

# MANN+HUMMEL Supplier Code of Conduct

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## Introduction

MANN+HUMMEL is fully aware of its responsibility as a global company and the associated responsibilities towards society and the environment.

For us, acting sustainably includes considering environmental, economic and social aspects along the entire supply chain and incorporating them into our decision-making. That is why MANN+HUMMEL supports the goals of the UN (United Nations) Global Compact and why we encourage our suppliers and service providers (hereinafter suppliers) to do the same.

These goals are pursued along the supply chain through MANN+HUMMEL's sustainable procurement program. With this program, MANN+HUMMEL ensures that suppliers both grasp and support our focal points and goals for sustainability – in the three environmental, social and economic dimensions. Our goal is to create shared values and drive innovation. MANN+HUMMEL's partner for the implementation of our sustainable procurement program is EcoVadis. We expect our suppliers to have EcoVadis rate them upon request.

Our FILTER values as well as our adherence to applicable laws, social, ethical, environmental and climate principles form the stable basis for all decisions and all entrepreneurial actions. The MANN+HUMMEL code of conduct forms the basis of the Supplier Code of Conduct and contains standards regarding business ethics, human rights, occupational safety, and environmental protection and safety that must also be adhered to by our suppliers.

The Supplier Code of Conduct is divided into the following areas:

1. Respecting business ethics requirements
2. Respecting human rights and working conditions
3. Respecting the environment
4. Reporting options & consequences of violations

The Supplier Code of Conduct communicates the basic principles of cooperation to all business partners and regulates them with binding effect. This strengthens the common understanding of how to implement these principles in day-to-day business. The principles and standards defined in the Supplier Code of Conduct form an obligatory part of our cooperation.

## Scope

The Supplier Code of Conduct applies to all suppliers of the MANN+HUMMEL Group and forms an integral part of the contractual relationship between MANN+HUMMEL and its suppliers. Each supplier must observe the Supplier Code of Conduct whenever providing their deliveries and services to an undertaking of the MANN+HUMMEL Group.

The supplier undertakes to also require its subcontractors to observe the MANN+HUMMEL Supplier Code of Conduct.

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## 1. Respecting business ethics requirements

MANN+HUMMEL expects a maximum of integrity from its suppliers in their business relationships and expects them to comply with applicable legal regulations, national and international agreements and official permits. This obligation applies equally to the contractual terms and conditions agreed with MANN+HUMMEL, including this Supplier Code of Conduct. Suppliers shall comply with relevant statutory provisions of the respective jurisdiction. Breaches of laws or contracts, including this Supplier Code of Conduct, will not be tolerated and will result in sanctions.

If the Supplier Code of Conduct conflicts with applicable law, applicable law shall always take precedence. If local practice conflicts with a regulation of the Supplier Code of Conduct, the Supplier Code of Conduct shall be observed.

### 1.1. Fair competition

Our suppliers and their employees must respect and comply with the national and international rules of fair competition and not engage in any acts that violate antitrust law. Concerted practices, which have as their object or effect the prevention, restriction or distortion of competition, are prohibited.

### 1.2. Anti-Corruption

Our suppliers do not bribe and do not accept bribes, even if it means that a transaction does not go through. In particular, our suppliers shall ensure that their employees do not offer, promise or grant any benefits to MANN+HUMMEL employees or third parties related to them with the aim of obtaining a contract award or other preferential treatment in business dealings.

### 1.3. Transparent relationships with suppliers

Suppliers are selected exclusively on the basis of competitive considerations and complete and clear agreements that ensure appropriate remuneration and commissions.

### 1.4. Anti-money laundering measures

Our suppliers support all necessary measures to prevent money laundering in their sphere of influence, such as introducing criminally acquired funds into lawful financial circulation in order to conceal their true source.

### 1.5. Compliance with foreign trade regulations

Our suppliers observe applicable national and international foreign trade regulations for all deliveries, services and payments.

### 1.6. Avoiding conflicts of interest

Situations in which personal or financial interests of employees might conflict with those of their undertaking must be avoided. In order to identify and avoid such conflicts, suppliers must notify MANN+HUMMEL without undue delay of situations which might limit the objectivity and independence of employees.

### 1.7. Protection of information and data

Our suppliers are aware of the significance of information security and data protection for their undertaking and their employees and ensure effective protection in both areas.

The supplier shall process personal data in compliance with all statutory provisions, in particular data protection regulations.

The supplier shall treat sensitive information of business partners and customers confidentially and protect them from unauthorized access and loss. The obligation of confidentiality shall survive the termination of the business relationship with MANN+HUMMEL.

## 2. Respecting human rights and working conditions

MANN+HUMMEL is firmly convinced that the diversity of people and a respectful way of thinking and acting are the keys to entrepreneurial success. MANN+HUMMEL accepts and respects the personal and individual differences of all employees. Discrimination, sexual or personal harassment, unfairness or abuse will not be tolerated. Our interactions with one another are open and honest, characterized by mutual respect and shared responsibility. MANN+HUMMEL calls on suppliers to respect internationally recognized human rights and to strive to observe them, including within their own supply chains.

The basic objectives and implementation principles are based on the fundamental principles of the International Labor Organization (ILO) and, also adhere, alongside national laws, in particular to ILO Conventions Nos. 29, 87, 98, 100, 105, 111, 138 and 182, as well as the international conventions ICCPR and ICESCR.

### 2.1. Free choice of employment

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

### 2.2. Anti-Discrimination

The supplier guarantees equal opportunities and equal treatment, regardless of ethnic origin, gender, religion, nationality, sexual orientation, social background or political outlook, as long as they are based on democratic principles and tolerance towards different perspective.

### 2.3. No child labor

Children must not be inhibited in their development. Their dignity must be respected and their safety and health must not be compromised. Suppliers shall observe the general legal requirements regarding the minimum age for admission to employment, but at a minimum the ILO Convention on the minimum age for admission to employment and the prohibition of child labor.

#### 2.4. Freedom of association and collective bargaining rights

The supplier respects the right of all employees to form collective bodies for employee representation and engage in collective bargaining to regulate working conditions.

#### 2.5. Working hours & compensation

The applicable legal provisions, regulations and agreements on working hours and regular paid vacation must be followed.

The compensation observes – regardless of gender – the legally guaranteed minimum wages, the minimum standards of the respective national economic sectors, and is guided by the respective labor market.

#### 2.6. Occupational safety and health

The valid legal regulations, national and international agreements as well as official approvals and contractual regulations for occupational health and safety must be observed. The suppliers shall ensure effective precautions against the risk of accidents and work-related illnesses based on, among other things, occupational health and safety standards, risk assessments, technical and organizational measures, and shall provide a safe and healthy working environment for their employees and service providers. To monitor effectiveness, relevant key figures are utilized and goals are formulated.

In addition, our suppliers guarantee their employees access to sanitary facilities and safe drinking water.

#### 2.7. Rights of local communities and indigenous peoples

The rights of local communities and indigenous peoples must be respected and protected in accordance with the United Nations Declaration on the Rights of Indigenous Peoples (A/RES/61/295). Suppliers are obliged to respect the land, forest, water and resource rights of local communities and indigenous peoples, to comply with prohibitions on forced evictions and to ensure these rights in their supply chains as well.

#### 2.8. Use of private or public security forces

Insofar as the supplier deploys its own security forces to protect its operations or engages private security service providers, it must ensure that they respect internationally recognized human rights. The supplier may not engage private security service providers or deploy public security forces if they disregard human rights.

### 3. Respecting the environment

It is a principle of MANN+HUMMEL to consider ecological aspects along the entire value chain and throughout the entire product life cycle. MANN+HUMMEL expects the same from all of its suppliers. The valid legal regulations, national and international agreements as well as official approvals and contractual regulations for operational environmental protection must be observed. This

obligation applies equally to material or product-specific environmental legislation and agreements such as the

- Stockholm Convention (POP Convention):  
production/use of persistent organic chemicals
- Minamata Convention:  
production/use of mercury, mercury compounds and products and waste containing mercury
- Basel Convention: cross-border shipment of hazardous waste

### 3.1. Climate Protection

MANN+HUMMEL is committed to complying with the goals of the Paris Climate Protection Agreement (COP 21) and aims to be climate-neutral across its entire supply chain by 2050.

We expect our suppliers to likewise develop an operational climate protection strategy and effective measures to reduce their direct and indirect greenhouse gas emissions (including their upstream supply chain) in line with the Paris Climate Agreement. MANN+HUMMEL therefore calls on its suppliers to

- increase the energy efficiency of manufacturing and logistics processes
- increase the use of renewable energy
- optimize the use of secondary materials/recyclable materials
- use methods and tools to calculate the Product Carbon Footprint (PCF) and to identify CO<sub>2</sub> hotspots as part of product development
- involve the supply chain to optimize upstream CO<sub>2</sub> emissions

At the request of MANN+HUMMEL, suppliers must provide relevant data, e.g. Product Carbon Footprint based on Life Cycle Assessments (LCAs).

### 3.2. Environmental management

Suppliers shall ensure effective precautions against harmful soil, water and air pollution, among other things on the basis of operational environmental standards and through technical and organizational measures. Suitable operational company processes and procedures must ensure that environmental pollution is consistently reduced and natural resources are efficiently used. To monitor effectiveness, relevant key figures are utilized and goals are formulated.

### 3.3. Resource efficiency/circular economy

Suppliers must ensure a responsible and efficient use of natural resources and materials. We therefore expect our suppliers to regularly review the potential for using secondary raw materials (recyclates) and for closing operational material, energy and water cycles, and to define and implement appropriate business processes for this purpose. Saving resources also means avoiding waste. Waste that cannot be avoided is to be recycled as a priority.

Products should be designed to meet the requirements of a circular economy.

At MANN+HUMMEL's request, suppliers shall provide information and data for the preparation of resource efficiency analyses and life cycle assessments, e.g. energy consumption, water consumption, waste for disposal, waste for recycling, VOC (volatile organic compounds) emissions. This data will be made available to MANN+HUMMEL on request.

### 3.4. Product and material compliance

Suppliers are obliged to ensure compliance with legal regulations regarding the restriction and registration and, if necessary, authorization or notification of chemical substances, preparations and products contained in the end product or in the production process. The requirements of the respective area of application (e.g. automotive) and the respective region of application (e.g. European Union) must be taken into account. The supplier is obliged to provide MANN+HUMMEL with appropriate proof of conformity.

### 3.5. Responsible material procurement

Suppliers that process mineral resources (e.g. wolframite, cassiterite, columbite, tantalite or gold) from conflict areas are obliged to disclose the origin of the material to MANN+HUMMEL. Suppliers shall use only validated, conflict-free smelters and refineries to manufacture their products.

### 3.6. Protection of biodiversity/protection of ecosystems and natural habitats

We expect our suppliers who process natural raw materials (e.g. cellulose fibers) in their production processes to protect biodiversity when cultivating, extracting and processing natural raw materials, and not to damage protected ecosystems, animal and plant species, natural habitats and soil or impair existing land uses.

We expect the implementation of effective operational standards to avoid the sourcing of these natural resources from designated conservation areas, illegal logging or illegal deforestation actions.

### 3.7. Animal welfare

We expect our suppliers who use animal products in their production processes to implement effective operational standards for animal welfare compliance throughout the supply chain.

## 4. Reporting options & consequences of violations

### 4.1. Reporting options

Misconduct must be identified at an early stage, investigated and stopped without undue delay. This requires the attention of the entire workforce and their willingness to report possible rule violations where there is concrete evidence. Tips can be reported anonymously either by email to [compliance@mann-hummel.com](mailto:compliance@mann-hummel.com) or via the MANN+HUMMEL whistleblower system "SpeakUp":

**URL:** [speak-up.mann-hummel.com](https://speak-up.mann-hummel.com)

**iTunes:** [SpeakUp@MANN+HUMMEL](mailto:SpeakUp@MANN+HUMMEL)

**Google Play:** [SpeakUp@MANN+HUMMEL](mailto:SpeakUp@MANN+HUMMEL)





## 4.2. Consequences

The MANN+HUMMEL Group expects suppliers to allow their employees to speak up if the requirements described here are not met. The MANN+HUMMEL Group reserves the right to check compliance with the requirements using suitable means (questionnaires, audits, visits to suppliers). An on-site inspection will take place only after prior notice during regular business hours and in the presence of representatives of the supplier.

The supplier shall assess and independently remedy, within a reasonable period of time, each identified non-compliance with the MANN+HUMMEL Supplier Code of Conduct within their supply chain, without incurring any additional costs for the MANN+HUMMEL Group.

The MANN+HUMMEL Group considers compliance with the requirements formulated in this document to be essential for the respective business relationship. Culpable breaches of these principles will not be tolerated by MANN+HUMMEL and can result in the withdrawal or termination of the contract or even the termination of the business relationship.