



# Sustainability requirements for suppliers

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## ***Preamble***

Our sustainability requirements for suppliers form the basis of the business relationship with AUNDE. Sustainability is the foundation for economic, ecological and social action. It drives us to find innovative solutions, to pursue new business opportunities, to control and minimize risks and to strive for efficiency in economic, ecological and social terms.

## **Economic responsibility**

AUNDE stands for fair relations with its business partners as well as for a continuous striving for efficiency and stability. Therefore, healthy competition is important to us. Ethical behavior towards its business partners is AUNDE's economic obligation. We expect the same approach from our suppliers in their relations with their business partners.

## **Ecological responsibility**

One of AUNDE's most important concerns has always been to conduct its business activities in an environmentally friendly manner. We shape our business processes proactively towards sustainability and also consider our supply chain as a relevant piece on our way to achieve ecological sustainability. Our motivation is to increase resource efficiency along the entire value chain, to reduce CO2 emissions and to implement and guarantee compliance with legal regulations regarding conflict materials. AUNDE therefore expects suppliers to operate or develop a systematic environmental management system.

## **Social responsibility**

Maintaining and observing human rights is part of AUNDE's self-image. Thus, we take this into account in every business activity. This applies to our own employees, our supply chain as well as to the company's environment. We particularly value the safety and health of each individual, protect minorities from any form of disadvantage and ensure that the dignity and freedom of our employees is guaranteed at all times.



## 1. Scope

Our present sustainability requirements apply to all business relationships between AUNDE and its suppliers. Suppliers must comply with the sustainability requirements as well as the AUNDE Code of Conduct and - as far as this is relevant for the respective business activity - consider the requirements in their own guidelines and processes.

In addition, suppliers are requested to ensure that these requirements are met by their suppliers and along the supply chain in an appropriate manner. Compliance with AUNDE's sustainability requirements is the foundation for long-term cooperation as well as for new projects.

## 2. Code of Business

Transparency, integrity and respect are fundamental principles for long-term cooperation. These principles can be anchored in the supply chain only through a proactive approach. AUNDE calls on its suppliers to take corporate responsibility seriously and ensure the following topics.

### 2.1 Market conduct

Suppliers respect fair and free competition. The supplier also ensures compliance to the applicable competition and antitrust law requirements. No anti-competitive agreements and arrangements may be made with competitors, suppliers, customers or other third parties, which could result in the abuse of a dominant market position. Suppliers are responsible for ensuring that there is no exchange of sensitive information under competition law or any other behavior that restricts or may restrict competition in an inadmissible manner.

### 2.2 Corruption, Bribery and Conflicts of Interest

Entrepreneurial decisions by the supplier are based on factual criteria and cannot be influenced by financial, personal interests or relationships. AUNDE does not tolerate unfair competition from its suppliers. The supplier does not tolerate any form of corruption, i.e. offering, granting as well as demanding and accepting advantages to which there is no legitimate claim.

In the event of corruption and attempted bribery or other unacceptable practices, the supplier is requested to notify AUNDE accordingly.

### 2.3 Conflict minerals

When selecting products and purchasing components, it must be ensured through due diligence that AUNDE receives only raw materials that do not contribute in any way to the financing of conflicts and human rights violations during their extraction, transport, processing and trading.

### 2.4 Data protection

Information and data are to be handled according to their classification and treated confidentially in the case of a valid non-disclosure agreement. The supplier must ensure that sensitive information is appropriately collected, processed, saved and deleted.

Any processing of personal data from employees and business partners must be carried out in accordance with the applicable country-specific legal requirements in accordance with the General Data Protection Regulation.

### 2.5 Legal framework

AUNDE's suppliers must ensure compliance with the relevant country-specific laws and regulations. Furthermore, the supplier is requested to comply with the applicable import and export restrictions on goods, services and information.



### 3. Ecological responsibility

Each supplier is responsible for the continuous optimization of its use of resources in production as well as the environmental compatibility of its products. A meaningful minimization of the use of finite resources is a constant goal. Country-specific environmental laws and regulations must be observed when carrying out the activities.

#### 3.1 Striving for and continuously developing environmental and energy management systems

Suppliers must strive for and continuously develop a suitable environmental and energy management system e.g. in accordance with international standards ISO 14001 and ISO 50001.

An existing certification according to the ISO 14001 and 50001 standards is desirable when first contacting us.

#### 3.2 Ressource management

When developing and manufacturing products for AUNDE, the supplier takes into account the efficient use of natural resources (e.g. water, energy sources, raw materials, etc.) and strives to use recycled material where possible.

#### 3.3 Responsible chemicals management

The handling of substances must ensure that the safety for the environment and health is always guaranteed.

Workers who handle hazardous substances must receive regular training regarding the potential dangers and the protective measures specified to avoid damage to health or the environment.

#### 3.4 Handling of industrial wastewater

The supplier must ensure that allowed limits for industrial wastewater are within legal parameters and that the pollutant concentration is kept at a minimum.

Optimization options and measures to reduce wastewater are to be regularly checked, assessed and, if necessary, implemented.

#### 3.5 Energy consumption, efficiency and greenhouse gas emissions

In addition to the efficient use of energy sources, the supplier must also aim to reduce greenhouse gases. The supplier should aim at CO<sub>2</sub> neutrality for their own production and pass this requirement on to sub-suppliers.

#### 3.6 Air and noise emissions

In compliance with country-specific laws, the environmental impact of relevant air and noise emissions should be regularly checked and assessed. If necessary, an optimization or protective measures should be aimed for in such a way that excludes permanent damage to people or the environment.

#### 3.7 Waste and recycling

Waste avoidance, recycling and the safe, environmentally friendly disposal of residual waste, chemicals and wastewater must be considered during the development and manufacturing of products. The local official regulations regarding the disposal of waste are to be followed.

#### 3.8 Proactive handling of ecological challenges

Suppliers are required to deal with ecological challenges carefully and with foresight. We must work towards the development and dissemination of environmentally friendly technologies. Suppliers are expected to improve the environmental performance of products and services by setting targets and monitoring their environmental indicators.



## 4. Social responsibility

### 4.1 Occupational health and safety and fire protection at the workplace

The supplier is responsible for a safe working environment in accordance with national regulations. Necessary precautionary measures must be taken to prevent accidents and the resulting health consequences for employees that could arise in connection with their activities. In particular, the supplier must guarantee the following aspects:

- Employees must be regularly instructed about hazards and precautionary measures.
- Personal protective equipment (PPE) must be made available by the employee.
- Work-related hazards must be monitored and controlled, and preventive protective measures must be taken if risks / dangers are identified.

In addition, an internationally recognized work management system (e.g. according to ISO 45001) should be aimed for.

### 4.2 Working hours

Compliance to working time regulations in accordance to national legal regulations must be ensured. When organizing working hours and breaks, operational and individual interests / concerns should be considered. Overtime is only permitted if it is done on a voluntary basis. No more than 12 hours of overtime may be worked per week.

All employees have a right to have breaks on every working day. A day off must be granted after six consecutive working days. Public holidays are observed.

### 4.3 Fair wages

The supplier must not fall below minimum wages set by the state or collectively as well as minimum standards customary in the industry. AUNDE's suppliers ensure that in countries without a collective or statutory wage framework, the wages for regular full-time work are sufficient to meet the basic needs of the employees. Wages are not withheld and are paid out regularly in a form that is suitable for the employee. The supplier must inform his employees regularly about the composition of their wages.

### 4.4 Non-Discrimination

The supplier must ensure that any form of discrimination, exclusion or preferential treatment based on ethnic origin, skin color, gender, sexual orientation, religion, political opinion, national origin and social origin is refrained from and that equal opportunities as well as equal treatment in employment or occupation are not impaired. Furthermore, the principle of equal pay for male and female workers for work of equal value must apply. The work environment must be free from harassment. A social environment is to be promoted which ensures the respect of each individual.

### 4.5 Freedom of Association

The supplier's employees must be able to communicate openly, respectfully and in mutual trust with the company management regarding the current working conditions without fear of any disadvantages. At their own request, the supplier's employees must be allowed to join forces, unionize and appoint or be elected as an employee representative. In countries where the right is restricted by local laws, alternative, legally compliant options for employee representation are to be promoted.

### 4.6 Ban on child labor and protection of young employees

AUNDE is committed to the abolition of child labor. We demand the same from our suppliers. The suppliers are requested to adhere to the recommendation from the ILO conventions on the minimum age for the employment or work assignment of children. Accordingly, the age should not be less than the age at which compulsory schooling ends and in any case not under 15 years.

AUNDE's suppliers must ensure that young employees under the age of 18 do not work overtime or at night. Employees under the age of 18 must be protected against working conditions that could damage their health, safety or development.



#### 4.7 Forced labor, slavery and human trafficking

Any economic activity based on forced or compulsory labor, debt bondage or serfdom, as well as human trafficking is not accepted. This includes any type of work or service that is required of a person under threat of penalty and for which they have not volunteered. Therefore, all work by employees must be voluntary. The employees have the right to terminate the employment relationship at their own discretion and on time at any time.

#### 4.8 Whistleblowers and retaliation protection

The supplier must establish a whistleblower process for all types of violations and ensure that informing employees are not disadvantaged if they point out irregularities.

### 5. **Supply chain responsibility**

#### 5.1 Due diligence

Suppliers are requested to introduce a due diligence process to ensure that their suppliers and sub-suppliers adhere to the standards required in this document. The due diligence process must contain at least the following aspects:

- A complaint mechanism with documentation of incidents and the corrective action taken.
- A risk management system, which includes a regular analysis to identify potential risks in the supply chain, especially for the immediate suppliers.
- Preventive measures to avoid social and ecological grievances.
- Definition of a responsible person within the company for the monitoring and control of the sustainability requirements.

#### 5.2 Complaints

In the event of a violation or a potential risk of the above sustainability requirements, AUNDE has set up a complaint mechanism:

**Complaint office:**

[compliance@aunde-group.com](mailto:compliance@aunde-group.com)

**Complaint form:**

<https://www.aunde.com/liefer-einkaufsbedingungen/complaint>