

Supplier Code of Conduct

Code of Conduct for VetterTec Suppliers

Introduction

The VetterTec Supplier Code of Conduct is aimed at communicating the basic principles of the collaboration to all business partners, and regulating them with binding force. The principles and standards set out in the Code of Conduct are an important element of our collaboration. Compliance with the Supplier Code of Conduct is expected and mandatory for all VetterTec suppliers and their subcontractors.

General principles

Compliance with laws

VetterTec expects its suppliers to comply with the law and legal acts as well as all terms and conditions of contract agreed upon with one member of the VetterTec Group. Suppliers are to comply with the relevant legal requirements of the respective legal systems. Violations of laws, contracts or the Supplier Code of Conduct shall not be tolerated, and may result in sanctions. If the Supplier Code of Conduct contradicts applicable law, the applicable law shall, at all times, have preference. If a local custom is contrary to a regulation in the Supplier Code of Conduct, the Supplier Code of Conduct is to be followed.

Fair competition

Our suppliers and their employees are to observe and comply with the national and international regulations in respect of fair competition, and not take any action that violates restrictive practices law. Co-ordinated conduct aimed at, or which brings about, the prevention, restriction or falsification of competition is prohibited.

Anti-corruption

Our suppliers do not bribe, or allow themselves to be bribed, including if this results in the failure to bring about a business transaction. Our suppliers ensure, in particular, that their employees do not offer, promise or grant any advantages to VetterTec employees or affiliated third parties with a view to acquiring an order or other preferential treatment in business dealings.

Transparent relations with business partners

Suppliers are selected exclusively on the basis of competitive criteria and on the basis of complete and unequivocal agreements.

Measures against money laundering

Our suppliers support all necessary measures to prevent money laundering in their sphere of influence.

Compliance with foreign trade and payments requirements

Our suppliers comply with the applicable national and international foreign trade and payments requirements in respect of all deliveries, services and payments.

Avoiding conflicts of interest

Situations in which employees' personal or financial interests could constitute a conflict of interest for their company must be avoided. To identify and avoid such conflicts, suppliers must, without delay, report to VetterTec situations that could lead to a restriction of objectivity and independence on the part of the employees.

Protection of information and data

Our suppliers are aware of the importance of information security and data protection for their company and their employees, and guarantee effective protection in both areas. The supplier shall process personal data in compliance with all statutory regulations, in particular data protection law requirements. The supplier shall treat sensitive information of business partners and customers confidentially, and protect it against unauthorised access and loss. The obligation to maintain secrecy also applies following the end of the business relationship with VetterTec.

Human rights and working conditions

We at VetterTec are convinced that the diversity of people as well as an appreciative attitude and way of dealing with matters are the basis of entrepreneurial success. We accept and respect the personal and individual differences of all employees. Discrimination, sexual or personal harassment, prejudicial treatment or insults are not tolerated. Interaction with each other is open and honest and is characterised by respect and responsibility. The Vettertec Group expects such a basic attitude and compliance with the following principles from its suppliers:

Free choice of employment

Employment is freely chosen. Forced and compulsory labour (including bonded labour or involuntary prison labour) are not tolerated.

Anti-discrimination

Equal opportunities and equal treatment, irrespective of ethnic origin, skin colour, gender, religion, nationality, sexual orientation, social background or political views are guaranteed by the supplier provided they are based on democratic principles and tolerance towards dissenters.

No child labour

Children must not be hindered in their development. Their dignity must be respected and their safety and health must not suffer any detrimental effects. Suppliers must comply with the general legal requirements in respect of the minimum age for admission to employment.

Freedom of association

The supplier recognises the right of all workers to form collective workers' representations and bargain collectively to regulate working conditions.

Working hours and remuneration

The respective national regulations and agreements on working hours and regular paid holidays shall be complied with. Remuneration, irrespective of gender, shall comply with the respective legally guaranteed minimum wages, the minimum standards of the respective national economic sectors and shall be geared towards the respective labour market.

Work and health protection

Suppliers shall ensure compliance with all applicable regulations and laws in respect of occupational safety and health protection. Suppliers shall take precautions against the risk of accidents and work-related illnesses, and ensure that their employees are in a safe and healthy working environment in their daily work. Safety information and, where necessary, appropriate personal protective equipment are available.

Environment

Use of resources / resource efficiency and energy consumption

Environmental protection and resource conservation are of great importance in development as well as in manufacturing, transport and the disposal of products.

- **Resource efficiency:** suppliers use resources efficiently and use energy-efficient and environmentally-friendly technologies.
- **Waste management:** suppliers avoid waste in development, manufacturing, the use phase and subsequent recycling of products and other activities, and take into account the reuse, recycling and safe, environmentally-friendly, disposal of residual waste, chemicals and waste water.
- **Environmental management:** suppliers ensure compliance with all applicable environmental regulations and laws.

Hazardous substances

The supplier identifies potentially hazardous chemical or other substances that pose a risk if released into the environment. In addition, the supplier shall ensure that they are safely handled, transported, stored, recycled and disposed of. If soil or groundwater contamination has occurred, suppliers take the necessary measures to avert danger and rectify damage in accordance with legal regulations and following consultation with the responsible authorities.

Responsible material procurement

All suppliers who process mineral resources from conflict areas disclose the origin of the material to VetterTec. Suppliers use validated, conflict-free smelters and refineries only for the procurement of minerals to manufacture their products.

Implementation and consequences in the case of violations

Implementation

The VetterTec Group expects all suppliers to comply with the requirements of this Supplier Code of Conduct.

Suppliers are called upon to implement the principles and requirements set out in this Supplier Code of Conduct including in their upstream supply chain (suppliers and sub-suppliers).

Continual improvement

The VetterTec Group expects its suppliers to bring about continuous improvement in the implementation of the requirements of this Supplier Code of Conduct to minimise negative environmental and social impacts of the company at all times and adapt in line with the changing environment.

Consequences

The VetterTec Group expect that the supplier's employees can express themselves accordingly if the requirements described here are not complied with. VetterTec reserves the right to use appropriate means to review compliance with the requirements. Any identified failure on the part of the supplier to comply with the Code of Conduct in the delivery chain of a supplier shall be evaluated by the supplier and rectified at its own responsibility without VetterTec incurring additional costs. The VetterTec Group consider compliance with the requirements set out in this document to be essential for the respective business relationship. Culpable violations of these principles shall not be tolerated by VetterTec and may result in withdrawal from, or termination of, the contract or even the end of the business relationship.