Supplier Code of Conduct

SCHIRM GmbH, as a group company of AECI Limited, is aware of its particular responsibility towards people and the environment as a globally operating company. Our Code of Conduct reflects this responsibility and defines the requirements for our own business conduct.

We expect our suppliers[1] to comply with this Supplier Code of Conduct. It contains the values underlying our Code of Conduct. Careful observance of these values forms the basis for a trusting relationship between the supplier and SCHIRM.

Purpose

This Supplier Code of Conduct (hereinafter referred to as the "Code") supports our commitment to compliance with national and supranational standards. These include, among others, labour and social standards, the ten principles of the Global Compact, the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, the eight core labour standards of the International Labour Organisation (ILO), the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration), the OECD Guidelines for Multinational Enterprises and the Responsible Care® Global Charter.

Scope of Application

The Code defines our expectations of suppliers and the employees, governing bodies, sub-suppliers and subcontractors commissioned by suppliers. The supplier shall ensure, in an appropriate manner, compliance with this Code by third parties commissioned by them.

Compliance

SCHIRM expects its suppliers to independently and consistently comply with all nationally and supranationally applicable laws and regulations, as well as with the provisions of this Code.

SCHIRM reserves the right to verify compliance with the Code, following reasonable prior notice, by means of internal or external audits.

Acknowledgement

By concluding a supplier or service agreement, as well as by accepting an order from SCHIRM, the supplier acknowledges this Code.

[1] "Supplier" includes all suppliers and service providers of SCHIRM GmbH.

Treatment of Employees

"We expect our suppliers to comply with the eight core labour standards of the International Labour Organisation (ILO).[2]"

In particular, the following points shall be taken into account:

Child Labor

SCHIRM dissociates itself from child labour throughout the entire supply chain. We therefore also expect our suppliers to strictly prohibit child labour within their company and within the companies of their sub-suppliers. Young workers may only be employed within the framework of statutory provisions.

Forced Labour

Suppliers are strictly prohibited from using forced labour in any form whatsoever within their company.

Equal Treatment

The supplier promotes diversity, equal opportunities and inclusion. Discrimination on the grounds of gender identity, race, skin colour, origin, religion, age, disability, trade union or political affiliation, sexual orientation or marital status is not permitted.

Freedom of Association and Collective Bargaining

Our suppliers are expected to support the right of association and collective bargaining.

Fair Treatment

Suppliers are expected to treat their employees fairly. Any form of sexual harassment, physical assault, coercion and bullying is prohibited.

Working Hours, Wages and Salaries

We expect our suppliers to ensure that employees receive remuneration in accordance with the relevant legislation and that full-time employees are able to secure an adequate standard of living through their own income. Suppliers are expected to pay their employees on time. Wage deductions as a disciplinary measure are prohibited.

[2] http://www.ilo.org

Conduct in Competition

"SCHIRM expects its suppliers to conduct themselves fairly in competition and to act lawfully and in compliance with legal requirements."

This includes, in particular, the following principles:

Anti-Corruption and Unfair Competition

SCHIRM expects suppliers neither to pay nor to accept bribes. Furthermore, suppliers shall not offer SCHIRM employees gifts or other benefits that are socially inappropriate.

Competition Law

Suppliers shall ensure that they comply at all times with the respective applicable requirements of competition law.

Furthermore, SCHIRM expects suppliers to expressly dissociate themselves from unlawful practices that result in the exclusion, distortion or restriction of competition.

In particular, the following actions with competitors must be refrained from:

- Agreements relating to prices or price components
- Agreements concerning the waiver of competition or the submission of sham bids
- Agreements regarding the allocation of markets or customers
- Exchange of confidential market information (e.g. turnover, prices, price calculations, planned investments, strategies or customer data)
- Unfair discrimination against customers or competitors

Any exchange with competitors shall take place in accordance with the above principles.

Money Laundering and Violations of Import and Export Prohibitions

SCHIRM does not tolerate money laundering or violations of import or export prohibitions. Accordingly, we expect our suppliers to strictly comply with anti-money laundering legislation and the respectively applicable import and export prohibitions.

Counter-Terrorism Financing

SCHIRM expects its suppliers to avoid any contact with and any support for terrorist organisations; where necessary, the supplier shall implement appropriate internal measures to effectively prevent the financing of terrorism.

Transport of Hazardous Materials

When handling hazardous goods, SCHIRM expects its suppliers to implement and comply with the respective applicable regulations concerning the security[3] of dangerous goods. Among other things, and in fulfilment of any applicable security screening legislation, suppliers shall employ reliable personnel who are appropriately trained for their activities and who have been screened in accordance with the applicable anti-terrorism regulations.

Data Protection and Information Security

Personal data and confidential information shall be protected through appropriate technical and organisational measures. Security incidents relating to SCHIRM must be reported immediately.

Conflicts of Interest

Our suppliers shall ensure that no conflict of interest arises between themselves and SCHIRM or, where such a conflict arises, that it is immediately eliminated and reported to SCHIRM.

Environment and Safety

"Our suppliers are expected to protect our natural resources and to handle existing resources responsibly. Furthermore, they are expected to provide their employees with a safe and healthy workplace."

Environmental / Climate Protection

The supplier shall reduce greenhouse gas emissions, improve energy efficiency and promote the circular economy. Relevant environmental and climate-related data shall be provided upon request.

Compliance with REACH, CLP and hazardous substances regulations shall be ensured.

Occupational Safety, Accident Prevention and Health

We expect our suppliers to comply with statutory regulations and operational requirements relating to occupational health and safety and accident prevention, to protect the health of their employees and to ensure in all operational activities that accidents and work-related illnesses are prevented. Suppliers are expected to regard the assurance of safety and the control of premises, facilities, machinery, equipment and work processes as the highest guiding principle in their actions.

[3] "Security" refers to measures or precautions to be taken in order to minimise the theft or misuse of dangerous goods that may endanger persons, property or the environment.

Emergency Management

SCHIRM expects suppliers to implement an emergency management concept that includes first-aid measures, reporting and evacuation procedures, emergency training and drills, as well as adequate fire protection and fire detection facilities.

Whistleblowing and Complaints Procedures

Confidential reporting channels for violations shall be provided. Whistleblowers must not be subjected to retaliation.

Compliance by the Supplier

SCHIRM expects its suppliers to comply with the principles of this Code and considers any violation to constitute a material breach of contract.

Passing on Requirements to Sub-Suppliers

The requirements of this Code shall be appropriately communicated throughout the supply chain.

Continuous improvement in the areas of human rights, environmental protection, occupational safety and compliance is expected. SCHIRM may conduct risk-based audits and request appropriate evidence of compliance.