

Sustainability guideline for suppliers

PREAMBLE

Sustainability is a long-term strategic success factor not only for GÜHRING KG but also for our suppliers and subcontractors.

The aim of this sustainability guideline is therefore the establishment of a common performance standard for a responsible business operation.

We know about the importance of **highest ethical standards as well as the most stringent requirements regarding behaviour and compliance**. In our trade **sustainability** constitutes a central element of our identity and is a component of our corporate strategy.

Our suppliers contribute significantly to our success. Therefore, it is our objective together with our suppliers to design the development of our products and services also in the future in a sustainable and successful manner. A common understanding of ethical and sustainable action we see as the basis for commercial success.

The requirements and principles for the cooperation with our suppliers are defined in this guideline.

We also expect that our suppliers ensure the compliance of their **sub-contractors and -suppliers** with this guideline. They are requested to pass on the contents of this guideline to all participants in the supply chain and actively promote their compliance.

HANDLING OF EMPLOYEES

Human rights

Our suppliers observe the internationally recognised human rights and shall ensure to safeguard these.

Furthermore, they recognise applicable local, national, international and traditional land, water and resource rights. Especially the rights of indigenous peoples as well as local communities should be respected, promoted and protected in the entire supply chain in accordance with the "Declaration of the United Nations on the rights of indigenous peoples as well as local communities".

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Evictions or development of land, forests and waters, the use of which secures the livelihood of persons are not tolerated.

Child labour

Our suppliers only engage employees that have reached the minimum age to carry out work in accordance with the respective national legislation. Our suppliers shall observe and respect the rights of children.

Forced labour

Our suppliers reject any form of forced labour and respect the principle of freely chosen employment.

Freedom of association

Our suppliers respect freedom of association as well as the right to form interest groups. They grant their employees the right based on the national legislation to safeguard their interests.

Furthermore, they rule out that private or public security forces are used to interfere with the freedom of association. Especially if the use of these can lead to human rights violations due to insufficient training or monitoring provided by the company.

Ban on discrimination

Our suppliers do not tolerate discrimination against employees in any type of form. This applies to discrimination for example due to gender, race, caste, skin colour, disability, union affiliation, political belief, origin, religion, age, pregnancy or sexual orientation.

They ensure an ethical recruitment, carried out in accordance with international labour standards and in fair and transparent manner that respects human rights.

Fair working conditions

Our suppliers pay salaries and social security benefits that at a minimum comply with national and local statutory standards, provisions, requirements or agreements. The respectively applicable regulations on working time and holidays are complied with.

Health and safety

Our suppliers at a minimum comply with the respective national standards for a safe and hygienic working environment and within this framework take appropriate measures to safeguard health and safety at the workplace to ensure adequate healthy working conditions.

ENVIRONMENT PROTECTION

Our suppliers avoid dangers for people and the environment, keep the impact on the environment low and use resources (water/air/raw materials) sparingly (waste avoidance/recycling). A responsible chemicals management is practiced. Processes, operating locations and materials of our suppliers comply with the applicable legal requirements and standards regarding fire and environment protection.

Mandatory within the framework of the award they are required to take measures to reduce their direct and indirect CO₂e emissions (including their upstream value chain) and support decarbonisation. These include for example the use of green electricity and the application of secondary or biomaterials.

From those suppliers that process animal products, the implementation of standards and best practice methods for the compliance with animal welfare along the entire supply chain is expected. Furthermore, we expect that this supplier in preference alternatively applies non-animal test methods provided animal testing is not mandatorily required by law. In any case, the supplier must comply with current national and international regulations on animal welfare and animal testing, as for example, the German Animal Welfare Act or the Directive 2010/63 of the European Union (so-called Laboratory Animal Directive).

We also expect the support to protect biodiversity, the ecosystem (land use and deforestation) as well as to improve soil quality, reducing noise emissions and therefore overall to improve the environment and human health.

Implementation of corporate due diligence obligations

Our suppliers must pass on the sustainability requirements from LkSG (German Supply Chain Due Diligence Act) in accordance with this sustainability agreement for suppliers to their suppliers. In addition, they must fulfil the by us specified due diligence obligations from the sustainability guideline.

BUSINESS RELATIONSHIPS**Avoidance of conflicts of interest**

Our suppliers make decisions based on factual considerations and shall not be guided by personal interests in an improper way.

Fair competition

Our suppliers shall behave fairly when competing and comply with the respective applicable legal regulations that protect free competition. Our suppliers do not enter into any agreements or concerted practices with other companies that have as their object or effect the prevention, restriction or distortion of competition in accordance with antitrust rules and do not benefit from a dominant position on the market illegally.

Corruption

Our suppliers ensure compliance with the respective applicable anti-corruption laws. They especially ensure that their employees, subcontractors or representatives offer, promise or grant no advantages to employees of GÜHRING KG with the aim of obtaining an order or another favoured position in business dealings. These principles also apply if our suppliers in connection with the activity for GÜHRING KG cooperate with further third parties.

Trade secrets

Our suppliers ensure confidential information of GÜHRING KG is kept secret. They ensure that our resources and information are protected and all data and documents are kept safe.

Money laundering

Our suppliers observe the relevant legal provisions regarding the prevention of money laundering.

Export control

When exporting or importing goods or technologies they comply with all relevant export control and sanctions laws and regulations and obtain all required authorisations and permits to ensure a timely and correct delivery of their products.

Safety & quality

All products and services when delivered must meet the contractually agreed quality and safety criteria and be able to be safely applied for their intended purpose.

Management systems

We expect our suppliers to maintain management systems in order to ensure the compliance with the principles listed in this sustainability guideline.

We prefer suppliers that actively implement certified management systems or equivalent systems:

- Quality management ISO 9001
- Environmental management ISO 14001
- Occupational safety ISO 45001
- Energy management ISO 50001

INFORMATION / COMMUNICATON**Information business partners / employees**

The supplier has to ensure that the guideline is displayed in the local language in his own facilities and those of the business partners or made available to employees in another way.

Monitoring and burden of proof

On request, the supplier has to impart all necessary information for an initial assessment correctly and comprehensively in the framework of a self-assessment.

Furthermore, he provides other information proving compliance with the sustainability guideline. GÜHRING KG has the right to control the implementation of this guideline and check it, by means of supplier audits.

The supplier must inform GÜHRING KG of his own accord regarding events that conflict with the principles of this sustainability guideline.

ETHICAL CONCERNS AND REPORTING / ASSISTANCE

(whistleblowing and protection against retaliation)

We address all concerns as well as possible violations of global anticorruption laws, this guideline or our code of conduct without fear of retaliation and expect the same of our suppliers.

All third parties have the opportunity to report alleged or actual violations of global anticorruption laws, this guideline or our code of conduct.

If suspected there is the possibility to formulate an appropriate report via the homepage of the respective company (personal or anonymously)

In no case because of such a report may retaliatory measures be taken against the reporting employee if the employee has acted in good faith.

GÜHRING KG

Albstadt, June 2023

Declaration of confirmation and acknowledgement of the sustainability guideline

As a supplier to GÜHRING KG we support this SUSTAINABILITY GUIDELINE by implementing the compliance with the expectations and requirements for our and all our affiliated companies. Furthermore, we shall ensure our **sub-contractors and -suppliers** also adhere to this guideline.

We hereby acknowledge the SUSTAINABILITY GUIDELINE and confirm that we comply with the above-mentioned principles and requirements through the application of our own, equivalent guidelines in our company.

Lieferantennr. / <i>supplier no.:</i>	
Firmenname / <i>company name:</i>	
Adresse / <i>address:</i>	

Name in Druckbuchstaben /
name in block letters:

Ort, Datum / *Location, date:*

Unterschrift / *signature:*

Please return the signed confirmation to:

zentraleinkauf@guehring.de or your direct contact person / Lead Buyer
GÜHRING KG / Zentraleinkauf/ Herderstr. 50-54 / 72458 Albstadt

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