



Böllhoff Group Declaration of Acceptance of Supplier Code of Conduct

**Wilhelm Böllhoff GmbH & Co. KG
Böllhoff Beteiligungsgesellschaft mbH
Böllhoff GmbH
Böllhoff Logistik GmbH
Böllhoff Verbindungstechnik GmbH
Böllhoff Produktion GmbH
Böllhoff Automation GmbH
Böllhoff Gesellschaft für Ausbildung und Perspektive GmbH**

The rules and behaviours defined in the Supplier Code of Conduct of the Böllhoff Group (status: 11.07.2023) are intended to ensure compliance with all laws and regulations currently in force, for the purpose of fulfilling the entrepreneurial duties of care that apply along the supply chain with regard to the product and service range of the Böllhoff Group by the participating suppliers.

The principles set out in this Code of Conduct relate to

- Environment and health, including the avoidance of conflict materials
- Labour and human rights, including employee health and safety
- Corporate governance and ethical business relationships
- Rules for the verification of compliance with this Code of Conduct by Böllhoff, including the determination of consequences in the event of violations.

The undersigned supplier confirms that he recognises, and shall observe and apply, the Supplier Code of Conduct of the Böllhoff Group of Companies in its currently valid form, as well as the values and principles referred to therein, as being binding on himself in the name of, and on behalf of, his subsidiaries or associated companies from whom Böllhoff purchases goods and services worldwide.

This obligation applies to all companies of the Böllhoff Group and to all locations of Böllhoff, particularly the aforesaid companies.

The Supplier hereby undertakes to indemnify and hold harmless, immediately upon written request to do so, the respective Böllhoff company to which he supplies goods and/or provides services, from and against any claims by third parties with regard to injuries, loss or damages arising from his non-compliance with the rules by which Suppliers are bound, in accordance with the Supplier Code of Conduct.

Place, date
Company name:
Signature:
Signatory name in block capitals:
Signatory function:

Supplier Code of Conduct, as applicable to suppliers and providers of the Böllhoff Group:

Status: 11.07.2023

1. Introduction

Böllhoff is an innovative partner in the field of fastening technology specializing assembly and logistics solutions. As a modern and globally active company, Böllhoff is not only committed to responsible and environmentally conscious business practices as part of its sustainability strategy, but it also expects its suppliers to recognise their responsibility for people and the environment in the course of their business activities.

This Supplier Code of Conduct is based on the applicable legal guidelines and regulations on corporate due diligence for the avoidance of human rights violations in supply chains, pursuant to the Supply Chain Due Diligence Act (LkSG) of 16 July 2021 in Germany, the principles of the United Nations Global Compact, the UN Universal Declaration of Human Rights, the UN Principles on Business and Human Rights, the standards of the International Labour Organization (ILO), in particular the 1989 ILO Declaration on Fundamental Principles and Rights at Work, as well as to the standards listed in the Annex to Sect.2 Para.1 and Sect.7 Para.3 LkSG.

In his cooperation with Böllhoff for the delivery of goods and the provision of services and work performances, the Supplier commits himself to sustainably fulfilling and complying with the following formulated human rights and environmental principles and the resulting requirements, as well as to the previously mentioned legal requirements, and to improving defined standards. The Supplier's actions with regard to his subcontractors shall also be guided by the following principles:

2. Environment and Conflict Materials

2.1 The supplier is obliged to comply with the environmental laws, regulations, and standards applicable to its operational activities. In order to identify and exclude potential risks, the Supplier shall, insofar as possible, use the appropriate management systems from the point of view of sustainability or, at the very least, take any operational and organisational measures and apply any such regulations that are oriented towards the objectives and measures of these management systems and that can be verified by means of self-reporting (SAQ) or in an on-site audit, including but not limited to, the following:

- Establish and maintain an environmental management system in accordance with ISO 14001 and an energy management system in accordance with ISO 50001, or any measures and regulations based on those systems.
- Comply with environmental protection regulations in the manufacture, storage, and delivery of goods and in the provision of services and work, such as refraining, subject to applicable exceptions, from manufacturing products containing mercury or from manufacturing and using chemicals that are prohibited under Art.3 Par.1.a) and relevant Annexes to the Stockholm Convention of 23 May 2001 on Persistent Organic Pollutants (POPs Convention).
- Ensure that waste is avoided as far as possible and is otherwise and at all times treated, collected, stored, and disposed of in an environmentally sound manner.
- Ensure strict observance of the prohibition of export of hazardous waste, as defined in the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, of 22 March 1989 (Basel Convention).
- Endeavour at all times to minimise environmental pollution through his behaviour and practices, taking into account the protection of air and soil quality as well as the biodiversity appropriate to the location; avoid excessive land use or deforestation of operational areas as well as environmentally harmful air and noise emissions or discharges into water bodies, and continuously improve environmental and climate protection through appropriate operational measures; this latter includes the responsible use of energy, raw materials and water, the avoidance of waste, and the implementation of measures for using and expanding renewable energy and increasing energy efficiency in operational processes in order to use renewable energies as completely as possible.
- In addition, ensure transparency in operational greenhouse gas emissions, use the Greenhouse Gas Protocol (GHG Protocol) for reporting where possible, and develop and implement policies designed to continuously reduce such emissions.

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- Furthermore, continually assess the possibility of using recycled materials in the manufacture of his products.

2.2 The procurement of products by Böllhoff is carried out in a sustainable manner, which effectively means that the Supplier is obliged to pay attention to the effects on people and the environment within the scope of his procurement of primary products and the processes used for producing all products to be delivered to Böllhoff. The Supplier shall further ensure that he complies with all applicable regulations and laws in his procurement activities, particularly in the procurement of raw materials. When using so-called conflict minerals (in particular tantalum, tungsten, cobalt and tin, their ores and gold), the Supplier is obliged to comply with the applicable legal or contractually agreed requirements for due diligence, verification systems, and transparency along the supply chain (e.g. EU Conflict Minerals Regulation EU 2017/821, Dodd-Frank Act, Sect.1502).

3. Social Affairs

3.1 Compliance with Regulations for the Protection of Human Rights, Employees and Third Parties

Both the supplier and Böllhoff must

- Respect equal opportunities and equal treatment in the recruitment and hiring of employees regardless of colour, race, nationality, social origin, sexual orientation, disability, political or religious beliefs, membership of a national minority, gender, or age, and avoid any discrimination in relation thereto.
- Respect the dignity, privacy, and personal rights of every individual and strictly observe legal working conditions, including the prohibition of modern slavery and child labour as defined and specified by the International Labour Organisation (ILO). The age of employment shall not be less than 15 years.
- The principles of the General Equal Treatment Act (Allgemeines Gleichbehandlungsgesetz - AGG) on the prohibition of discrimination in the workplace, and of corresponding applicable regulations, must be fully observed at the supplier's offices and places of work, and complied with without any exception.
- The freedom of association of workers shall be respected, and employees shall be paid in accordance with the minimum-wage provisions established by law and applicable at the employer's place of business, and adequately remunerated for their work.

3.2 Employee Health and Safety

The supplier shall

- Take responsibility for the health and safety of all employees within the framework of his operational organisation, particularly by organising work appropriately and observing the required working hours and rest periods;
- Investigate and take all appropriate measures for minimizing risks together with the strongest possible precautions against occupational accidents and diseases, as well as ensuring the safe handling of hazardous substances;
- Provide his employees with continuous professional instruction and training in occupational safety;
- Establish and maintain an occupational health-and-safety management system, in accordance with ISO 45001 where possible, but which at least complies with the statutory occupational health-and-safety requirements, as well as taking all appropriate preventive measures;
- When using or contracting private or public security guards, ensure that physical or mental abuse and injury to life and limb are avoided at all times, and further ensure that guard dogs are kept in accordance with the provisions of the Animal Welfare Act.

The Supplier acknowledges that he will not unlawfully evict any persons or expropriate any land, forest, or water, or otherwise unlawfully develop or use such land, forest or water the use of which secures the livelihood of persons.

4. Corporate Governance and Business Relationships

4.1 Compliance with Legal and Regulatory Requirements

All applicable laws and regulations of the legal systems governing the contractual relationship between the Suppliers and Böllhoff shall be observed by the Supplier, in the course of complying with which he shall, within the scope of his economic activities and with regard to his sub-suppliers, pay particular attention to the observance of human rights and environmental due diligence obligations in an appropriate manner, with the aim of avoiding or at least minimizing human-rights or environmental risks.

4.2 Data Security and Data Protection

The Supplier undertakes to observe and comply with the applicable laws on data protection and information security and with official requirements regarding the protection of personal data when collecting, storing, processing, transmitting, and forwarding personal data.

To protect confidential information, the Supplier shall use only secure means of communication, communication channels and storage media that are protected against unauthorised access. The Supplier shall ensure the effective protection of his IT infrastructure against unauthorised interference and cyber-attacks.

In addition, all appropriate technical and organisational measures, such as access controls or access restrictions to business and operating premises and to storage designed to protect against unauthorised access, shall be taken in order to protect confidential information, and the observance of and compliance with such protective measures shall be agreed with all third parties involved.

4.3 Prohibition of Bribery

The Supplier shall reject any form of bribery and shall refrain from participation in any unethical practices, and shall not offer, grant, demand or accept any personal advantages, particularly of a monetary nature, such as payments, loans, or the granting of small gifts to employees of Böllhoff or third parties, including accelerated payments.

4.4 Fair Competition, Respect for the Intellectual Property of Third Parties, and Plagiarism

The Supplier undertakes to comply with all applicable competition and antitrust laws and, in particular, to refrain from engaging in market, price, or bid rigging, or agreements to share markets or customers.

4.5 International Trade

The Supplier shall comply with all applicable export control and customs regulations. This obligation includes compliance with all export controls and sanctions agreed through contractual provisions.

4.6 Prohibition of Money Laundering

The Supplier shall ensure strictly compliance with all applicable legal requirements for the purpose of combating money laundering and shall not in any way, whether directly or indirectly, encourage money laundering or the financing of terrorism or acts related thereto.

4.7 Confidentiality

All information received within the scope of the business relationship that might constitute company and business secrets, shall be treated in the strictest confidence by both the Supplier and Böllhoff, and shall be protected against unauthorised access by third parties.

4.8 Supply Chain

The supplier shall not only ensure compliance with these regulations on his own part but shall also demand and enforce compliance with them on the part of his suppliers, insofar as this is lawful and commercially viable for him (taking into account the principle of reasonableness).

The principles of non-discrimination in the selection of and dealings with his suppliers shall always be observed by him.

4.9 Notification System

The Supplier shall comply with the applicable legal requirements for the protection of persons who report violations of law and shall furthermore maintain the necessary information channels for the protection of whistle-blowers.

5. Verification of Compliance with the Code of Conduct by Böllhoff, Indemnification Obligations, and Consequences of Violations

5.1 Report and Audit

The Supplier is obliged to facilitate Böllhoff in checking the measures required to be taken by him by the provisions of this agreement either through the preparation of an annual written report on the fulfilment of his due diligence obligations in the past business year, which must be submitted to Böllhoff not more than four

months after the end of the business year, and/or by granting to Böllhoff and its employees and agents access to his premises to enable the performance of a complete audit. If necessary, the Supplier will also facilitate an audit of his sub-suppliers within the scope of his abilities and he shall provide full support to Böllhoff in this regard. Legitimate protection interests regarding the company and business secrets of the parties involved must be observed at all times.

5.2 Indemnification Obligation

The Supplier shall, immediately upon written request to do so, be obliged to indemnify and hold harmless Böllhoff from and against any claims by third parties for possible injury, loss or damages arising from his non-compliance with the obligations imposed by the provisions of this agreement upon him (the Supplier).

5.3 Consequences of Breaches of this Code of Conduct and of Reporting Obligations

In the event that the Supplier culpably violates the rules of conduct and/or the duties of care imposed upon him by the provisions of this Code of Conduct, Böllhoff shall be entitled to suspend the business relationship and the execution of current contracts, without the Supplier being entitled to claim any damages, until that Supplier proves that he has complied with the requirements of the Code of Conduct and that the potential consequences of violations have been permanently eliminated. Where this proof is not provided within a reasonable time, Böllhoff shall be entitled to extraordinarily terminate the existing contractual relationship with the Supplier and to claim damages in lieu of performance.

Any violations of this Code of Conduct, including within the supply chain, that become known to the Supplier and that may affect the business relationship with Böllhoff or the products delivered to Böllhoff, must be reported by the Supplier to Böllhoff immediately upon their coming to his attention, taking into account the legitimate interests of the Supplier and his employees, particularly the protection of data and business secrets.

Such notification should be sent to compliance@boellhoff.com

6. Changes to the Code and Choice of Jurisdiction

6.1 Subject to Change

Böllhoff reserves the right to change the requirements of this Code of Conduct should it become necessary to do so, and to adapt them appropriately to social and legal conditions. Where this becomes the case, Böllhoff expects the Supplier to accept the corresponding requirements. Böllhoff shall inform the Supplier in due time, and at least one month before such changes come into effect.

6.2 Choice of Jurisdiction

The Supplier agrees that this agreement and the declarations made by him are subject to the law under which the supply contracts between him and Böllhoff are concluded. Where there is no agreement in this regard, this Code of Conduct and the declarations made by the Supplier are subject to the law of the Federal Republic of Germany to the exclusion of the provisions applicable to other legal systems.