers shall develop and promote inclusive cultures where diversity is valued and celebrated and in which everyone is able to contribute fully and reach their full potential. Suppliers shall encourage diversity in all levels of their workforce and leadership, including boards of directors.

- **Rights of Minorities and Indigenous Peoples:**

Suppliers shall respect the rights of local communities to decent living conditions; education, employment, social activities; and the right to Free, Prior, and Informed Consent (FPIC) to developments that affect them and the lands on which they live, with particular consideration for the presence of vulnerable groups.

- **Land Rights and Forced Eviction:**

Suppliers shall avoid forced eviction and the deprivation of land, forests, and waters in the acquisition, development, or other use of land, forests, and waters.

- **Private or Public Security Forces:**

Suppliers shall not commission or use private or public security forces to protect the business project if, due to a lack of training or control on the part of the company, the deployment of the security forces may lead to violations of human rights.

4 Health & Safety

Suppliers shall provide workers a safe and healthy working environment that meets or exceeds applicable local laws and industry standards for safety and occupational health.

Suppliers shall implement a management system for a safe and healthy working environment that includes the following:

- **Workspace:**

Suppliers shall provide a working environment that meets or exceeds local and national safety, occupational health, and fire safety legislation in addition to encouraging remote workers to understand and apply best practices.

- **Personal Protective Equipment:**

Suppliers shall provide their workforce with necessary Personal Protective Equipment (PPE) and ensure they understand how and when it needs to be applied.

- **Emergency Preparedness:**

Suppliers shall reduce the risk of occupational hazards and develop an emergency preparedness and response plan.

- **Incident and Accident Management:**

Suppliers shall implement hazard and risk analysis systems to minimise the potential for incidents or accidents at the workplace. An investigation system shall aim to determine the root cause, and a corrective action system shall ensure all permanent measures have been taken to minimise the chance of a recurrence.

- **Contractors:**

Suppliers shall properly manage the health and safety of contractors as part of a company's extended supply chain. Suppliers shall coordinate their procurement processes to identify hazards and to assess and control risks arising from the contractor's business activity with the supplier, and the company's business activity that impacts the contractors' workers.

5 Responsible Supply Chain Management

Suppliers shall select business partners that comply with the practices of responsible business conduct and cascade the Guiding Principles along the supply chain.

Suppliers shall implement a supplier management system that includes the following:

- **Due Diligence:**

Suppliers shall conduct due diligence on their direct suppliers and subcontractors in accordance with the OECD Due Diligence Guidance for Responsible Business Conduct, promote transparency and traceability, use their best efforts to implement the ESG standards further along the supply chain, and cascade the Guiding Principles further along the supply chain.

- **Responsible Sourcing of Raw Materials and Minerals:**

Suppliers shall responsibly source raw materials and minerals used in their products by developing a management system that promotes supply chain traceability and transparency, and by implementing due diligence measures in accordance with OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.