

Supplier Code of Conduct

EJOT understands sustainability as an integral part of our business processes. Our raw material, goods and services are sourced from suppliers world-wide, in order to secure the lasting success of our customers with innovative products and service solutions.

The basis for this is a responsible and long-term value creating management of our business. For this reason, we integrate all our suppliers directly into our sustainability strategy. In all our procurement activities, we also consider social and ecological aspects such as human rights, working conditions, prevention of corruption and environmental protection, in addition to the process, economic and technical criteria.

In the area of conflict between product/performance, market, region and process we consider costs, quality, reliability, innovation and sustainability to be important criteria for the selection and evaluation of our suppliers.

EJOT expects all its suppliers to follow all applicable national laws, the principles of the United Nations Global Compact and this EJOT Supplier Code of Conduct. They are also expected to implement suitable processes, that support the compliance with regulations in their companies, and to advance a continuous improvement with regards to conventions and requirements of the EJOT Supplier Code of Conduct. EJOT also expects its suppliers to ensure that all affiliated companies of the supplier are going to follow the principles and requirements as detailed in this code.

"Affiliated companies" in the sense of this statement are companies, that are directly or indirectly owned by at least fifty percent (50 percent) of the voting common stock beneficially owned by the other company.

Dealing with Employees

EJOT expects its suppliers to respect fundamental workers' rights in the applicable national legislation. EJOT also expects the recognition of core labour standards of the International Labour Organisation (ILO), taking account of the applicable laws and legal forms in the different countries and locations.

Working conditions

EJOT requires, that its suppliers respect the freedom of association and assembly of its employees, within the scope of the applicable laws and statutes. It is expected by EJOT, that labour standards are complied with according to the applicable laws and regulations regarding the maximum permissible working hours and remuneration, in particular with regard to the level of compensation. Employees shall be protected against physical punishment and against physical, sexual, psychological or verbal harassment. The employee privacy is respected.

Discrimination

EJOT expects its suppliers to reject all forms of discrimination in the frame of the applicable laws, and to promote equal opportunities and equal treatment. No employee shall be discriminated against because of his sex, age, colour, culture or ethnic origin, sexual orientation, disability, religion or belief.

Child labour

EJOT expects that its suppliers follow the rules banning child labour, in particular the Convention concerning Minimum Age for Admission to Employment from 1973 (Convention 138 of the

International Labour Organisation) and the Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour from 1999 (Convention 182 of the International Labour Organisation). If national rules governing child labour have stricter standards, then these must be given priority.

Forced labour

EJOT expects, that its suppliers comply with the prohibition of forced labour of any kind. In particular, the Convention concerning Forced or compulsory labour from 1930 (Convention 29 of the International Labour Organisation) and the Convention on the Abolition of Forced Labour from 1957 (Convention 105 of the International Labour Organisation) must be observed.

Occupational health and safety

EJOT expects that its suppliers comply with each applicable national legislation on health and safety at the workplace. Further, it is expected that the suppliers establish and utilize an adequate safety management (e.g. OHSAS 18001). This includes on the one hand, the containment of actual and potential workplace safety risks and on the other hand the training of employees to prevent accidents and occupational diseases in the best possible way.

Environmental protection

EJOT expects that its suppliers comply with applicable national environmental laws, regulations and standards. Furthermore, it is expected that the suppliers establish and apply an appropriate environmental management system (e.g. ISO 14001) to minimize environmental pollution and hazards and to improve environmental protection in daily business operations.

Within the scope of its sustainability policy, the supplier shall ensure responsible and careful use of resources and raw materials (in this context, it shall also take into account its supply chain). He also pays attention to the efficient use of energy and resources in products and processes and to compliance with applicable environmental standards. The economic consideration and meaningfulness of the products and processes used, must not be disregarded.

The supplier is particularly committed to:

- the reduction of energy and water consumption
- the reduction of greenhouse gases
- the use of renewable energy
- the use of appropriate recycling/disposal concepts
- the responsible use of chemicals

The supplier shall support any efforts to ensure responsible resource sourcing. The procurement and use of resources obtained illegally or through ethically reprehensible or unreasonable means is prohibited.

All supplies and services must be compliant with our EJOT Substances specification CP 5-2-02 (download from www.ejot.com).

CO₂ emission

For all machines and energetic drives the best possible state of the art is assumed and an efficiency calculation compared to the technology used at EJOT is proven.

For product-dependent raw materials, consumables and supplies as well as for all purchased parts or services, a specific CO₂ eq per unit mass [kg] based on the Greenhouse Gas Protocol (GHG) with the

emission factor and its source shall be provided by the supplier. Changes in the product carbon footprint (PCF) shall be communicated to EJOT directly by the supplier.

Logistic services have to be evaluated according to their emissions by the supplier on an order-related and specific basis with details of the CO₂ eq factor.

Behaviour in the business environment

Prohibition of corruption and bribery

EJOT expects that its suppliers do not tolerate corruption and ensure compliance with conventions of the United Nations (UN) and the Organisation for Economic Cooperation and Development (OECD) to combat corruption and with the relevant anti-corruption laws in their companies. In particular, they shall ensure that its employees, subcontractors or agents with the aim to obtain an order or other preferential treatment in business transactions, do not offer, promise or grant benefits to EJOT employees or their related parties.

Invitations and presents

EJOT expects that its suppliers do not misuse invitations and gifts to influence. Invitations and gifts for EJOT employees or persons related to them, will only be granted if the occasion and scope are appropriate, i.e. they are of low monetary value and can be viewed as an expression of local generally accepted business practice. The suppliers may also not request any undue advantages from EJOT employees.

Avoiding conflicts of interest

EJOT expects, that its suppliers make decisions with regards to their business with EJOT, exclusively based on objective criteria, so that conflicts of interest with private, economic or other activities, even by members or otherwise related persons or organizations, are immediately prevented.

Free competition

EJOT expects its suppliers to provide fair competition and observe the applicable antitrust laws and other laws to regulate competition. Suppliers participate neither in antitrust agreements with competitors, nor will they abuse a possibly existing dominant market position.

Money laundering

EJOT expects that its suppliers comply with the relevant legal obligations to prevent money laundering and do not participate in money laundering activities.

Whistleblower

EJOT adheres to the EU directive to protect persons who report violations of Union law, so called Whistleblowing guideline, directive 2019/1937 of 11/26/2019.

Supplier relations

EJOT expects that its suppliers communicate all principles and requirements described here, to their subcontractors and suppliers and consider them in the selection process. The suppliers encourage their subcontractors and suppliers to comply with the standards described on human rights, working conditions, corruption prevention and environmental protection in the frame of their contractual obligations.

Observance of the EJOT Supplier Code of Conduct

Compliance with the principles and requirements of this EJOT Supplier Code of Conduct is checked by self-assessments of the suppliers and are performed at most once a year. The audit results will be forwarded to EJOT. Moreover, in addition an audit may be conducted on-site by EJOT (in consultation with the supplier and if possible as part of a planned quality audit without additional costs for the supplier).

Any violation of the principles and requirements set out in the EJOT Supplier Code of Conduct is considered a substantial impairment of the contract by the supplier. If the described principles and requirements of the EJOT Supplier Code of Conduct seem to be violated (e.g. negative media reports) EJOT reserves the right to request information about the corresponding facts. EJOT also has the right to terminate without notice, any or all contractual relationships with suppliers that do not meet or aspire to meet the EJOT Supplier Code of Conduct or any improvement measures, after EJOT has set a reasonable time for improvements.

A handwritten signature in blue ink, appearing to read 'W. Schwarz', written over a horizontal line.

Winfried Schwarz
Chief Compliance Officer

The supplier hereby undertakes, in addition to the obligations from supply contracts with EJOT, to comply with and acknowledge all principles and regulations of the EJOT Supplier Code of Conduct.

....., on

....., on

Name of the supplier (long form)

EJOT company (long form)

Address of the supplier

(Signature)

(Signature)

(Name in capital letters and function)

(Name in capital letters and function)

(Signature)

(Signature)

(Name in capital letters and function)

(Name in capital letters and function)

References (release: 27.10.2022)

Global Compact of the United Nations
www.unglobalcompact.org

Universal Declaration of Human Rights (A/RES/217, UN Doc. 217/A- (III)) of 10.12.1948
<https://www.un.org/en/about-us/universal-declaration-of-human-rights>

International Labour Standards (ILO)
www.ilo.org/global/standards/lang--en/index.htm

- Convention concerning Forced or compulsory labour from 1930, Convention 29
- Convention on the Abolition of Forced Labour of 1957, Convention 105
- Convention concerning Minimum Age for Admission to Employment from 1973, Convention 138
- Convention on the Prohibition and Immediate Action for the Elimination of the Worst Forms of child labour from 1999, Convention 182

OHSAS 18001 Health & Safety Standard

International Organization for Standardization (ISO)
www.iso.org