

CODE OF CONDUCT FOR SUPPLIERS

TO SCHLÖSSER GMBH & CO. KG



Dichtungen. Technische Teile.

1. PREAMBLE

Schlösser GmbH & Co. KG (hereafter “Schlösser”) is fully committed to its social responsibilities in the context of its entrepreneurial activities worldwide. Therefore, we expect all our suppliers to act with fairness, honesty, responsibility and commitment to sustainability and integrity in all aspects of their business activities. This Code of Conduct for suppliers emphasises important standards that harmonise with the values of Schlösser. We expect each of our suppliers to observe and uphold these standards.

The Code of Conduct for suppliers applies to all purchasing activities of Schlösser worldwide and is an integral component of the agreement between the supplier and Schlösser. For our future collaboration, we shall agree to the validity of the following rules.

2. REQUIREMENTS FOR SUPPLIERS

2.1 COMPLIANCE WITH LAWS, RULES AND LEGAL PROVISIONS

Schlösser’s suppliers shall obey all applicable laws, rules and legal provisions in the countries in which they do business and shall take suitable measures to ensure their compliance with these laws, rules and legal provisions.

2.2 SOCIAL RESPONSIBILITY

Good working conditions, human rights

Schlösser’s suppliers shall respect human rights and ensure healthy, fair working conditions. In this context, Schlösser’s suppliers shall treat all individuals with respect and fairness and uphold the internationally recognised human rights as specified in the Universal Declaration of Human Rights and the standards of the International Labour Organization (ILO), and comply with the applicable national and international provisions. In agreement with the local laws, these rights encompass, but are not restricted to:

- the prohibition of forced labour, including all forms of modern slavery, human trafficking and unethical recruiting practices
- the prohibition of child labour
- An integrative, cooperative environment without repressive measures, free from violence and harassment
- the rejection of all forms of discrimination, including but not restricted to nationality, ethnic affiliation, gender, disability, age, sexual identity or sexual orientation, religion and world view, social status or any racially motivated discrimination
- payment of fair wages and benefits that are at least equal to the legal minimum wage in the relevant country
- appropriate working hours and sufficient periods of rest
- respect for the right to freedom of association and collective agreements
- safe and healthy work environments

Women’s rights, diversity, equality, inclusion, minorities

Schlösser’s supplier committed to actively promoting gender equality. Women’s rights are protected and strengthened across all areas of the company. They advocate for diversity, inclusion, and equal opportunities regardless of gender, gender identity, ethnic origin, religion, disability, or other personal characteristics. They respect and protect the rights of minorities and indigenous peoples in accordance with international standards.

Complaints mechanisms

Schlösser’s suppliers are responsible at the operational level for setting up an effective complaints mechanism. They shall ensure that whistle-blowers are protected against retaliatory measures.

Handling conflict minerals

For the following conflict minerals: tin, wolfram, tantalum and gold, and for additional raw materials such as cobalt, Schlösser's suppliers shall establish processes in accordance with the principles of the Organisation for Economic Co-operation and Development (OECD) for fulfilling due diligence for supporting responsible supply chains for minerals from regions of conflict and high-risk areas.

2.3 ECOLOGICAL RESPONSIBILITY

Compliance with the applicable environmental regulations

Schlösser's suppliers shall assume responsibility with respect to matters of environmental protection and fulfil all applicable provisions regarding the environment and sustainability.

Land, forest and water rights

Schlösser's suppliers shall respect property and usage rights related to land, forests, and water. They commit to refraining from any activities or support that could lead to unlawful appropriation or deprivation of essential resources.

Waste and hazardous substances

Schlösser's suppliers shall avoid waste or reduce their quantities of waste and emissions into the air, water and soil. When it comes to disposal, the suppliers shall comply with the respective applicable legal requirements.

Reducing consumption of raw materials and natural resources

Schlösser's suppliers shall reduce or avoid the use and consumption of resources whenever possible during production and reduce or avoid generating waste of all types, including water and energy.

Energy consumption/efficiency and greenhouse gas emissions

Schlösser's suppliers shall make an effort to improve their energy efficiency and minimise their energy consumption. The purpose of these measures and the use of renewable energy is to reduce greenhouse gas emissions.

2.4 BUSINESS ETHICS

Conflicts of interest

Our suppliers shall take decisions based on factual considerations and not be guided in an impermissible manner by personal interests. As soon as one of Schlösser's suppliers becomes aware of a conflict of interest, they must immediately inform Schlösser.

Fair competition

Schlösser's suppliers shall ensure that their business practices are in compliance with the applicable cartel and competition laws and other laws that deal with monopolies, unfair competition, restrictions on trade and competition, and relationships to competitors and customers. Schlösser's suppliers shall not conclude agreements with competitors or carry out other actions, including but not restricted to price fixing or market sharing, that can unfairly influence competition.

Corruption

Schlösser's suppliers shall base their actions on the highest standards of integrity. They shall comply with the relevant, applicable anti-corruption laws.

Foreign trade regulations

Schlösser's suppliers shall comply with all applicable import and export control laws, in particular, but not restricted to, sanctions, embargoes and other laws, regulations and governmental requirements and directives that control the transfer or shipment of goods, technologies and payments.

Data privacy protection, intellectual property, trade secrets

Schlösser's suppliers shall be responsible for ensuring that strict confidentiality is maintained with regard to confidential business information or trade secrets disclosed to them in the context of their business activities with Schlösser (hereafter "confidential information"), and that such information is not used in an impermissible manner or disclosed to third parties. Schlösser's suppliers shall ensure that all business information is appropriately collected, processed, secured and stored. Further, Schlösser's suppliers shall protect and safeguard both the registered and unregistered intellectual property of Schlösser and treat it as confidential information. Schlösser's suppliers shall comply with all applicable data privacy laws.

Money laundering and the financing of terrorism

Schlösser's suppliers shall observe the relevant legal provisions aimed at preventing money laundering and the financing of terrorism.

3. IMPLEMENTING THE REQUIREMENTS

Schlösser expects its suppliers to comply with this Code of Conduct.

Schlösser reserves the right to verify its suppliers' compliance with this Code of Conduct in an appropriate manner through audits.

Schlösser's suppliers must communicate these expectations to their own supply chains and act to ensure their compliance. Schlösser's suppliers must implement due diligence processes to determine, prevent and minimise the risks associated with violations of human rights and environmental impacts in their supply chains, including suitable complaints mechanisms and reporting procedures. They must comply with all applicable laws related to due diligence along the supply chain.

Any violation of this Code of Conduct shall negatively impact the business relationship between Schlösser and the supplier in question. In such cases, Schlösser reserves the right to demand that suitable countermeasures be implemented. If the supplier cannot prove that suitable countermeasures have been taken within a reasonable period or if the violation is so serious that continuation of the business relationship has become unreasonable for Schlösser, Schlösser reserves the right to terminate the contractual relationship in question with immediate effect.

If you have any concerns or are aware of unlawful behaviour or wrongdoing, please contact: hinweisgeberstelle@schloess.de or send a letter to Whistle-blower Office, Schlösser, Wilhelmstrasse 8, 88512 Mengen, Germany.