

Code of Conduct for Suppliers

1. Foreword

The brandgroup is a medium-sized, owner-managed, German family business. Our decisions and actions are based on entrepreneurial foresight, ecological awareness and social responsibility.

The Code of Conduct for Suppliers applies to all suppliers and is based on international standards, which are listed below.

International standards:

- UN Guiding Principles on Business and Human Rights
- UN Declaration of Human Rights
- UN Covenant on Civil and Political Rights
- UN Covenant on Economic, Social and Political Rights
- ILO Declaration on Fundamental Principles and Rights at Work
- OECD Guidelines for Multinational Enterprises

The topics of the Code of Conduct for Suppliers are divided into business ethics, working conditions and human rights, environment, responsible supply chain management, communication and reporting.

2. Corporate Ethics

2.1 Laws and Regulations

The supplier is obliged to comply with the laws and regulations of the countries in which it operates.

2.2 Fair Competition and Antitrust Law

Each of our suppliers is obliged to respect and comply with all applicable fair trade, competition and antitrust laws and regulations.

Printed version is not subject to change service.

2.3 Anti-Corruption and Money Laundering

None of our suppliers shall, directly or indirectly, engage in, support or tolerate any form of bribery or corruption. The supplier shall not accept any form of improper advantage for or from any third party, whether private or public, whether offered or accepted for the purpose of obtaining or retaining business or offering any form of preferential treatment.

The supplier shall comply with the applicable laws on the prevention of money laundering.

2.4 Conflicts of Interest

A conflict of interest arises when the personal interests of a company or individual interfere with their professional obligations and responsibilities. It is imperative that our suppliers maintain a prominent level of integrity and avoid any situation that could lead to a conflict of interest. Our business partners must disclose potential conflicts of interest affecting our supply chain to the brandgroup to jointly ensure that any potential damage to the business relationship is mitigated and trust in the integrity of that relationship is maintained.

2.5 Intellectual Property

The supplier respects intellectual property rights. Any kind of knowledge or technology transfer must be conducted in such a way that intellectual property rights are protected.

2.6 Counterfeit Products (Plagiarism)

In addition to the economic and legal damage they cause, counterfeit products can also pose a risk to the life and limb of people who use our products due to their lack of quality. Our suppliers are therefore obliged to exercise caution and to develop, implement and maintain suitable measures to minimize the risk of using and circulating counterfeit products.

2.7 Data Protection

The supplier undertakes to treat the personal data of employees, former employees, customers, suppliers and other data subjects confidentially always and to protect them. The collection, recording, processing, use and storage of personal data is always conducted in accordance with the applicable local legal requirements.

Printed version is not subject to change service.

2.8 Information and Data Protection

Information security is of fundamental importance to the brandgroup. It makes a significant contribution to trusting cooperation with our business partners and all interested parties. When conducting business with the brandgroup, business partners must ensure that sensitive business, technical and financial information, personal data, knowledge and trade secrets are handled and protected appropriately in terms of confidentiality, availability and completeness and are not disseminated without appropriate authorization and in accordance with the applicable legal requirements.

2.9 Export Control & Economic Sanctions

Internationally applicable laws governing the import and export of goods, services and information must be complied with by the supplier, including compliance with all applicable laws prohibiting or restricting business relationships with sanctioned countries, companies or persons.

2.10 Financial Responsibility

The supplier shall comply with the principles of proper accounting and financial reporting. Where required by law, the Supplier shall inform the brandgroup of the current financial situation. Social, tax and customs regulations must be observed and complied with.

2.11 Disclosure of Information

As part of its activities, the supplier must provide brandgroup or its authorized representatives with information and documents that are necessary to verify compliance with this Code of Conduct due to legal requirements or official orders.

When requesting information, the brandgroup considers the legitimate confidentiality interests of its business partners as well as applicable legal requirements (regarding information security, data protection and antitrust law).

Printed version is not subject to change service.

3. Working Conditions and Human Rights

3.1 Remuneration

Wages, including overtime and special benefits, in the brandgroup's operations are at least at the level of the applicable laws and regulations or - if no such law exists - the ILO Convention No. 131.

3.2 Working Hours

Employees of the supplier may not be required to work regularly more than 48 hours per week (excluding overtime) or a total of 60 hours per week (including overtime), except in the case of special business requirements or if national regulations provide for a lower weekly working time. Employees must have at least one day off per seven-day work period, except for special business needs.

3.3 Occupational Health and Safety

The supplier undertakes to provide a safe and healthy working environment, also to prevent accidents and injuries.

In particular, the supplier shall respect the rights and obligations of occupational health and safety applicable under the law of the place of employment, especially if the risk of accidents at work or work-related health hazards arises in the event of non-compliance, for example due to

- a) obviously inadequate safety standards in the provision and maintenance of the workplace, the workplace and the work equipment,
- b) the lack of suitable protective measures to prevent exposure to chemical, physical or biological substances,
- c) the lack of measures to prevent excessive physical and mental fatigue, through unsuitable work organization regarding working hours and rest breaks, or
- d) the inadequate training and instruction of employees.

3.4 Equal Treatment and no Discrimination

The supplier respects the prohibition of unequal treatment in employment, for example based on national and ethnic origin, social background, health status, disability, sexual orientation, age, gender, political opinion, religion or belief.

Printed version is not subject to change service.

3.5 Protection of Privacy and no Bullying

The personal dignity, privacy and personal rights of everyone must be respected. The supplier is expected to have a zero-tolerance policy towards any kind of bullying, including physical, sexual, psychological or verbal harassment or abuse.

3.6 Freedom of Assembly and collective Bargaining

The supplier undertakes to recognize and respect the right of employees to freedom of association and collective bargaining. If local laws restrict these rights, the supplier is required to choose other ways to conduct a cooperative and meaningful dialog with its employees. Supplier employees shall not be favored or discriminated against when forming, joining or participating in unions, works councils or committees, or collective bargaining.

3.7 No forced Labor

The supplier respects the prohibition of forced or compulsory labor or any form of modern slavery or practices like slavery, servitude or other forms of domination or oppression.

Forced labor can be understood as work that is performed involuntarily and under threat of some form of punishment. It refers to situations in which individuals are forced to work using force or intimidation, or through more subtle means such as manipulated debt, withholding of identity documents or threats of denunciation to immigration authorities - or because of human trafficking.

In modern slavery, people are forced to work through threats or violence, receive little or no remuneration for their work and have no control over what and where they work. Modern slavery is de-fined as the recruitment, transfer/transportation, harboring or receipt of people using force, coercion, abuse of weakness, deception or other means for the purpose of exploitation. It encompasses a wide range of abuse and exploitation, including sexual exploitation, labor exploitation and debt bondage, domestic servitude, forced labor, criminal exploitation, forced fraud, forced marriage and organ harvesting.

3.8 No Child Labor

The supplier respects the prohibition of child labor, in particular the prohibition of employing a child under the age at which compulsory schooling ends according to the law of the place of employment, whereby the age of employment may not be less than 15 years. Exceptions are only possible if the law of the place of employment deviates in accordance with ILO Convention No. 138 on the minimum age for admission to employment.

The company also respects the prohibition of the worst forms of child labor for children under the age of 18, including all forms of slavery or forced labor, the sale or trafficking of children, the use of children in illicit activities such as drug trafficking and drug cultivation, and work which, by its nature or the circumstances in which it is carried out, is likely to be harmful to the health, safety or morals/moral development of children.

Printed version is not subject to change service.

3.9 No Impairment of People's Livelihoods and Health due to environmental Pollution

In particular, the supplier shall observe the prohibition on causing harmful soil degradation, water pollution, air pollution, harmful noise emissions or excessive water consumption that significantly impairs the natural basis for the preservation and production of food, denies a person access to safe drinking water, impedes or destroys a person's access to sanitary facilities or damages a person's health.

3.10 No unlawful Eviction or illegal Land Confiscation

The supplier shall respect the prohibition of unlawful eviction and the prohibition of unlawful taking of land, forests and waters when acquiring, developing or otherwise using land, forests and waters. When new business sites are acquired for business purposes and the proposed land is inhabited by indigenous peoples, for example, the principle of free, prior and informed consent (FPIC) is expected to be followed. This principle is a key principle of the United Nations Declaration on the Rights of Indigenous Peoples and ILO Convention No. 169 and establishes the right of indigenous peoples to give, withdraw or withhold their consent to a business project that could affect their territory and thus their livelihoods. In addition, the principle of FPIC allows them to negotiate the conditions under which the project is designed, implemented, monitored and evaluated.

3.11 Adequate Security Personnel

The supplier respects the prohibition of commissioning private or public security forces if the prohibition of torture is disregarded, life or limb is injured or the freedom of association and freedom of association are impaired due to a lack of instruction or control during the deployment of the security company.

In the case of private or state security forces, it should be ensured that they have appropriate training and a high technical and professional level. The Voluntary Principles on Security & Human Rights are recommended for the screening, selection, recruitment and assignment of security personnel.

Printed version is not subject to change service.

4. Environment

4.1 Environmental Laws

The supplier undertakes to comply with the regulations and standards on environmental protection and relevant legislation affecting its operations. Environmental pollution must be minimized and environmental protection must be continuously improved.

4.2 Decarbonization/Greenhouse Gas Emissions

The supplier is required to determine greenhouse gas emissions and implement measures to reduce them as well as to increase energy efficiency and the use of renewable energies.

4.3 Circular Economy/Waste Prevention

Emissions to air, water and soil shall be monitored, tracked and documented by the supplier from its facilities and transportation, as well as wastewater and solid waste generated by its operations, to identify opportunities that the supplier can control and influence to promote improvements and minimize emissions.

The supplier shall monitor, track and document the composition of its packaging materials that become waste at the brandgroup to facilitate steps towards a circular economy, e.g. by using fewer complex materials and/or raw materials for which there are locally established recycling markets.

From the initial stages of product development and in all phases of manufacturing the products delivered to the brandgroup, the supplier must ensure that they have a high degree of reusability and a high degree of recyclability in both production and further processing.

4.4 Animal Protection

Valid regulations and laws on animal welfare (where applicable) must be complied with by the supplier and the ethically impeccable and species-appropriate treatment of animals must be supported.

4.5 Prohibited and regulated Substances

The supplier must comply with all legal provisions on prohibited, restricted and declarable sub-stances. These include the EU REACH Regulation (1907/2006), the EU ELV Directive (2005/61/EC), the EU RoHS Directive (2002/95/EC) and the Directive banning persistent organic pollutants (850/2004) in accordance with the Stockholm Convention (POP Convention).

This includes labelling hazardous substances and chemicals in accordance with the Globally Harmonized System (GHS) of hazard classification and applicable regulations, such as the EU CLP Regulation (1272/2008), and ensuring their safe handling, storage, transfer and disposal. All suppliers should comply with product safety regulations and prohibit non-environmentally sound handling, collection, storage, recycling, reuse and disposal of waste.

In addition, the ban on the manufacture of products containing mercury, the ban on the use of mercury and mercury compounds and the ban on the treatment of mercury waste in accordance with the Minamata Convention must be complied with.

Printed version is not subject to change service.

4.6 No Export and Import of hazardous Waste

In accordance with the Basel Convention and the relevant international and national regulations, the supplier undertakes to comply with all trade regulations for the handling, processing and shipment of hazardous waste.

5. Responsible Supply Chain Management

5.1 Responsible Procurement of Raw Materials

In addition to the appropriate handling of hazardous substances, the responsible sourcing of raw materials such as tin, tungsten, tantalum or gold is also mandatory for the supplier, as their extraction contributes to the financing of armed conflicts and human rights violations in some countries. Suppliers are expected to increase transparency in their supply chain to ensure that their products do not contain any conflict minerals.

5.2 Risk and Action Management

The supplier is expected to increase transparency in the supply chain to minimize human rights and environmental risks in the supply chain through appropriate and effective management of measures.

Printed version is not subject to change service.

6. Communication and Reporting

The contents of this Code of Conduct for Suppliers should be brought to the attention of all employees. Information on possible human rights or environmental violations can be reported anonymously and without barriers via our web-based reporting system.

Further information and access to our reporting system can be called up and viewed in the down-load area of our homepage <https://brand-group.com/download/> under "Complaints system - Lieferkettensorgfaltspflichtengesetz (LkSG)".

7. Annex – List of Abbreviations

ILO: International Labor Organization

OECD: Organization for Economic Co-operation and Development

UN: United Nations

e following page(s) are not required for use. They do not need to be printed

Printed version is not subject to change service.

Code of Conduct for Suppliers

Identification: I_M1113_S_BG_-_002_EN

Index: C

Status:

Effective

Classification:

Internal

**Scope of application**

Indicates the scope of the instruction:

Internal

- Brand, location Anröchte/ D
- Brand, location Erwitte/ D
- MFW, location Lüdenscheid/ D
- BKL-CN, location Taicang/ CN
- BKL-MX, location Querétaro/ MX
- BSP, location Siemianowice Śląskie/ PL

Division

- AS
- IF
- FTT
- M

External

- N/A
- Suppliers
- Customers

By signing this document, I certify that I have prepared and reviewed the document truthfully, accurately, and to the best of my knowledge and belief within my role (see below) and in accordance with the rules of our IMS. Furthermore, I specifically confirm the criteria listed below.

Creator	Release (professional)	Release (disciplinary)
Creation/test criteria: <ul style="list-style-type: none"> • Completeness and correctness of the information • Formally correct 	Test criteria: <ul style="list-style-type: none"> • Completeness and correctness of the information • Plausibility • Detailed test criteria fulfilled, note appendix if applicable 	Test criteria: <ul style="list-style-type: none"> • Goal of the document • Preparation and review complete • Detailed test criteria fulfilled, note appendix if applicable • Document is applicable for all intended areas
Surname, First Name	Surname, First Name	Surname, First Name
Teutenberg, Patrick	Teutenberg, Patrick	Schroer, Sven
Function/Role	Function/Role	Function/Role
Direction IMS	Direction IMS	GF (Managing Director)
Date	Date	Date
23.07.2024	23.07.2024	23.07.2024
Signature	Signature	Signature
signed Teutenberg	signed Teutenberg	signed Schroer

Index	Explanations
B	New layout. Content adaptation and expansion to include ESG topics.
C	Content adaptation and expansion to include ESG topics: <ul style="list-style-type: none"> 2.3 Anti-Corruption and Money Laundering 2.4 Conflicts of Interest 2.6 Counterfeit Products (Plagiarism) 2.8 Information and Data Security 2.9 Export Control & Economic Sanctions 2.10 Financial Responsibility 2.11 Disclosure of Information 4.2 Decarbonizations/Greenhouse Gas Emissions 4.3 Circular Economy/Waste Preventions 4.4 Animal Prevention

Printed version is not subject to change service.

The brandgroup reserves all rights for this document. Transmission or duplication of this document, use and publication of its contents without prior written approval of the brandgroup is prohibited. Violators are liable for compensation damages.

© Brand Gruppe - Völlinghauser Straße 44 - D-59609 Anröchte / Germany - Phone +49 (0) 2947 / 889-0 - Fax +49 (0) 2947 / 889-299