

GBA Supplier Code of Conduct

Preamble & Scope

At GBA Holding GmbH, including all companies in which GBA directly or indirectly holds a majority stake (hereinafter referred to as "GBA"), we have placed a high priority on the sustainability of our actions as part of our strategy: in our view, sustainability is a fundamental component of our corporate purpose.

The GBA purchasing department with its supply chain makes an important contribution to meeting this social, ecological and ethical responsibility.

The principles formulated in this Supplier Code of Conduct form an essential part of our supplier selection and evaluation and naturally also form the basis of our actions in our own business area. As part of our cooperation, we expect our suppliers to comply with and implement these standards in their own business and to ensure compliance and implementation of these standards in their own supply chain. This Supplier Code of Conduct is based on the most important international standards and regulations for human rights, such as the International Labour Standards (ILO), OECD Guidelines for Multinational Enterprises, ISO 45001, ISO 14001, UN Global Compact, UN Guiding Principles on Business and Human Rights, UN Universal Declaration of Human Rights, UN Convention against Corruption and the Supply Chain Duty of Care Act. If the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz - "LkSG") is directly applicable to our suppliers, the statutory due diligence requirements must be applied and all requirements of the LkSG must be implemented and complied with. We must be informed immediately of any violations reported by the authorities or complaints by third parties.

Together with our skilled employees and partners, we make an important contribution to maintaining health, quality of life and environmental protection for our society. Sustainability, climate protection and corporate responsibility - these issues are crucial for the development of our society. Our actions today and the sustainability of our current way of doing business and living determine the living conditions of tomorrow's generations - and companies like ours are obliged to help shape the future in this awareness.

Social responsibility and respect for human rights

Prohibition of forced labour

We do not accept slavery, servitude, forced labour and human trafficking - in any form in our supply chain. We also do not accept debt or contractual slavery or involuntary prison labour. Practices such as the retention of personal property, passports, wages, employment certificates or other documents on inappropriate grounds are not acceptable.

Prohibition of child labour

Child labour is not tolerated in our supply chain. Children of school age may not be employed in production or for the provision of other services. The definition of child labour conforms to the International Labour Organisation (ILO) standards. If a local law prescribes a higher legal minimum age for workers or a longer compulsory schooling period, the higher age / stricter regulation shall apply.

Fair pay

Remuneration must be paid to employees regularly, on time and in full, without exception, in accordance with applicable laws. It shall be in accordance with local laws on remuneration and shall at least comply with laws on minimum wages. Remuneration and other benefits shall provide employees and their families with a decent standard of living. Deductions from wages as a disciplinary measure are not tolerated.

Fair working conditions

The respective valid local laws and the regulations on working times stipulated by the International Labour Organisation (ILO) have to be followed.

Sufficient time for breaks must be ensured. Physical punishment, the threat of physical violence, sexual or other forms of harassment and intimidation are banned.

Equal opportunities and inclusion

We expect equal opportunities and equal treatment of employees to be actively promoted and discrimination in any form to be strictly prohibited. No employee may be disadvantaged or harassed due to their gender, age, skin colour, ethnic or social origin, sexual identity, a handicap, their religion or ideology or their political viewpoint. Attention should rather be focused on the provision of an including and supportive working environment, in which value is placed on diversity when selecting employees.

Health protection and occupational safety

We expect strict compliance with the respective applicable local health and safety legislation. Violations of this are not acceptable. Employees must be adequately protected from chemical, biological and physical hazards. In our supply chain, everyone should strive to establish and apply an appropriate occupational safety management system (e.g. according to ISO 45001). This should include both the mitigation of actual and potential occupational safety risks and the training of employees to best prevent accidents and occupational diseases.

Workers' exposure to hazards from physically demanding work, manual handling of materials through heavy or repetitive lifting, prolonged standing and highly repetitive manual tasks shall be identified, assessed, controlled and improved.

Furthermore, this also includes those hazards for employees that can result from mental stress at work, for example in the case of continuous high time- and performance-related demands or in the case of unfavourably designed shift work.

Production equipment and other machinery must meet safety standards and be properly maintained at all times.

A safe workplace also includes adequate sanitation and access to clean drinking water. Finally, the hiring or use of security forces must be discouraged if they are used in a manner that causes inhuman or degrading treatment or injury to persons or interferes with freedom of association.

Freedom of association and collective negotiation

In agreement with local laws, the right has to be granted to the employee that they can associate freely, organize, appoint employee representatives and negotiate collectively.

Preservation of the natural foundations of life

Our suppliers and third parties engaged by them for performance shall not unlawfully take land, forests or waters, the use of which secures the livelihood of persons. He shall refrain from harmful soil changes, water and air pollution, noise emissions as well as excessive water consumption if this harms the health of persons, significantly impairs the natural basis for the production of food or prevents the access of persons to safe drinking water or sanitary facilities.

Ecological responsibility

Use of natural resources and environmental protection

We expect natural resources to be used sparingly and conserved wherever possible. The use of natural resources shall be reduced through practices such as material reduction and substitution, collaborative use, maintenance, reuse, remanufacturing and recycling, and through changes in production processes. Everyone in our supply chain shall be committed to the continuous development and use of environmentally and climate friendly products, processes and technologies. Applicable laws and regulations regarding the prohibition and restriction of certain substances in production shall be strictly adhered to, and labels for recycling and disposal shall be applied. Self-induced negative impacts on the environment and the climate must be identified and stopped as soon as possible.

Environmental management system

We expect compliance with the respective applicable local environmental laws, regulations and standards. Furthermore, all suppliers in our supply chain should strive to establish and apply an appropriate environmental management system (e.g. according to ISO 14001). Environmental impacts and hazards should thus be minimised and environmental protection should be established and improved in daily business operations. Appropriate evidence and reporting should be available upon request.

Waste, waste water and emissions

Compliance with local regulations and laws in the generation, storage, disposal and recycling of waste, exhaust gases and waste water must be ensured by our suppliers. Activities that may have a negative impact on human health or on the environment and climate must be appropriately managed, measured and controlled. Measures shall be established and economic solutions found to continuously minimise the generation of waste, wastewater and emissions. Existing cleaning systems shall be routinely monitored and audited.

Chemicals

We expect that persistent organic pollutants or chemicals that are banned at national or international level are neither produced nor used. In this respect, the requirements and prohibitions of the Minamata Convention of 10 October 2013 and the Stockholm Convention of 23 May 2001 must be observed and complied with.

Energy efficiency

Energy consumption is to be monitored and documented and we expect our suppliers to find economical solutions to improve energy efficiency and minimise their energy consumption as well as reduce greenhouse gas emissions, in particular through the use of environmentally friendly, renewable energies.

Ethical business conduct

We expect all business decisions and actions to comply with the relevant applicable law, in particular the U.S. Foreign Corrupt Practices Act, the UK Bribery Act 2010 and the UK Modern Slavery Act 2015, and not to commit any criminal offences.

Prohibition of corruption, bribery, acceptance of benefits

We expect the highest standards of integrity to be applied in all business activities and cooperation. Corruption, bribery, extortion, fraud or embezzlement, insolvency offences and taking advantage are not tolerable. In particular, we must ensure that all employees, subcontractors or agents do not give, offer or accept bribes, facilitation payments, improper donations or other improper payments or benefits to customers, public officials or other third parties. We also expect our suppliers not to offer, promise or give gifts or other benefits to GBA employees or related third parties with the aim of gaining an advantage in business dealings. Appropriate procedures for monitoring and enforcing applicable anti-corruption laws shall be ensured.

Avoidance of conflicts of interest

Any conflicts of interest in the cooperation with GBA shall be avoided, i.e. suppliers shall make their decisions in the cooperation with GBA solely on the basis of factual considerations and shall not be guided by personal interests. This applies in particular to close personal relationships between suppliers and GBA employees. Suppliers shall proactively and promptly inform GBA of any situation that could lead to a conflict of interest to enable GBA to take appropriate action.

Objectivity in examinations and assessments

We also expect the provision of testing or assessment services in our supply chain to be objectively traceable, transparent and carried out with the necessary expertise and professionalism.

Fair competition

We expect everyone in our supply chain to compete fairly and to comply with all applicable antitrust and competition laws and not to engage in collusion in violation of antitrust laws or to abuse their dominant position.

Unlawful restrictions of competition include, but are not limited to, anti-competitive practices and agreements with other suppliers or vendors to fix or coordinate purchase or selling prices or other business conditions, sharing of production or sales quotas, sharing of markets and customers including bid rigging, import and export restrictions.

Money laundering

Our suppliers observe the relevant domestic and foreign money laundering regulations and refrain from transactions that serve money laundering purposes.

Export law and control law

We expect all suppliers in our supply chain to comply with the applicable export and customs laws and regulations in all countries in which they do business and to inform us immediately if a delivery/service is subject in whole or in part to export restrictions under national law, EU regulations or other international, applicable embargo and export regulations.

Confidentiality and data protection

We expect that all information provided or obtained, including but not limited to personal data provided or obtained, will be processed solely for legitimate business purposes, for a specific purpose and in a manner that ensures appropriate security of the information or personal data, including protection against unauthorised or unlawful processing and against accidental loss, destruction or damage, through the use of appropriate and state of the art technical and organisational measures. We expect that all relevant legal requirements for data protection and information security are complied with.

Protection of know-how, intellectual property, trade and business secrets

All suppliers in our supply chain respect the know-how, patents, trade secrets and other intellectual property of GBA and third parties. Such information will not be disclosed to third parties without GBA's prior express written consent or in any other unauthorised manner. Our suppliers shall not use confidential information provided to them outside the purpose of the transfer, in particular not imitate it (e.g. by way of so-called "reverse engineering").

Compliance with the GBA Supplier Code of Conduct

All employees of the supplier shall be informed about the content of this Supplier Code of Conduct and trained regularly to ensure compliance with these requirements.

We expect our suppliers to identify the relevant risks and take appropriate measures to comply with this Supplier Code of Conduct. Our suppliers must inform us about identified risks and any measures taken.

In the event of a breach of this Supplier Code of Conduct, GBA reserves the right to take action against the Supplier, which may include, for example, blocking the Supplier, requiring the Supplier to take appropriate remedial action and/or terminating the business relationship.

To demonstrate compliance with the principles, requirements and recommendations for action from this Supplier Code, suppliers may be asked to carry out a supplier self-assessment (e.g. using an SAQ/questionnaire).

Furthermore, GBA shall be entitled to conduct remote or on-site audits of suppliers at its own expense by GBA or third parties commissioned by GBA in the event of specific cause to suspect a breach of this Supplier Code of Conduct in order to assess compliance with the specifications and prescribed standards of this Supplier Code of Conduct and any measures taken. Each supplier undertakes to assist GBA in carrying out such audits; in particular, it shall provide GBA with all documents and information required to carry out the audit and grant access to its premises. Audits shall normally take place during normal business hours. GBA will give adequate advance notice of the time for an audit. In carrying out the audit, GBA shall comply with the provisions of data protection and ensure that the confidentiality of the supplier's business secrets is maintained, if necessary by concluding specific confidentiality agreements.

If violations of the provisions of this Supplier Code of Conduct are identified in the course of an audit, GBA shall notify the supplier of this without delay, at the latest within one month, and set the supplier a reasonable grace period to bring its conduct into compliance with this Supplier Code of Conduct. If a remedy is not possible in the foreseeable future, the supplier shall notify GBA immediately and, together with GBA, draw up a concept for ending or minimising the breach (including a timetable). If such a breach is culpable, if a period of grace for remedial action expires without result or if the measures provided for in the remedial action plan are not implemented in time and if GBA cannot reasonably be expected to continue the contractual relationship until the ordinary termination, GBA may terminate the contractual relationship extraordinarily if no milder means are available and if this was threatened when the period of grace was set. A statutory or express contractual right to extraordinary termination, in particular in the case of violations to be assessed as very serious, shall remain unaffected, as shall the right to damages.

We expect our suppliers to provide a complaint mechanism open to all employees to report violations of the standards set out in this Supplier Code of Conduct. Reprisals against persons who make use of this reporting facility are not permitted.

If a supplier becomes aware of violations of or deviations from the GBA Supplier Code of Conduct in its own business or within the supply chain, these must be reported to GBA without delay and remedial action must be initiated, the appropriateness of which is based on the degree of violation, the risk involved and the possibility of exerting influence. Identified violations in the own business unit are to be remedied as quickly as possible.

Acknowledgement and consent of the supplier

The supplier hereby confirms that it has read and understood the GBA Supplier Code of Conduct (Version 1.0, September 2022). Furthermore, the supplier assures compliance with all requirements and instructions listed therein and undertakes to ensure these requirements - in particular the human rights and environmental expectations - in its supply chain and, if possible, to contractually secure them vis-à-vis its direct contractual partners or to address them in its own supplier code and general terms and conditions.

The supplier confirms that neither he himself nor his employees have accepted or offered bribes in connection with the conclusion or performance of this contract and will neither accept nor offer such bribes in the future. It undertakes to refrain from any conduct that may lead to criminal liability for fraud or breach of trust, insolvency offences, offences against competition, granting of advantages or bribery of persons employed by it or third parties.

The supplier undertakes to offer only prices and conditions which are not based on an agreement with competitors which is inadmissible under cartel law. If it is established on the basis of a final court decision or a final decision of the anti-trust authorities that the supplier has entered into an agreement during the period of procurement of goods or services by GBA which constitutes a restriction of competition in the form of the fixing of prices, the restriction of production or sales or the allocation of customers or territories which is inadmissible under anti-trust law, the supplier shall be obliged to pay lump-sum damages for the period of proven participation in the infringement. This shall amount to 10 % of the net order value. The supplier shall be at liberty to prove that no damage or substantially less damage has been incurred. GBA shall be entitled to assert further claims for damages; GBA reserves the right to prove higher damages. The obligation to pay damages shall also apply if the period of validity of the underlying contract has already expired or the contract has been terminated at the time the claims are asserted. Other contractual or statutory claims of GBA shall remain unaffected.

The supplier guarantees that it has the necessary permits and consents for its activities.