

LEHVOSS Code of Conduct for Business Partners

I. Preamble

We strive to conduct our value creation in a sustainable manner.

People and the environment are the most important resources. We believe that companies should fulfil their social and environmental responsibility and obligation to align their economic operations with the principles of sustainable development. In this context, we work with our business partners to achieve the international standards for business integrity and for social and environmental conditions in our supply chains.

This Code of Conduct defines the LEHVOSS Group's expectations of its business partners. These expectations include requirements for business ethics, working conditions, human rights, health and safety, environmental governance and supply chain due diligence for business partners at all levels. We expect our business partners to comply with internationally authoritative standards, legal obligations and our requirements and to pass them on throughout their value chain.

This Code of Conduct is based on fundamental principles of social and environmental responsibility and corporate governance that are consistent with applicable laws and international standards. These international standards include, but are not limited to, the UN Universal Declaration of Human Rights, the ILO Conventions, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the Rio Declaration on Environment and Development and the Paris Agreement.

To meet these expectations, our business partners should implement management systems - defined as a combination of policies, processes, functions, tools and internal controls that help an organisation control its operations and actions, achieve goals and ensure continuous improvement.

Business partners must always comply with applicable laws and regulations and strive to apply best industry practices. In situations where this Code of Conduct goes beyond applicable laws and regulations, this Code of Conduct applies only to the extent permitted by applicable laws and regulations.

II. Requirements for Business Partners

1. Business ethics

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

Fair competition

The standards of fair business, fair advertising and fair competition shall be observed. In addition, the applicable antitrust laws must be applied, which in particular prohibit agreements and other activities that influence prices or conditions in dealings with competitors. Furthermore, these regulations prohibit agreements between customers and suppliers that are intended to restrict customers' freedom to autonomously determine their prices and other conditions when reselling.

Anti-corruption and anti-money laundering: Business partners must not engage in or support corrupt practices in any form, including offering or accepting bribes, improper gifts or hospitality, or facilitation payments. Business partners must not facilitate or support money laundering. Business partners should report any suspicious transactions and watch for signs of money laundering.

Data protection and data security: Business partners must not restrict the privacy and civil liberties of natural persons. With regard to the collection, storage, use or dissemination and any other processing of personal data, the rights of natural and legal persons must be respected. Business partners must ensure appropriate measures for the security of data from the business relationship and should protect themselves against claims for damages.

Financial responsibility/accurate records: Business partners must conduct their business in a transparent manner and accurately reflect it in the company's published financial reports and records. Business partners should confirm that an adequate financial reporting control system is in place.

Disclosure of information: Business partners should disclose financial and non-financial information in accordance with applicable regulations and prevailing industry practices.

Conflicts of interest: Business partners must ensure that their employees avoid and disclose situations where their financial or other interests conflict with their professional duties, or situations that create the appearance of impropriety.

Confidential Information and Project-Related Non-Disclosure: The business partner undertakes to use all confidential information received in the course of the collaboration—including but not limited to development data, raw material specifications, customer information, project data, as well as other business-critical or technical information—exclusively for the intended purpose and to protect it from unauthorized disclosure. The business partner ensures that appropriate technical and organizational measures are implemented to guarantee the confidentiality, integrity, and availability of this information. The business partner further ensures that its employees, agents, and subcontractors are bound by corresponding obligations.

Counterfeit parts: Business partners should minimise the risk of counterfeit materials entering the products to be supplied and comply with the relevant technical regulations during product development.

Intellectual property: Business partners must respect valid intellectual property rights.

Export Controls, Trade and Economic Sanctions: Business partners must comply with applicable restrictions on the export or re-export of goods, software, services and technology, and with applicable restrictions on trade with certain countries, regions, companies or entities and persons.

Grievance mechanism: Business partners should establish an effective grievance mechanism in line with United Nations Guiding Principles on Business and Human Rights (Principle 31) that allows concerns related to business ethics, human rights or other issues to be raised anonymously, confidentially and without retaliation.

Remediation: Business partners should provide or cooperate in remediation when their business activities cause or contribute to negative impacts on the environment or society.

No retaliation: Business partners should avoid any form of threats, intimidation and physical or legal attacks against stakeholders, including those exercising their legal rights to defend the right to freedom of expression, association, peaceful assembly and protest against business activities.

2. Environment

Business partners should develop, implement and support a proactive approach to environmental responsibility by adopting environmental protection practices, conserving natural resources and reducing the overall environmental footprint of production, goods and services throughout their life cycle.

Business partners should implement an environmental management system that includes the following:

Carbon neutrality: Business partners should strive to set science-based and time-bound emission reduction and renewable energy targets that are consistent with the Paris Agreement and take action to decarbonise the entire value chain (Scope 1-3).

Water Quality, Consumption & Management: Business partners should minimise water consumption, reuse and recycle water effectively, treat wastewater responsibly, and reduce potential impacts of flooding due to prevent stormwater runoff, as required by current law.

Waste water from operations, manufacturing processes and sanitary facilities must be typed, monitored, inspected and, if necessary, treated before discharge or disposal. Access by natural persons to safe drinking water or sanitary facilities shall be guaranteed at all times.

Air quality: Business partners should routinely monitor and disclose, adequately control, minimise and, where possible, eliminate emissions that contribute to air pollution, as required by applicable law and where feasible. Business partners should assess the cumulative impact of pollution sources at their facilities and reduce pollution levels accordingly.

Responsible use of chemicals: Business partners should identify, minimise or eliminate the use of chemicals and restricted substances in manufacturing processes and end products to ensure compliance. Business partners should proactively seek appropriate substitutes to maintain product and environmental responsibility.

Waste: The supplier should follow a systematic approach to identify, handle, reduce and responsibly dispose of or recycle solid waste. The prohibitions on the export of hazardous waste in the Basel Convention of 22 March 1989, as amended, should be observed. Chemicals or other materials that pose a hazard when released into the environment shall be identified and handled in a manner that ensures safety during their handling, transport, storage, use, recycling or reuse and disposal. Mercury shall be used in accordance with the prohibitions of the Minimata Convention of 10 October 2013 and persistent organic pollutants in accordance with the Stockholm Convention of 23 May 2001, as amended.

Circular economy: Business partners should promote closed-loop systems by supporting the use of sustainable, renewable natural resources while reducing waste and increasing reuse and recycling.

Animal welfare: Business partners should respect the five freedoms of animals formulated by the World Organisation for Animal Health (WOAH) in relation to animal welfare. No animal should be raised and killed for the sole purpose of being used for a product.

Biodiversity, land use and deforestation: Business partners should protect ecosystems, especially key biodiversity areas affected by their activities, and avoid illegal deforestation in accordance with international biodiversity regulations, including IUCN biodiversity resolutions and recommendations.

Soil quality: Business partners should monitor and control their impact on soil quality to prevent soil erosion, nutrient degradation, soil subsidence and contamination.

Noise emissions: Where appropriate, business partners should monitor and control industrial noise levels to prevent noise pollution.

3. Human rights and working conditions

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

Business partners should implement a management system for human rights and labour conditions that includes the following:

Child labour/labour and young workers: Business partners must comply with ILO Convention 138 on the minimum age for admission to employment in their business activities and throughout their supply chain and ensure that child labour is not tolerated in any form.

Wages and benefits: Business partners must compensate their workers in accordance with applicable regulations and standard industry practices; this compensation should cover basic needs and provide a decent standard of living for workers and their families, including compliance with

minimum wages, overtime pay, sick leave, protection for expectant mothers and government-mandated benefits.

Working hours: Business partners must comply with local laws and collective agreements (if applicable) regarding working hours or should comply with ILO standards on working hours if there are no corresponding local regulations.

Modern slavery: Business partners must prohibit any form of forced labour, debt bondage or coercion, including human trafficking.

Ethical recruitment: Business partners must not deceive, cheat, threaten or abuse potential workers. They must not unlawfully withhold or deny access to passports or identification documents or personal possessions, and must not charge fees for recruitment. Workers must be informed of the terms and conditions of employment and remuneration at the outset of their recruitment and be provided with a written contract or employment notice in a language they understand well, setting out their rights and obligations truthfully and clearly. The selection, recruitment and promotion of staff should, in principle, be based on their qualifications and skills.

Freedom of association and collective bargaining: Business partners should allow workers to communicate openly with management about working conditions and management practices without fear of reprisal, intimidation or harassment. Businesses should respect the right of workers to associate freely, join or not join trade unions, bargain collectively, seek representation and join works councils.

Non-discrimination and harassment: Business partners must not tolerate any form of discrimination or harassment in employment or occupation and must provide equal employment opportunities regardless of the employee's or applicant's characteristics such as age, gender, sexual orientation, gender identity, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, veteran status, genetic information or marital status.

Women's rights: Business partners should ensure equal opportunities in employment and commit to equal pay for equal work.

Diversity, equity and inclusion: Business partners should develop and promote an inclusive culture where diversity is valued and where everyone can contribute and reach their full potential. Business partners should promote diversity at all levels of staff and leadership, including boards.

Rights of minorities and indigenous peoples: Business partners should 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 affecting them and the land on which they live, with particular attention to the presence of vulnerable groups.

Land rights and forced eviction: Business partners should avoid forced evictions and deprivation of land, forests and waters when acquiring, developing or otherwise using land, forests and waters.

Private or public security forces: Business partners should not hire or use private or public security forces to protect the business project if the use of the security forces may lead to human rights violations due to a lack of training or control on the part of the company.

4. Health and safety

Business partners should provide their employees and visiting business partners with a safe and healthy work environment that meets or exceeds applicable local laws and industry standards for occupational safety and health.

Business partners should implement a management system for a safe and healthy working environment that includes the following:

Working environment: Business partners must provide their employees and business partners (as visitors) with a working environment that meets or exceeds local and national safety, health and fire regulations. They should also encourage field staff to understand and apply best practices.

Personal protective equipment: If applicable, business partners should provide their employees and business partners (as visitors) with the necessary personal protective equipment and ensure that they know how and when to use it.

Preparedness for emergencies: Business partners should reduce the risk of occupational hazards and develop an emergency preparedness and response plan.

Incident and accident management: Business partners should implement hazard and risk analysis systems to minimise the potential for workplace incidents or accidents. An investigation system should aim to identify the root cause and a corrective action system should ensure that all permanent measures have been taken to minimise/reduce the likelihood of a recurrence.

Contractors: Business partners should adequately consider the health and safety of upstream suppliers or contractors as part of a company's extended supply chain. Business partners should coordinate their procurement processes to identify hazards and assess and control risks arising from the contractor's business with the business partner and the company's business.

5. Responsible management of the value chain

Business partners should select business partners who adhere to responsible business practices and share the Guiding Principles along the value chain.

Business partners should implement a business partner management system that includes the following:

Due diligence: Business partners should subject their direct suppliers and subcontractors to due diligence in accordance with the OECD Guidelines on Due Diligence for Responsible Business Conduct, promote transparency and traceability, and make every effort to implement ESG standards throughout the supply chain and share the principles along the supply chain.

Responsible sourcing of raw materials and minerals: Business partners should source raw materials and minerals used in their products in a responsible manner by developing a management system or requiring evidence that promotes supply chain traceability and transparency, and by implementing due diligence measures in accordance with the OECD Due Diligence Guidelines for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. Business partners without proven due diligence processes should be avoided.

III. Implementation of the Requirements

We expect our business partners to identify risks within their supply chains and to take appropriate measures. In the event of suspected violations and to safeguard supply chains with increased risks, the business partner will inform the LEHVOSS Group promptly and, if necessary, regularly about the identified violations and risks as well as the measures taken.

The LEHVOSS Group may verify compliance with the standards and regulations set out in this document by means of self-assessment questionnaires or risk-based audits at business partners' production sites. If a breach of the provisions of this Code of Conduct is identified, the LEHVOSS Group will notify the business partner and set a reasonable grace period for the business partner to bring its conduct into compliance with these provisions. If a remedy is not possible in the foreseeable future, the business partner must report this immediately and, together with the LEHVOSS Group, draw up a concept with a timetable for ending or minimising the violation.

If such a violation occurred culpably, the grace period expires without result or the implementation of the measures contained in the concept does not remedy the situation after the expiry of the time schedule and makes a continuation of the contract until the ordinary termination unreasonable for the client and no milder means are available, the LEHVOSS Group may terminate the business relationship and terminate all contracts after the fruitless expiry of the set grace period if it has threatened to do so when setting the grace period.

A statutory right to extraordinary termination without granting a grace period, in particular in the case of violations to be assessed as very serious, shall remain unaffected, as shall the right to compensation for damages.

IV. Acknowledgement and consent of the business partner

By signing this document, the business partner undertakes to act responsibly and to comply with the requirements listed. The business partner undertakes to communicate the contents of this Code in an understandable manner to its employees, agents and subcontractors and to take all necessary precautions for the implementation of the requirements.