

## **FOREWORD**

We, EDAG Werkzeug + Karosserie GmbH understand sustainability as an essential part of our business processes. We source raw materials, goods, and services from suppliers worldwide to ensure the sustainable success of our customers with innovative product and service solutions.

The basis for this is responsible corporate management geared to long-term value creation.

In our procurement activities, we pay attention not only to process-related, economic, and technical criteria but also to social and ecological aspects such as human rights, working conditions, corruption prevention and environmental protection.

In the area of conflict between product/service, market, region and process, costs, quality, reliability, innovation, and sustainability are essential factors for us in selecting and evaluating suppliers.

EDAG WK expects its suppliers to comply in their activities with the applicable national laws, the principles of the United Nations Global Compact, the Guidelines for Multinational Enterprises of the Organization for Economic Cooperation and Development (OECD), the agreements of the International Labor Organization (ILO), the Charter for Sustainable Development of the International Chamber of Commerce (ICC) and this Sustainability Policy.

Further, you are expected to implement appropriate processes that support your company's compliance with applicable laws and promote continuous improvement with respect to the principles and requirements of this Sustainability Policy.

EDAG WK suppliers must ensure that their employees, their affiliated companies, and their own suppliers in the further supply chain also comply with and recognize the principles and requirements described here.

Only together can we master the challenges of the future.

## **A. Scope**

This Sustainability Policy applies to all natural persons or legal entities that sell or provide products, processes, or services to EDAG WK themselves or through third parties, e.g., affiliated companies, distributors, subcontractors, agents (hereinafter "Supplier").

## **B. Principles and Conduct**

### **B.1 Integrity**

Integrity means that EDAG WK's business practices are always in line with the company's values and principles of conduct. EDAG WK requires its suppliers to comply with applicable law as well as with the values and principles of conduct additionally defined herein.

EDAG WK will maintain long-term business relationships only with third parties whose business practices are consistent with the values and principles of conduct set forth in this Code of Conduct, thereby protecting the company and its employees from criminal or other liability.

### **B.2 Transparency, trust and cooperation**

EDAG WK is a fair and reliable business partner. That is why EDAG WK, and its employees act transparently towards you as a supplier. Transparency creates trust, and trust is the basis for successful cooperation in the supply network. This is what we expect from you.

Responsible cooperation requires actions and decisions that are transparent and comprehensible. Only then will they meet with the necessary acceptance. For us, transparency also means addressing issues openly and being honest with each other.

### **B.3 Dealing with risks in the supply chain**

EDAG WK prudently takes calculated business risks to implement the company's strategy and realise the associated opportunities. Business success usually requires that risks are identified, assessed, and managed at an early stage.

Due to the complex supply network that you as a supplier and your sub-suppliers are part of, the analysis and evaluation of supply chains plays an essential role. This is particularly important to meet the legal requirements of the Supply Chain Act.

Therefore, we expect your active cooperation and support in identifying or classifying risk exposures and in agreeing on mitigation measures for identified risks.

This applies to the acceptance and implementation of the methods used, e.g., self-reporting or on-site inspections, if necessary, by commissioned third parties.

EDAG WK reserves the right to verify the implementation of these measures.

## **B.4 Compliance with Applicable Laws**

EDAG WK respects and complies with all applicable local, national, and international laws and regulations. Compliance with these laws and regulations is the basis for long-term economic success. Violations of these laws and regulations can cause considerable damage and have serious consequences for the company as well as for employees, business partners and other stakeholders.

EDAG WK will not tolerate violations and requires its suppliers to comply with applicable laws, governmental rules, and regulations.

## **B.5 Diligence in dealing with business assets**

If EDAG WK property, e.g., equipment, operating resources or information technology, software, data, or intellectual property, is provided to you as a supplier, you are obliged to handle it carefully and responsibly and to protect it from unauthorized access.

## **B.6 Accurate Accounting and Financial Reporting**

EDAG WK its suppliers to always comply with the principles of proper accounting and financial reporting, as applicable.

EDAG WK Suppliers shall maintain proper records and shall not modify any entries to conceal or falsify any transactions affected thereby.

All records created or received as evidence of a business transaction, regardless of format, must fully and accurately reflect the incident being documented. Records shall be retained in accordance with applicable regulations.

## **C. Social responsibility**

### **C.1 Respect for human rights**

Respect for human rights is an integral part of EDAG WK's corporate responsibility. As a supplier of EDAG WK, you should also commit to the International Human Rights Code of the United Nations, the ten principles of the "UN Global Compact" and the internationally recognized standards of the International Labor Organization (ILO).

As a supplier, EDAG WK requires you to respect the dignity and personal rights of individuals and all stakeholders with whom you are associated through activities, business relationships or products. EDAG WK requires you to actively prevent and remediate human rights.

### **C.2 Rejection of forced and child labor**

EDAG WK strictly rejects any form of child labor, forced and compulsory labor, modern slavery, involuntary or exploitative prison labor, human trafficking, or other forms of exploitation in its own business activities. EDAG WK also requires the same from its suppliers and their supply chain.

EDAG WK strictly prohibits all suppliers from using forced labor or engaging in any form of human trafficking.

### **C.3 Land use, Deforestation and Water Rights, and Forced Evictions / Rights of Ethnic Minorities and Indigenous Peoples**

The supplier undertakes to protect land, forests and waters, the use of which secures the livelihood of local people (especially ethnic minorities and indigenous people) and recognizes the right of local people to use land, forests, and waters for their livelihood. The supplier does not participate in projects that result in deforestation or damage to natural forests and rejects any kind of expropriation and forced eviction and expects its suppliers to do the same.

### **C.4 Use of private or public security forces**

If the Supplier operates in locations or situations that require the use of security personnel to complete a Company project, the Supplier will ensure that the security personnel comply with the social responsibility requirements set forth in this Policy.

## **D. Dealing with employees, colleagues**

### **D.1 Fair working conditions and employee development**

It is prohibited to use misleading or fraudulent practices when recruiting and employing employees. It is not permitted to make false statements about working conditions, including wages and fringe benefits, place of work, living conditions, dangerousness of work, accommodation, and related costs (if provided or arranged by the employer or agent).

Employment contract documents must be in writing and include a detailed description in a form or language understandable to the prospective employee and must be received in a timely manner at least five days prior to activities related to the commencement of work.

Employee identification documents must not be withheld, altered, or destroyed.

Any housing provided must at least meet local standards.

Suppliers should also develop employees according to their individual skills and professional and personal interests. Ideally, the company's interests are aligned with individual needs.

## **D.2 Diversity and the principle of equality and inclusion**

EDAG WK requires its suppliers to recruit ethically and to create a respectful and non-judgmental working environment free from discrimination, intimidation, and harassment. All employees shall be treated equally regardless of age, gender, gender identity, ethnic origin, nationality, religion or belief, disability, or sexual orientation. The inclusion of people with physical or mental disabilities is encouraged.

## **D.3 Dialog with employees and employee representatives**

EDAG WK requires its suppliers to respect the right of their employees to freedom of association and assembly and the right to collective bargaining.

All employees should have the opportunity to voice their concerns at any time.

## **D.4 Remuneration and working hours**

EDAG requires its suppliers (including, without limitation, temporary employment agencies) to adhere to the legally guaranteed minimum wages in their respective labour markets and to the applicable labour regulations/laws, particularly with respect to working hours.

## **D.5 Occupational Health and Safety**

EDAG WK expects its suppliers to comply with applicable national health and safety laws. In addition, suppliers are expected to establish and maintain an appropriate occupational safety management system. This includes, on the one hand, the reduction of actual and potential occupational safety risks and, on the other hand, the training of employees to prevent accidents and occupational diseases as far as possible.

This includes providing appropriate personal protective equipment (PPE) as needed, as well as establishing emergency plans and conducting appropriate emergency drills.

# **E. Ethical Business Conduct**

## **E.1 Fair competition**

EDAG WK stands for fair, free, and undistorted competition. Almost all countries have laws and regulations that prohibit agreements, arrangements and concerted practices between competitors, suppliers, customers, and distributors that have the purpose or effect of restricting competition. The same applies to the abuse of market power through unilateral conduct.

EDAG WK requires its suppliers not to engage in conduct that violates competition and antitrust laws and to ensure this expectation in the supply chain.

## **E.2 Prohibition of corruption and bribery**

EDAG WK expects its suppliers not to tolerate corruption and to ensure compliance in their companies with the United Nations (UN) and Organization for Economic Cooperation and Development (OECD) conventions on combating corruption and the relevant anti-corruption laws.

Any conduct by suppliers that could give the impression of improperly influencing business decisions is prohibited.

You must ensure that your employees, subcontractors, or representatives do not offer, promise or grant any benefits to EDAG WK employees or related third parties with the aim of obtaining a contract or any other preferential treatment in business dealings.

## **E.3 Invitations, gifts, and other benefits**

EDAG WK expects its suppliers not to misuse invitations and gifts to influence. Invitations and gifts to EDAG WK employees are only permitted if the occasion and scope are transparent and appropriate, i.e., they are of low value and are to be regarded as an expression of locally generally accepted business practice. Similarly, suppliers may not demand inappropriate benefits from EDAG WK employees.

## **E.4 Prevention of money laundering and terrorist financing**

EDAG WK requires its suppliers to comply with legal obligations to combat money laundering and terrorist financing and not to engage in or facilitate activities related to money laundering and terrorist financing.

## **E.5 Avoiding Conflicts of Interest**

EDAG WK expects its suppliers to make decisions regarding their business with EDAG WK based solely on objective criteria.

Conflicts of interest with private interests or other economic or other activities, including those of relatives or otherwise related persons or organizations, are avoided from the beginning.

## **E.6 Export control and sanctions law**

National and international laws and regulations govern import, export, trade, brokering and financing transactions, the provision of services and the transfer of goods (commodities, software, and technology).

EDAG WK requires its suppliers to ensure through appropriate processes that business transactions and activities with third parties as well as with EDAG WK do not violate export control and sanctions law and that any required evidence and information is provided without delay.

## **E.7 Intellectual Property / Plagiarism**

EDAG WK suppliers protect and acknowledge the intellectual property of the EDAG WK and third parties.

Examples include patents, trademarks, copyrights, design, trade secrets, samples, models as well as know-how. EDAG WK suppliers shall ensure that the products delivered to EDAG WK do not infringe the intellectual property of third parties.

EDAG WK suppliers shall develop and maintain effective procedures and processes to minimize the risk of introducing counterfeit parts and materials into their products.

Recipients of counterfeit products will be notified upon evidence and counterfeits will be removed from the delivered products.

## **E.8 Taxes and Duties**

EDAG WK all of its suppliers to comply with all applicable tax laws and customs regulations.

## **F. Handling of information / data**

### **F.1 Protection of company-relevant information**

EDAG WK requires its suppliers to provide adequate information protection to protect information from misuse, loss, destruction, unauthorized use, and manipulation. The level of information protection must be proven by submitting appropriate certificates (e.g., ISO/IEC 27001 "Information Technology - IT Security Procedures - Information Security Management Systems - Requirements") or a test according to the VDA model "TISAX" (Trusted Information Security Assessment Exchange).

### **F.2 Protection of personal data**

EDAG WK requires its suppliers to protect and respect personal rights. Appropriate measures shall be taken to ensure compliance with the applicable requirements and laws, regarding the handling of personal data. If the supplier necessarily processes personal data of EDAG WK within the scope of the cooperation, he shall be prepared to conclude a commissioned data processing agreement and shall process personal data only after such an agreement has been effectively concluded.

### **F.3 IT security**

Data processed in IT systems must be protected in the best possible way, but at least in compliance with the law.

### **F.4 Insider Information**

Insider information, i.e., specific information that could significantly influence the price of listed securities if it became publicly known, must be treated as strictly confidential. Suppliers who have such insider information may not use it for trading in securities or other financial instruments. Nor shall they pass on insider information to third parties or use it to recommend the purchase or sale of securities or other financial instruments.

## **G. Sustainability, Environment, Safety and Health**

### **G.1 Environmental Protection, Biodiversity, Animal Welfare and Sustainability**

EDAG WK expects its suppliers to comply with applicable national environmental laws, regulations, and standards. In addition, suppliers are expected to establish and implement an appropriate environmental management system (e.g., ISO 14001) to minimize environmental impacts and hazards and to continuously improve environmental protection in their daily business operations.

EDAG WK requires its suppliers to actively promote sustainable business strategies. Particular attention must be paid to the promotion of biodiversity and animal welfare and to the avoidance of activities that are likely to have a negative impact on biodiversity.

Early prevention, e.g., using renewable energy, and minimization of impacts, e.g., by decarbonization or

waste, must be the focus of action. Evidence is expected in the form of qualified certification.

Among other things, a special focus is on the handling of so-called conflict minerals and critical minerals and materials in general, where the entire supply chain is the key to greater responsibility and care and therefore further requirements are placed on transparency and cooperation.

The supplier undertakes to comply with the regulations on prohibited and declarable substances, e.g., ELV, RoHS and REACH, and to provide evidence of this.

### **G.2 Energy Consumption/Efficiency, Resource and Climate Protection, Soil Quality**

EDAG WK expects its suppliers to monitor and document their own energy consumption and to find economical solutions to improve energy efficiency and minimize energy consumption.

Natural resources such as water, air, energy sources or raw materials are used sparingly to preserve them.

Negative environmental and climate impacts caused by our suppliers themselves or within their supply chains shall be minimized or prevented at the point of origin. Consideration shall be given to circular economy principles such as material reduction and substitution, as well as return, shared use, maintenance, reuse, remarketing, remanufacturing, refurbishment, and recycling. Our suppliers are committed to developing and using environmentally and climate-friendly products, processes, and technologies, and to ensuring continuous environmental improvement through clear targets and improvement strategies. This includes reducing raw material and energy consumption, emissions, wastewater, noise, waste, dependence on natural resources and hazardous substances.

Minimize negative impacts in terms of soil quality, land use, deforestation, climate change and water scarcity.

To demonstrate and further develop these topics and indicators, it is recommended that suppliers join corresponding initiatives or have suitable ratings (e.g., Ecovadis, CDP - Carbon Disclosure Project).

### **G.3 Treatment and Discharge of industrial wastewater**

EDAG WK suppliers monitor wastewater from operations, manufacturing processes and sanitary facilities prior to discharge or disposal.

In addition, wastewater reduction measures are continuously identified and tracked.

### **G.4 Waste and Emissions**

EDAG WK suppliers ensure safety and regulatory compliance in the handling, storage, transportation, disposal, recycling, and reuse of waste, exhaust, and wastewater.

Activities that may have a negative impact on human health or the environment are appropriately managed, measured and controlled. The release of hazardous substances is minimized. Special care is required for active substances.



## G.5 Chemicals management

Chemicals or other materials that pose a hazard when released into environment must be identified and handled to ensure safe handling, transportation, storage, use or reuse, and disposal. Where required, appropriate documentation containing all necessary safety-related information on all hazardous materials must be provided. This includes product information, safety data sheets, notification, and authorisation confirmations, uses and exposure scenarios. Our suppliers will proactively and transparently share information on the health, safety, and environmental aspects of their products with all stakeholders.

## G.6 Product Safety and Conformity

EDAG WK suppliers comply with legal requirements for product safety and labelling and properly communicate the requirements for handling their products.

The primary objective of product safety is the prevention of risks to human health and safety.

In compliance with the legal and regulatory requirements applicable at the time of placing on the market, in particular the legal provisions on product safety within the scope of development, manufacture, instruction and observation in circulation, the conformity of all processes, products and services is strived for. In doing so, the supplier shall consider the respective current state of knowledge and technology as well as the justified safety expectations of the end users over the entire life cycle.

## H. Notification, notes and contact persons

### H.1 Dealing with misconduct

Inappropriate behaviour is actively brought up at EDAG WK. Employees and external stakeholders are always encouraged to speak up freely and without fear of reprisal. Reprisals against employees who, in good faith, raise concerns about misconduct within the company are prohibited. This also applies to external stakeholders who contact EDAG WK.

### H.2 Whistleblower Protection

EDAG WK suppliers promote and ensure communication channels for their employees to file complaints or report possible unlawful conduct without fear of repression, intimidation, or harassment.

Each communication will be treated confidentially and, where appropriate, corrective action will be taken.

### H.3 Whistleblowing System

Information on violations of the EDAG WK Sustainability Policy, the Code of Conduct for Employees of the EDAG WK or other legal regulations with operational relevance, in particular illegal business practices, potential human rights violations, or environmentally harmful facts, can be submitted at any time via the EDAG WK Whistleblower System.

For this purpose, the following points of reference have been established at EDAG WK:

- a. An **external whistleblowing office** has been set up at the law firm Cornea & Franz in Fulda. Whistleblowers can contact this ombudsman office at the e-mail address **ombudsstelle-edag-wk@cornea-franz.de** or at the telephone number **+49 (0) 6619016440**. The contact person there for whistleblowers is attorney Dr. Stephan Wübbelsmann (deputy: attorney Christian Semmler). At the request of the whistleblower, the external whistleblowing office will anonymize the incoming whistleblowing report.
- b. An internal whistleblowing office has been set up in the Legal & Compliance department. Whistleblowers can contact this complaints office at the e-mail address **hinweisgeber@edag-wk.com** or at the telephone numbers below:
  - c. **+49 (0) 6612926292** - Head of the Legal & Compliance Department
  - +49 (0) 66129262921** - Deputy.
- c) Regarding the requirements of the Supply Chain Act, EDAG WK has also appointed a Supply Chain Security Officer:  
**+49 (0) 66129265650**

EDAG WK consistently follows up on every indication of misconduct, considering the principle of proportionality. Each individual report is reviewed. According to the result, a comprehensible decision is made as to which consequences are suitable, necessary, and appropriate.

## I. Compliance, Violations, Audit Law

EDAG WK expects its suppliers to comply with all the principles and requirements described herein and to pass them on to their subcontractors and suppliers to the appropriate extent.

EDAG WK may verify the suppliers' compliance with the principles and requirements of this Sustainability Guideline in coordination with the supplier by means of on-site audits by a third party commissioned by EDAG WK.

Any breach of the principles and requirements set out in this Sustainability Policy will be considered a material impairment of the contractual relationship on the part of the suppliers.

In case of suspicion of non-compliance with the described principles and requirements (e.g., negative media reports), EDAG WK reserves the right to request information about the relevant facts.

In addition, EDAG WK shall be entitled to terminate without notice individual or all contractual relationships with suppliers who demonstrably do not comply with the Sustainability Guideline, or who do not strive for and implement improvement measures, after they have been given a reasonable period of time to do so by EDAG WK.

## J. References

The principles set forth in this Sustainability Policy are guided by the content of the following conventions and standards:

- Principles of the United Nations (UN) Global Compact
- Guidelines for Multinational Enterprises of the Organisation for Economic Co-operation and Development (OECD)
- Agreements of the International Labor Organization (ILO)
- Charter for Sustainable Development of the International Chamber of Commerce (ICC)

### Supplier Declaration:

The supplier has received and fully acknowledged the EDAG WK Sustainability Guideline.

The supplier hereby undertakes to comply with and acknowledge all principles and regulations of the EDAG WK Sustainability Policy.

This declaration is subject to the substantive law in force in the Federal Republic of Germany.

\_\_\_\_\_  
Supplier name

Stamp:

Place, date \_\_\_\_\_

Name (in block letters) \_\_\_\_\_

Signature \_\_\_\_\_