

Cordenka Supplier Code of Conduct Policy

Revision 1, valid from 2020-09-21

Cordenka is committed to respect universal human rights, adopt social responsibility and protect the environment. Cordenka expects its suppliers to support Cordenka's endeavours by conducting their business in compliance with legislation, in a socially and environmentally responsible and ethical manner.

This Supplier Code of Conduct Policy provides standards, which we require our suppliers to recognise and adhere to. If a supplier does not agree with this Code of Conduct or in its business practice deviates from the described standards, sanctions may be imposed on the supplier (e.g. contract termination, supplier delisting).

1. Compliance

- Suppliers will comply with all applicable laws, rules and regulations in the countries in which they operate, including, but not limited to laws, rules and regulations concerning slavery, human trafficking, antitrust and competition, anti-corruption, import and export control and money laundering.
- Suppliers will not participate in activities that may unfairly affect competition, including, but not limited to restraints of trade, price fixing or market allocations.
- Suppliers will comply with applicable import and export control laws, including sanctions, embargoes and other laws, rules and regulations controlling the transmission or shipment of goods, technology and payments.
- Suppliers will strive to ensure their upstream supply chain operates with all applicable laws, rules and regulations in the countries in which they operate.
- Suppliers will maintain appropriate measures to ensure compliance in their organisation and their supply chain (e.g. policies, processes, reporting systems, training programmes).
- Suppliers will ensure compliance with applicable legal requirements concerning conflict minerals, including tin, tantalum, tungsten, their ores and gold originating from conflict areas.

2. Best Practices

- Suppliers will adequately and in a timely manner respond to requests for information from Cordenka and its customers.
- Suppliers will implement an appropriate system of financial controls.
- Suppliers will comply with all applicable laws, rules and regulations in the countries in which they operate concerning the protection of data and intellectual property rights.
- Suppliers will establish appropriate guidelines to protect confidential information, personal data and intellectual property rights.

3. Transparency

- Suppliers will strive to obtain full knowledge of the origin of their sourced products and services.
- Suppliers will adequately support Cordenka and its customers to understand the supply chains related to products and services sourced.

4. Quality

- Suppliers will meet the quality standards required by applicable laws, rules and regulations as well as quality requirements by Cordenka and its customers.
- Suppliers will maintain a quality management system with appropriate documentation and reporting.

5. Human Rights

- Suppliers will comply with all applicable laws, rules and regulations concerning human rights in the countries in which they operate.
- Suppliers will strive to obtain full knowledge of the origin of upstream raw materials and services for the supplied products and services, considering potential effects on human rights.

5.1 Unlawful Labour

- Child labour and forced labour is prohibited.

5.2 Land Rights

- Suppliers will acquire or use land only by legal means and respect legitimate land tenure rights.
- Suppliers will not participate in or source from those who have participated in land grabbing.
- Suppliers will observe Free, Prior, and Informed Consent (FPIC) principles for their assessments of development opportunities.

5.3 Labour Conditions

- Suppliers will comply with all applicable laws, rules and regulations concerning working conditions and working hours in the countries in which they operate.
- Suppliers will respect freedom of association and collective bargaining according to applicable laws, rules and regulations.
- Suppliers will pay, at least, the applicable minimum wage to employees, without discrimination as to national or social origin, language, nationality, gender, sexual orientation, culture, religion, immigration, or any other status.
- Suppliers will make potable water, sanitation, rest areas, emergency exits and emergency aid available and visible to all employees, as appropriate.

5.4 Fair Treatment

- Suppliers will always respect their employees and eliminate abusive situations in their operations.
- Suppliers will practise non-discrimination, fairness and equality in their business operations and business relationships.

6. Environment

- Suppliers will comply with all applicable environmental laws, rules and regulations in the countries in which they operate.
- Suppliers will maintain an environmental management system, which aims to minimise negative effects on the environment.
- Suppliers will strive to obtain full knowledge of the origin of upstream raw materials and services for the supplied products and services, considering aspects of deforestation, damage to peatlands and biodiversity as well as water and energy use.

6.1 Land Use

- Suppliers will comply with all applicable laws, rules and regulations concerning land use, forest and peatland protection, conservation, restoration and infrastructure development in the countries in which they operate.
- Suppliers will not participate in the conversion of primary natural forests to farm crops or other non-forest uses.
- Suppliers will protect and preserve High Conservation Value and High Carbon Stock areas, considering biodiversity aspects.
- Suppliers will observe Free, Prior, and Informed Consent (FPIC) principles for their assessments of development opportunities.
- Suppliers will not drain, clear, burn or develop on peatlands, regardless of depth, for any season.

6.2 Water Use

- Suppliers will comply with all applicable laws, rules and regulations concerning water usage and effluent discharge in the countries in which they operate.
- Suppliers will maintain an appropriate water management system and prevent unlawful effluent discharge.

6.3 Waste

- Suppliers will comply with all applicable laws, rules and regulations concerning waste and recycling in the countries in which they operate.
- Suppliers will prevent unlawful pollution and strive for waste reduction.

6.4 Energy and Greenhouse Gas Emissions

- Suppliers will comply with all applicable laws, rules and regulations concerning energy usage and emissions in the countries in which they operate.
- Suppliers will strive for the reduction of energy usage and emissions by acquiring and exploiting knowledge about the upstream supply chain.

6.5 Chemical Substances

- Suppliers will comply with all applicable laws, rules and regulations concerning the procurement, transport, storage and use of chemical substances in the countries in which they operate.
- Suppliers will only provide products and services that are free from chemical substances prohibited by applicable laws, rules and regulations or Cordenka's customer requirements.
- Suppliers will comply with the Global Automotive Declarable Substance List (GADSL).

- Suppliers will only provide products and services that comply with regulatory maximum thresholds for Substances of Very High Concern (SVHC).

7. Health and Safety

- Suppliers will comply with all applicable laws, rules and regulations concerning health and safety as well as risk mitigation and disaster prevention in the countries in which they operate.
- Suppliers will establish a policy on health, safety and disaster prevention and maintain an appropriate management system.
- Suppliers will communicate their health, safety and disaster prevention policies to all employees and train all employees on incident prevention and handling (e.g. induction programme for new employees).
- Suppliers will provide the necessary personal protective equipment to employees with instructions how to use the equipment.
- Suppliers will define appropriate measures to ensure the health and safety of visitors.

7.1 Preventive Activities

- Suppliers will establish programmes for housekeeping and hazard recognition as a part of their policy on health, safety and disaster prevention.
- Suppliers will install fire alarm systems and other necessary detection equipment.

7.2 Risk Management

- Suppliers will establish a risk assessment system.
- Suppliers will take measures to avoid or mitigate risks identified (e.g. appropriate fire alarm systems, fire extinguishers, fire shutters).
- Suppliers will regularly perform safety inspections, which includes checks of safety equipment.
- Suppliers will ensure appropriate maintenance on the workplace and machinery.
- Suppliers will clearly indicate and regularly inspect evacuation routes and emergency exits.

7.3 Safety

- Suppliers will establish rules about identification, avoidance and response to risks in the workplace.
- Suppliers will communicate these rules to all employees (e.g. induction programme for new employees).

7.4 Emergency Response

- Suppliers will train and alert all employees of potential emergencies and show them evacuation routes (e.g. induction programme for new employees).
- Suppliers will prepare necessary supplies for evacuation in advance (e.g. first-aid equipment) and provide these supplies in the case of an evacuation.
- Suppliers will report any emergency cases that may affect the supply chain to Cordenka as quickly as possible.
- Suppliers will incorporate measures on recurrence prevention into their health, safety and disaster prevention policies, plans and procedures.