

**Code of Conduct
for Business Partners of the
Hatebur Group**

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Recipients: Business partners
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1 Principles and objectives

We offer impressive products and services of high quality and value, as well as successful and sustainable business activities. We are a global partner for first-class manufacturing systems based on forming technology and solutions developed to meet the demands of tomorrow.

We set and maintain high standards for ourselves so that our customers can rely on us to facilitate and uphold sustainability throughout the value chain.

Responsible action and economic success are not mutually exclusive, but complement and promote each other. We require appropriate understanding and action in this area from our employees, as well as from our business partners and their employees and subcontractors.

As an international group, we supply our products and services in compliance with internationally recognized ethical standards. We are aware of our responsibility for the economic, ecological and social impact of our business activities. We expect the same from our business partners, especially with regard to:

- human rights,
- occupational health and safety,
- environmental protection and
- anti-corruption.

This Code of Conduct applies to all business relationships entered into with Hatebur Umformmaschinen AG (Reinach, Switzerland), Carlo Salvi S.p.A. (Garlate, Italy) or associated companies of the Hatebur Group (referred to as Hatebur for short). We require our business partners to actively engage in and ensure compliance with these requirements in an appropriate manner, by themselves and by their business partners and along the entire supply chain.

For simplification male and female employees are referred to as EMPLOYEES in this document.

2 Requirements for our business partners

2.1 Social responsibility

2.1.1 Child labor and young workers

In all phases of production or activities during business processes, child labor (for persons under 15 years of age) is strictly prohibited. The national minimum age requirements are to be applied consistently, e.g. via the targeted verification of the age of employees, special training programs, etc. Employees under the age of 18 may not perform hazardous work that could jeopardize their health and safety, including night shifts and overtime.¹

2.1.2 Forced labor and slavery

We refuse any intentional use of forced and compulsory labor, as well as any form of modern slavery and human trafficking. Bonded labor or involuntary prison labor are not permitted. Employment relationships must be established on a voluntary basis and may be terminated by employees at their own will and within a reasonable period of time.²

2.1.3 Occupational health and safety

The business partner is responsible for providing a safe and healthy working environment. By establishing and applying appropriate occupational safety systems, the necessary precautionary measures must be taken against accidents and damage to health that may arise in connection with the activity. Excessive physical or mental fatigue must be prevented by taking appropriate measures. In addition, employees must be regularly informed and trained in applicable health and safety standards and measures. Employees must be provided with access to drinking water in sufficient quantities, as well as with access to clean sanitary facilities.

2.1.4 Freedom of association

In accordance with the applicable national legislation, the fundamental right of all employees³ to join trade unions or to form employee representative bodies must be respected. Employees may not be discriminated against on the basis of forming, joining or being a member of such an organization.

2.1.5 Prohibition of discrimination

Discrimination or unequal treatment of employees in the workplace⁴ is inadmissible in any form unless it is justified by the permissible employment requirements.

This applies, for example, to discrimination based on gender, national, ethnic or social origin, skin color, disability, health status, political conviction, ideology, religion, age, pregnancy or sexual orientation. The personal dignity, privacy and personal rights of each individual must be respected.

¹ ILO Convention No. 138 – Minimum Age Convention and ILO Convention No. 182 – Worst Forms of Child Labour Convention

² ILO Convention No. 29 – Forced Labor Convention and ILO Convention No. 105 – Abolition of Forced Labour Convention

³ ILO Convention No. 87 – Freedom of Association and Protection of the Right to Organise Convention and ILO Convention No. 98 – Right to Organise and Collective Bargaining Convention

⁴ ILO Convention No. 111 – Discrimination (Employment and Occupation) Convention

2.1.6 Fair wages and benefits

According to the principles of the ILO Conventions⁵, the remuneration for regular working hours and overtime must correspond to the national statutory minimum wage or the minimum standards customary in the industry.

In particular, the statutory regulations of the respective country must be observed for the performance and remuneration of overtime. Employees must be provided all applicable benefits required by law. Payroll deductions as a penalty are not permitted. The supplier must ensure that employees receive clear, detailed and regular written information on the composition of their remuneration.

2.1.7 Working time

Working time must comply with the applicable laws or industry standards.

2.1.8 Preservation of natural resources

The supplier may not, in violation of legitimate rights, deprive people of land, forests or waters whose use secures their livelihood. The supplier must refrain from adverse soil changes, water and air pollution, noise emissions and 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.

2.1.9 Use of private or public security forces

The commissioning or use of security forces should be refrained from if, during their use, persons are treated or injured in an inhumane or degrading manner or if freedom of association is restricted.

2.1.10 Conflict minerals

We expect our business partners to handle relevant raw materials such as tin, tantalum, tungsten, gold, cobalt and mica with care. This includes implementing measures designed to identify risks – including those relating to the direct or indirect financing of armed conflicts, serious human rights violations, including child labor, forced labor and slavery – and taking appropriate action to mitigate them.

We expect suppliers to avoid using raw materials sourced from smelters and refineries that do not meet the requirements of the OECD Due Diligence Guidance⁶ for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

⁵ ILO Convention No. 26 – Minimum Wage-Fixing Machinery Convention and ILO Convention No. 100 – Equal Remuneration Convention

⁶ OECD – Organization for Economic Co-operation and Development

2.2 Ecological responsibility

The Hatebur Group is committed to continuously improving the environmental performance of its products and services and to reducing the demand placed on natural resources throughout their life cycle, taking into account economic considerations.

We expect our business partners, in turn, to assume ecological responsibility and to implement core requirements from the EMAS Regulation⁷ and/or ISO14001⁸ in their operations. Ideally, they should introduce an environmental management system in accordance with one of the two aforementioned guidelines.

2.2.1 Air emissions

Where possible and proportionate, general emissions from operations (air and noise) and greenhouse gas emissions should be typed, routinely monitored, verified and treated as needed prior to their release. The supplier is also responsible for monitoring its emission control systems and is required to find economical solutions to minimize any emissions.

2.2.2 Treatment and discharge of industrial wastewater

Where possible and proportionate, wastewater from operations, manufacturing processes and sanitary facilities should be typed, monitored, verified and treated as needed prior to discharge or disposal. In addition, measures should be introduced to reduce the generation of wastewater.

2.2.3 Reduction of the consumption of raw materials and natural resources

Where possible and proportionate is the use and consumption of resources during production and the generation of waste of any kind, including water and energy, must be reduced or avoided. This should be done either directly at the point of origin or by means of suitable processes and measures, for example by modifying production and maintenance processes or procedures in the company, by using alternative materials, by making savings, by recycling resources or by reusing materials.

2.2.4 Energy consumption/efficiency

Where possible and proportionate, energy consumption should be monitored and documented. Economic solutions must be found to improve energy efficiency and minimize energy consumption.

2.2.5 Waste and hazardous substances

The business partner should implement a systematic approach to identify, handle, reduce and responsibly dispose of or recycle solid waste. The prohibitions on the export of hazardous waste according to the Basel Convention and the EC Regulation⁹ (current version) must be observed. Chemicals or other materials that pose a hazard when released into the environment must be identified and treated in a manner that ensures safe handling, transport, storage, use, recycling or reuse and disposal. Mercury should be used in accordance with the prohibitions of the Minamata Convention¹⁰, and persistent organic pollutants should be used in accordance with the Stockholm Convention¹¹ (current version).

⁷ EMAS Regulation No. 1221/2009 – voluntary participation by organizations in a community eco-management and audit scheme

⁸ ISO 14001: 2015 – Environmental management systems – Requirements with guidance for use

⁹ Basel Convention of 22 March 1989 and EC Regulation No. 1013/2006 (prohibition of the export and import of hazardous waste)

¹⁰ Minamata Convention 10-2013 (prohibition of the production and use of mercury)

¹¹ Stockholm Convention EU-POP-VO 2019/1012 (prohibition of the production and use of chemicals according to the POP Convention)

2.3 Ethical business conduct

2.3.1 Fair market behavior

We treat our business partners fairly and correctly. In return, we expect them to behave fairly and correctly toward their employees and business partners.

We want business partners who respect fair and free competition, and who comply with the applicable competition and antitrust laws.

This applies in particular to unauthorized agreements and other activities to influence prices or conditions. In particular, unauthorized agreements and other activities to influence prices or conditions are prohibited.

2.3.2 Prohibition of corruption and bribery

We reject each forms of corruption and bribery as defined in the relevant UN Convention¹². We expect our business partners to adopt a zero-tolerance internal policy to prohibit all forms of bribery, corruption, extortion and embezzlement, and to implement procedures to monitor and enforce standards to ensure compliance with anti-corruption laws.

2.3.3 Avoidance of conflicts of interest

Conflicts of interest and loyalty must be avoided. We want business partners who make their decisions solely on the basis of objective criteria and who are not influenced by the financial or personal interests of their employees. Business partners must therefore ensure that employees strictly separate private interests from the interests of the company. Conflicts can arise, for example, if an employee works for or is involved in another company. We require our business partners to disclose any potential conflicts of interest that may affect us.

2.3.4 Export controls and economic sanctions

Export controls and economic sanctions on cross-border trade refer to restrictions on the export of goods, software, services and technology, as well as to applicable restrictions on trade with specific countries, regions, companies or organizations and individuals.

We expect our business partners to regularly review the currently national applicable trade restrictions, export controls and economic sanctions and to implement them consistently.

2.3.5 Protection of confidential information

Business partners must use information only to the extent necessary for the contractual relationship. They must protect such information in an appropriate manner. In addition, data must be handled according to its classification. Business partners must ensure that sensitive data is properly collected, processed, secured and deleted. Business partners must oblige their employees to maintain business secrecy. Confidential content

¹² [United Nations Convention against Corruption, 2003](#)

may not be published, passed on to third parties or made available in any other form without authorization.

2.3.6 Data protection and data security

Access to data and drawings, the electronic exchange of information and electronic business transactions are basic requirements for the efficient completion of daily tasks. However, electronic communication is associated with risks for the protection of privacy and the security of data. The most effective precaution to counteract these risks is to make prudent, dutiful use of these channels. We require our business partners to keep their infrastructure and processes up to date and to continuously enhance them.

Our business partners must comply with the applicable data privacy and information security laws and government regulations when collecting, storing, processing, transferring and disclosing personal information.

2.3.7 Intellectual property

Intellectual property rights must be respected; technology and know-how should be transferred in a manner that protects intellectual property rights and customer information. European standards must be observed with regard to particularly sensitive personal data.

3 Implementation of requirements

Hatebur verifies compliance with the standards and regulations set out in this document by means of a supplier self-disclosure questionnaire and risk-based audits at the production sites of its business partners. The business partner agrees that the client may carry out such audits to ensure compliance with the Code of Conduct, once a year or if so required for a specific reason, by visiting the business partner's premises during normal business hours after reasonable advance notice by persons appointed by the client. The business partner may object to individual audit measures if these would violate mandatory data protection regulations.

If a serious violation of the regulations of this Code of Conduct is identified, Hatebur will immediately notify the business partner in writing and set a reasonable grace period for the business partner to bring their conduct into compliance with these regulations. If a remedy is not possible in the foreseeable future, the supplier must immediately notify and cooperate with Hatebur to prepare a concept with a deadline for ending or minimizing the violation. If the grace period expires unsuccessfully or if the implementation of the measures contained in the concept does not remedy the situation after the expiry of the deadline, and no milder remedy is available, Hatebur can restrict the awarding of contracts, may terminate the business relationship and cancel contracts.

We expect our business partners to identify risks with regard to compliance with human rights, occupational health and safety, environmental protection and the fight against corruption within their supply chains and to take appropriate measures. In the event of serious violations and to safeguard high-risk supply chains, the business partner must inform the company promptly and, if necessary, regularly about any violations and risks identified and the measures taken.

4 Complaints and reports of misconduct

In this Code of Conduct, we have defined principles for behavior during business activities with our partners in line with our values, and we expect all persons involved to adopt corresponding behavior in accordance with these rules.

It is important to us that our business partners report specific indications of serious violations of rules within the supply chain. Hatebur has therefore set up a special whistleblower system, which can be accessed via the company's own website, and has introduced a corresponding complaints procedure.

(See button "Hatebur Group – IntegrityLine")

Complaints and reports received in this way are treated confidentially and carefully investigated.

Unless knowingly false accusations are made, there will be no negative consequences for anyone who submits a report. Each business partner should pass on this information to its employees in an appropriate manner.

We advise every business partner to establish their own effective complaints mechanism for their individual company.

5 Acknowledgement and consent of the business partner

to the Code of Conduct for Business Partners of the Hatebur Group.

By signing this document, the supplier confirms and undertakes:

1. to have read and understood the contents of this document and to act accordingly in a responsible manner and to comply with the principles / requirements listed.
2. to pass on the contents of the Hatebur Code of Conduct for Business Partners in an understandable manner to their employees, agents and subcontractors; and
3. to make all necessary arrangements for the implementation of the requirements.

Company / Stamp:	
Place:	
Date:	
Name / Position:	
Signature:	

Please complete this page and send it to the following e-mail address for confirmation:

beschaffung@hatebur.com