

Supplier Code of Conduct SEVERIN Gruppe

(valid for: SEVERIN Elektrogeräte GmbH and all subsidiaries)

Inhalt

1. Introduction/ Preamble	2
2. Supplier requirements	3
2.1. Social responsibility	3
2.1.1. Human rights.....	3
2.1.2. Elimination of forced labor	3
2.1.3. Prohibition of child labor	3
2.1.4. Fair wages.....	3
2.1.5. Fair working hours.....	4
2.1.6. Freedom of association	4
2.1.7. Prohibition of discrimination.....	4
2.1.8. Health protection; occupational safety	4
2.1.9. Preserving of the natural basis of life.....	5
2.1.10. Dealing with conflict minerals	5
2.2. Environmental responsibility.....	5
2.2.1. Treatment and discharge of industrial wastewater.....	5
2.2.2. Dealing with air emissions	5
2.2.3. Dealing with waste and hazardous substances	6
2.2.4. Reducing consumption of raw materials and natural resources	6
2.2.5. Dealing with energy consumption and efficiency	6
2.3. Ethical business conduct and compliance	6
2.3.1. Fair competition.....	6
2.3.2. Privacy/ data protection	6
2.3.3. Intellectual property	7
2.3.4. Integrity/ corruption, personal gains.....	7
2.3.5. Money laundering.....	7
2.3.6. Export controls	7
2.3.7. Customers interests	7
3. Implementation of requirements.....	8
4. Supplier acknowledgement and consent.....	8
5. Final provisions.....	9

1. Introduction/ Preamble

This **Supplier Code of Conduct** serves to guarantee the ethical and legal standards in the cooperation between our company and its suppliers.

SEVERIN is committed to ecologically and socially responsible corporate management. We expect the same behaviour from all our suppliers. We also expect our employees to observe the principles of ecological, social and ethical behaviour and to integrate them into our corporate culture. We also strive to continuously optimise our business activities and our products in terms of sustainability and ask our suppliers to contribute to this by adopting a holistic approach.

We are committed to fair, responsible and sustainable business practices and expect the same from our suppliers. The aim of this code is to ensure the quality of products and services as well as the safety and protection of human rights and the environment.

This Code of Conduct forms the basis for all business relationships between SEVERIN and its suppliers and is an integral part of SEVERIN's General Terms and Conditions of Purchase, which apply to all orders.

The Supplier undertakes to fulfil the principles and requirements of the Code of Conduct and to support itself in doing so. The Supplier undertakes to present this Code of Conduct to its subcontractors and to endeavour to contractually oblige them to comply with the listed standards and regulations. This agreement shall enter into force upon signing. A breach of this Code of Conduct may ultimately be reason and cause for us to terminate the business relationship, including all associated supply contracts.

The Code of Conduct is based on national laws and regulations such as the Supply Chain Duty of Care Act (LkSG), to which we are not currently committed, but to which we align all our trade, as well as international conventions such as the UN Civil Pact and the UN Social Pact, the Guidelines on Children's Rights and Business Conduct, the United Nations Guiding Principles on Business and Human Rights and the international labour standards, values and principles of amfori / BSCI.

2. Supplier requirements

Our company strives for a long-term partnership with suppliers who are committed to continuous improvement and innovation. We expect our suppliers to be able to adapt their processes and implement new standards to meet the demands of a changing market.

SEVERIN focuses on a 'zero tolerance approach', misbehaviour for an immediate termination of the business relationship.

2.1. Social responsibility

Among other things, SEVERIN is guided by the Code of Conduct of the international Business Social Compliance Initiative (BSCI) and the International Labour Organization (ILO) Convention.

2.1.1. Human rights

Compliance with internationally recognised human rights is respected and supported.

2.1.2. Elimination of forced labor

No forced labour, slave labour or comparable work may be used. All labour must be voluntary and without threat of punishment. Employees must be able to terminate their work or employment relationship at any time. Furthermore, there must be no unacceptable treatment of workers, such as psychological hardship, sexual harassment and humiliation. Security guards must not be commissioned or utilised if they are deployed in a manner that causes inhumane or degrading treatment or injury to persons or employees of the company or impairs freedom of association (see LO Conventions 29 and 105 and Section 2 (2) Nos. 3, 4, 11 LkSG).

2.1.3. Prohibition of child labor

Child labour must not be used at any stage of production. Suppliers are requested to comply with the recommendation from the ILO conventions on the minimum age for the employment of children. Accordingly, the age should not be less than the age at which compulsory education ends according to the law of the place of employment and in any case not less than 15 years. If children are found at work, the supplier must document the measures to be taken to remedy the situation and enable the children to attend school. Young workers under the age of 18 must not be used for work that is harmful to the health, safety or morals of children. Special protective regulations must be observed (see ILO Conventions 79, 138, 142 and 182 as well as 2 Para. 2 Nos. 1 and 2 LkSG).

2.1.4. Fair wages

The remuneration for regular working hours and overtime must correspond to the national statutory minimum wage or the minimum standards customary in the industry, whichever is higher. The remuneration for overtime must in any case exceed the remuneration for regular hours. If the remuneration is not sufficient to cover the costs of normal living expenses and to build up a minimum level of reserves, the supplier is obliged to increase the remuneration

accordingly. Employees shall be granted all legally prescribed benefits. Deductions from wages as punitive measures are not permitted. The supplier must ensure that the employees receive clear, detailed and regular written information about the composition of their remuneration (see ILO Conventions 26 and 131, Art. 7 of the UN Social Covenant and § 2 Para. 2 No. 8 LkSG).

2.1.5. Fair working hours

Working hours must comply with the applicable laws or industry standards. Overtime is only permitted if it is worked on a voluntary basis and does not exceed 12 hours per week; remuneration for overtime is based on compliance with the relevant legal provisions. Employees must be granted at least one day off after six consecutive working days. The weekly working time may not regularly exceed 48 hours. The weekly working time, including overtime, must not exceed 60 hours; exceptions may be made for exceptional circumstances, such as production peaks, as long as the health and safety of employees is guaranteed (see ILO Conventions 1 and 14b).

2.1.6. Freedom of association

The right of employees to form and join organisations of their choice, to engage in collective bargaining and to strike must be respected. In cases where freedom of association and the right to collective bargaining are restricted by law, alternative possibilities for independent and free association of employees for the purpose of collective bargaining must be provided. Employees must not be discriminated against on the basis of founding, joining or being a member of such an organisation. Workers' representatives must be granted free access to the workplaces of their colleagues to ensure that they can exercise their rights in a lawful and peaceful manner (see ILO Conventions 87, 98, 135, 154).

2.1.7. Prohibition of discrimination

Unequal treatment of employees in any form is not permitted unless it is justified by the requirements of employment. This applies, for example, to discrimination based on gender, national, ethnic or social origin, skin colour, disability, health status, political conviction, ideology, religion, age, pregnancy or sexual orientation. The personal dignity, privacy and personal rights of each individual are respected (see ILO Conventions 110, 111 and 159).

2.1.8. Health protection; occupational safety

The supplier is responsible for a safe and healthy working environment. The necessary precautionary measures against accidents and damage to health that may arise in connection with the work shall be taken by setting up and applying appropriate occupational safety systems. Appropriate measures must be taken to prevent excessive physical or mental fatigue. In addition, employees are regularly informed and trained on applicable health and safety standards and measures. Employees are given access to sufficient quantities of drinking water and access to clean sanitary facilities (see ILO Conventions 155, 164 and 187).

2.1.9. Preserving of the natural basis of life

The supplier may not, in violation of legitimate rights, withdraw land, forests or waters whose use secures the livelihood of people. The supplier must refrain from harmful soil changes, water and air pollution, noise emissions and excessive water consumption if this harms people's health, significantly impairs the natural basis for food production or prevents people's access to safe drinking water or sanitary facilities. The extraction and utilisation of natural resources should never lead to the destruction or deterioration of the livelihoods of minorities. This includes in particular the large-scale utilisation of land and the use of water and other natural resources on which these population groups depend.

2.1.10. Dealing with conflict minerals

The company has established processes for conflict minerals such as tin, tungsten, tantalum, gold and cobalt in accordance with the OECD guidelines for the promotion of responsible supply chains and expects the same from its suppliers. Smelters and refineries without verified due diligence processes are to be avoided.

2.2. Environmental responsibility

We are committed to sustainable environmental protection, both for present and future generations. The supplier's products and services must not endanger people or the environment and must comply with the agreed and legally prescribed safety standards. Laws for the protection of the environment must be complied with and the environmentally conscious behaviour of employees should be promoted.

The supplier is obliged to comply with the provisions of the EU regulation on deforestation-free supply chains. The supplier must prevent the import and use of products associated with illegal deforestation and fulfil traceability and supply chain transparency requirements. All raw materials and products must come from sources that demonstrably do not contribute to deforestation. The supplier must implement appropriate due diligence to ensure that the supply chain is free from activities that lead to the destruction of forests. They are also obliged to submit regular reports and evidence to demonstrate compliance with the regulation. This includes, among other things, providing information on the origin of the raw materials and carrying out risk assessments (see EU Deforestation Regulation).

2.2.1. Treatment and discharge of industrial wastewater

Wastewater from operational procedures, production processes and sanitary facilities must be standardised, monitored, checked and, if necessary, treated prior to discharge or disposal. In addition, measures should be introduced to reduce the generation of wastewater (see EMAS and ISO 14001).

2.2.2. Dealing with air emissions

General emissions from operations (air and noise emissions) and greenhouse gas emissions shall be standardised, routinely monitored, verified and treated as necessary prior to release. The supplier is also responsible for monitoring its emission control systems and is required to find cost-effective solutions to minimise any emissions.

2.2.3. Dealing with waste and hazardous substances

The supplier shall 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, must be observed. Chemicals or other materials that pose a risk if released into the environment shall be identified and managed in a manner that ensures safety during 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.

2.2.4. Reducing consumption of raw materials and natural resources

The use and consumption of resources during production and the generation of all types of waste, including water and energy, must be reduced or avoided. This is done either directly at the point of origin or through procedures and measures, e.g. by changing production and maintenance processes or procedures within the company, by using alternative materials, by economising, by recycling or by reusing materials.

2.2.5. Dealing with energy consumption and efficiency

Energy consumption must be monitored and documented. Economic solutions must be found to improve energy efficiency and minimise energy consumption.

2.3. Ethical business conduct and compliance

We promote ethical business behaviour and refer primarily to the BSCI Code of Conduct.

2.3.1. Fair competition

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

2.3.2. Privacy/ data protection

The supplier undertakes to fulfil the reasonable expectations of its client, suppliers, customers, consumers and employees with regard to the protection of private information. The Supplier shall comply with data protection and information security laws and regulatory requirements when collecting, storing, processing, transferring and disclosing personal information.

2.3.3. Intellectual property

Intellectual property rights must be respected; technology and expertise must be transferred in such a way that intellectual property rights and customer information are protected.

2.3.4. Integrity/ corruption, personal gains

The highest standards of integrity must be applied to all business activities. The supplier must have a zero tolerance policy against all forms of bribery, corruption, extortion and embezzlement. Procedures for monitoring and enforcing standards shall be implemented to ensure compliance with anti-corruption laws.

In our business partnerships, we strictly separate the business and private interests of our employees. Decisions are made without personal influence. Employees may not enter into relationships with suppliers that could jeopardise their obligations to SEVERIN. The disclosure of private relationships is the responsibility of the suppliers. No personal benefits or gifts are offered that could have an unauthorised influence. However, customary hospitality is permitted, while cash and vouchers are not accepted. These rules also apply to gifts to employees' private addresses (see OECD Guidelines).

2.3.5. Money laundering

The supplier must comply with all applicable laws against money laundering and not engage in such activities. SEVERIN works exclusively with partner companies that do business legally and use lawful means. The supplier must take measures to prevent and detect illegal payment methods and ensure that SEVERIN or its partners are not misused for money laundering through financial transactions.

2.3.6. Export controls

When shipping and exporting our goods, the supplier undertakes to comply with the legal standards relevant for export control, in particular authorisation requirements, export bans and support bans.

2.3.7. Customers interests

Where consumer interests are affected, the supplier shall comply with consumer protection regulations and appropriate sales, marketing and information practices. Particularly vulnerable groups (e.g. young people or pregnant women) enjoy increased attention.

3. Implementation of requirements

We expect our suppliers 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 supplier will inform us promptly and, if necessary, regularly about the violations and risks identified and the measures taken.

We check compliance with the standards and regulations set out in this document by means of a self-assessment questionnaire and audits at the supplier's production sites. The supplier agrees that we may have these audits carried out at our expense once a year or on a specific occasion to verify compliance with the Code during normal business hours and after reasonable advance notice. The supplier may object to individual audit measures if this would violate mandatory data protection regulations.

Complaints procedure

The supplier must pass on to its employees any information received from us regarding contactability, responsibility and the implementation of a complaints procedure in an appropriate manner. The complaints procedure must be accessible to employees while maintaining confidentiality of identity and effective protection against discrimination. Where no notice is given, the supplier itself shall be responsible for establishing an effective grievance mechanism at company level for individuals and communities that may be affected by adverse impacts.

If a violation of the provisions of this Code of Conduct is identified, we will immediately notify the supplier in writing and set a reasonable grace period for the supplier to bring its behaviour into compliance with these provisions. If a remedy is not possible in the foreseeable future, the supplier must notify us immediately and, together with us, draw up and implement a concept with a timetable for ending or minimising the breach. We have the right to temporarily suspend the business relationship in the meantime. If the grace period expires without result or the implementation of the measures contained in the plan does not remedy the situation after the expiry of the timetable and no milder means are available, we may terminate the business relationship and cancel all contracts. A statutory right to extraordinary termination without setting a grace period, in particular in the case of wilful and very serious breaches, remains unaffected, as does the right to compensation.

4. Supplier acknowledgement and consent

By signing this document, the supplier commits to act responsibly and adhere to the principles and requirements listed. The supplier undertakes to communicate the content of this code to employees, authorised representatives and subcontractors in a manner that is comprehensible to them and to take all necessary precautions for the implementation of the requirements.

5. Final provisions

This Code of Conduct is an integral part of the business relationship and applies to all suppliers. Any violations of this Code may result in sanctions, including termination of the cooperation.

Confirmation and legally binding signatures:

Place, date

Name

Stamp

Supplier

Function