

# SCHIEDERWERK

## SUPPLIER POLICY – SUSTAINABLE SOURCING

### Preamble

Schiederwerk GmbH is committed to environmentally and socially responsible corporate governance. We expect the same behaviour from all our suppliers. We also expect our employees to adhere to and integrate the principles of ecological, social, and ethical conduct into the company culture. Furthermore, we are constantly striving to optimize our business practices and our products [or services] regarding sustainability and urge our suppliers to contribute to this holistic approach.

This policy aims to ensure that our procurement practices are both ethically and environmentally responsible. It is directed at all employees in our company's purchasing department and all our suppliers, and it seeks to ensure that our procurement and supply chain management meet the highest standards.

### 1. Material Procurement Risks

We are aware of the risks associated with material procurement within our company. To minimize these risks, we will take the following measures:

- a) **Supplier Selection:** Before integrating a supplier into our supplier portfolio, a supplier selection process will be conducted. This ensures that the new supplier meets our quality and ethics standards. Supplier evaluations for existing suppliers are conducted regularly and mainly cover the following areas:
  - **Quality:** The products and services provided are evaluated based on predefined criteria such as product quality, conformity with specifications, and quality control processes.
  - **On-Time Delivery:** Compliance with delivery deadlines is monitored and evaluated using a KPI. This ensures that our supply chain operates optimally and avoids supply bottlenecks.
  - **Additional Evaluation Criteria:** Further criteria are evaluated, such as certifications, working conditions, performance, and overall cooperation. These aspects are not directly retrievable from the system but are assessed during the ongoing business relationship and during special events or circumstances. This contributes to a comprehensive assessment of the supplier and promotes continuous improvement in cooperation between business partners.
- b) **Supplier Relationship Management:** We maintain close cooperation with our suppliers to ensure effective communication and continuous information exchange.
- c) **Supplier Diversification:** We strive for a diversified supplier portfolio to prevent potential supply bottlenecks.
- d) **Continuous Monitoring:** The performance of our suppliers is continuously monitored to ensure it meets our requirements. A supplier questionnaire on environmental issues is used, and an annual evaluation is conducted.

### 2. Social Responsibility in the Supply Chain

We recognize the importance of social responsibility in our supply chain and commit to adhering to the following principles:

- a) **Human Rights:** We respect and uphold the human rights of our employees and those working within our supply chain. Discrimination, harassment, forced labour, and child labour are not tolerated.
- b) **Labor Rights:** We respect the right of employees to form and join organizations of their choice, engage in collective bargaining, and strike.
- c) **Working Conditions:** We place importance on safe and healthy working conditions in our own operations and require our suppliers to adhere to the same standards.
- d) **Compensation and Working Hours:** We pay fair wages to our employees and adhere to reasonable working hours. Social benefits are provided in accordance with applicable legal provisions.
- e) **Environmental Impact:** We strive to minimize our environmental impact and encourage our suppliers to make similar efforts.
- f) **Conflict Minerals:** Our suppliers are expected to fulfil the duty of care to promote responsible supply chains for minerals from conflict and high-risk areas.
- g) **Complaint Mechanisms:** The supplier is required to communicate any guidance received from Schiederwerk regarding availability, responsibility, and the execution of a complaint procedure appropriately to their employees. They must ensure that an effective complaint mechanism is established at the operational level.

### 3. Environmental Responsibility

Schiederwerk is aware of its environmental impact and strives for sustainable resource management in its production and supply chain. The focus is on the following areas within the supply chain and our own production:

- a) Treatment and Disposal of Industrial Wastewater
- b) Air Emissions Management
- c) Waste and Hazardous Substance Management
- d) Consumption of Raw Materials and Natural Resources
- e) Energy Consumption

In these areas, suppliers are expected to filter and treat wastewater and air emissions according to legal requirements, separate and dispose of waste according to regulations, reduce or more efficiently use energy consumption, and limit raw material consumption where possible.

### 4. Ethical Business Conduct / Compliance

In business operations, suppliers are required to adhere to the standards of fair competition and fair advertising. Collusion to influence prices or conditions is prohibited. Customer data must be treated confidentially, and the provisions of the GDPR must be complied with. Intellectual property rights must be respected. Know-how and technology transfers must be designed to protect intellectual property rights and customer information.

The supplier is required to maintain a zero-tolerance policy towards bribery, corruption, extortion, and embezzlement to ensure compliance with anti-corruption laws.

## 5. Implementation

To ensure this policy is put into practice, Schiederwerk pursues a clear vision, mission, and strategy, from which specific company goals are derived, serving as the basis for goal setting in the individual areas.

Compliance with the regulations and standards outlined in this document will be monitored by Schiederwerk using a self-assessment questionnaire and risk-based audits at the supplier's production sites.

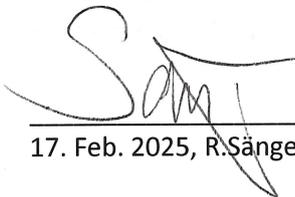
## 6. Final Provisions

This procurement policy serves as a guiding framework for our material procurement and supply chain activities. We are committed to fulfilling our ethical and corporate obligations while ensuring efficient procurement. We expect every employee in our company's purchasing department to comply with this policy.

This policy will be reviewed and updated regularly to ensure it meets current requirements and standards.

## 7. Acknowledgment and Agreement of the Supplier

By signing this document, the supplier commits to acting responsibly and adhering to the required principles/requirements. The supplier agrees to communicate the content of this code to their employees, representatives, and subcontractors in a comprehensible manner and to make all necessary arrangements to implement the requirements.



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17. Feb. 2025, R.Sänger (CEO)

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Supplier, Date