

Supplier Code of Conduct



thyssenkrupp





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thyssenkrupp is an international corporate group that encompasses a diversified range of industrial and technology businesses. Under the thyssenkrupp umbrella brand, the group creates long-term value with innovative products, technologies and services and contributes to a better life for future generations. Sustainability is an integral part of our corporate strategy.

In order to manufacture and provide our products and service solutions, we source raw materials, goods and services globally and expect our suppliers to meet the highest standards of sustainability, both at their own companies and within their local and global supply chains. In this context, we place a special focus on continuously improving working conditions, protecting human rights and the environment, as well as fair conduct and sustainable business practices within the supply chain. Another focus of our sustainability activities is reducing carbon emissions along the entire product life cycle, from development and production to recycling. We have laid down the standards we demand of ourselves in terms of fairness, integrity and sustainability in the thyssenkrupp Code of Conduct.

We have tightly integrated responsible business practices into our procurement processes. Contract award decisions are made not only in accordance with legal, financial, technical, and procedural criteria, but also on the basis of social, environmental and ethical criteria. That is why sustainability plays an important role at thyssenkrupp in our collaboration with suppliers. The thyssenkrupp Supplier Code of Conduct (SCoC) addresses our expectations of suppliers and their subcontractors on the basis of legal requirements, comparable regulations in other countries, international agreements and principles and our own sustainability standards. The SCoC will be refined and updated by thyssenkrupp as soon as any new material sustainability requirements make this necessary.

thyssenkrupp expects its suppliers and their subcontractors to implement appropriate measures to ensure compliance with the following principles and requirements (hereinafter referred to as “expectations”) in all of their business activities and supply chains:

General Expectation: Compliance with Applicable Laws and International Regulations

- Compliance with all applicable laws, regulations, and standards in the countries in which suppliers operate or are located;
- Compliance with the principles of the United Nations Global Compact; the United Nations International Bill of Human Rights; the International Covenants on Civil and Political Rights and on Economic, Social and Cultural Rights; and the core labor standards promulgated by the International Labor Organization (ILO);
- Compliance with the Paris Climate Accords, the Stockholm Convention on Persistent Organic Pollutants, the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal and the Minamata Convention on Mercury;
- Compliance with United Nations (UN) and Organisation for Economic Co-operation and Development (OECD) anti-corruption conventions and relevant anti-bribery laws, including those dealing with bribery abroad.
- **External personnel:** Suppliers using external personnel, e.g., security personnel, adhere to the applicable national laws governing contractual and labor relations, irrespective of the type of contract (e.g. contract for work and labor or temporary employment). External personnel must be appropriately informed and monitored, particularly with regard to human rights risks such as occupational health and safety, inhumane treatment, and potential loss of life, bodily harm and injury or illness;
- **Occupational health and safety:** Establishment and application of appropriate occupational health and safety management (e.g., in accordance with ISO 45001) to best prevent accidents and work-related illnesses. This includes identifying, assessing, and reducing actual and potential accident and health risks, documenting and investigating incidents, training and briefing employees in a form they can understand, providing appropriate work tools and protective equipment and taking appropriate emergency preparedness and response measures;
- **Expression of opinion, personal rights, and privacy:** Protection of the right to freedom of expression, personal rights, and employee privacy;

Human Rights-Related Expectations Including Employee Rights

- **Child labor:** Compliance with the prohibition and refraining from the use of any kind of child labor in accordance with the ILO core labor standards;
- **Discrimination:** Creation of a working environment that is free of any and all forms of discrimination. No employee may be disadvantaged, favored, or harassed on the basis of characteristics such as gender, skin color, religion, nationality, political or other convictions, ethnic origin, disability, age, sexual orientation and identity, or other characteristics;
- **Forced labor:** Rejection of any form of forced or compulsory labor, slavery, or human trafficking. Employees must be free to part from their employer in compliance with any statutory notice periods;
- **Right to organize:** Respect for the rights of employees to form employee representation bodies and to strike and bargain collectively;
- **Compensation and working hours:** Compliance with the respective applicable national laws on working hours, compensation, minimum wages, and social benefits. If there is no national legal regulation governing working hours, the international standards of the ILO apply;
- **Conflict minerals and high-risk raw materials:** Perform due diligence to promote responsible raw material supply chains to protect human rights in conflict regions. Suppliers must only source conflict-free minerals, particularly tin, tantalum, tungsten, gold, their ores and metals alloyed with conflict raw materials. In the event that a product contains one or more of these conflict minerals or high-risk raw materials, such as cobalt, the supplier must be able to ensure transparency on request about the origin of the material in the supply chain up to the smelting works. Smelting works without an adequate and audited due diligence process should be disqualified;
- **Not causing harmful soil contamination, water pollution, air pollution, harmful noise emissions, or excessive water consumption,** that is capable of (i) substantially degrading the natural basis for the preservation and production of food, (ii) depriving an individual of access to safe water, (iii) impeding or destroying an individual's access to sanitary facilities, or (iv) harming an individual's health;
- **No unlawful appropriation of land, forests, and waters,** the use of which sustains an individual's livelihood.

Environmental Expectations Including Climate Change Mitigation

- Establishment and application of an appropriate environmental and energy management system;
- Efficient and responsible use of resources such as energy, water and raw materials to protect biodiversity;
- Use of technologies to prevent and reduce waste, greenhouse gas emissions, wastewater pollution and pollutant emissions;
- Promotion of the reuse of raw materials;
- No violation of environmental obligations due to (i) the use of mercury and mercury compounds in products/manufacturing processes and through the treatment of mercury waste, (ii) the use and disposal of persistent organic pollutants and the collection, storage, and disposal of resulting wastes, or (iii) the transboundary shipment of hazardous wastes and their disposal;
- Transparency with regard to greenhouse gas emissions in the company’s own and upstream activities;
- Effective action in line with the Paris Climate Accords to reduce direct and indirect carbon emissions, including working on continuous improvements, increasing the use of renewable energy and alternative energy sources and setting a science-based emissions reduction target.

Expectations of Integrity in the Business Environment

- **Prohibition of corruption:** Rejection of any form of corruption, theft, embezzlement, fraud, or extortion. Zero tolerance for illegal payments or the granting of other benefits to an individual, company, or public official for the purpose of influencing decision-making processes;
- **Prohibition of bribery:** Rejection of any form of bribery. No granting or acceptance of bribes, kickbacks, or other illegal payments, incentives, favors, or other benefits or gifts of value for the purpose of exploiting business opportunities, accelerating or facilitating an official act (bribes or acceleration payments), or in any connection with the business activities of thyssenkrupp companies;
- **Invitations and gifts:** No attempts to influence business contacts, customers, or public officials through invitations or gifts. No demanding inappropriate benefits from thyssenkrupp employees. Invitations and gifts to thyssenkrupp employees or related individuals are only permissible if the occasion and

extent are appropriate, i.e., they are of low value and can be regarded as an expression of generally accepted local business practice;

- **Conflicts of interest:** Decisions related to business activities with thyssenkrupp are made exclusively based on objective criteria. Conflicts of interest with private interests or other business or other activities, including those of relatives or otherwise associated individuals or organizations, must be avoided from the outset;
- **Antitrust and competition law:** Fair conduct in competition, no involvement in agreements in violation of antitrust law, no abuse of a dominant market position, and no involvement in other anticompetitive business practices;
- **Data protection/privacy and information security:** Compliance with all applicable privacy/data protection laws; comprehensive protection of personal data, and no processing of personal data without legal authorization; appropriate management of the supplier’s information systems containing thyssenkrupp’s confidential information or data and their adequate technical protection against unauthorized access;
- **Money laundering and terrorist financing:** Compliance with applicable legal requirements to prevent money laundering and terrorist financing, neither direct nor indirect involvement in corresponding activities;
- **Foreign trade law:** Compliance with the respective applicable international and national regulations of foreign trade law, in particular export control and embargo regulations, and no engaging in legally inadmissible business activities with sanctioned individuals, companies, or organizations.

Verifying the Fulfillment of the Aforementioned Expectations

As part of our risk management activities, we regularly audit our suppliers to determine whether and what potential sustainability risks they may pose, particularly with regard to human rights and environmental protection, and base the risk rating assigned to our suppliers and the resulting measures to mitigate and eliminate any risks identified on the results of this audit (“thyssenkrupp due diligence process”). To ensure that the aforementioned expectations of our suppliers and their supply chains under the terms of the current thyssenkrupp Supplier Code of Conduct are consistently met, we expect our suppliers to establish appropriate management systems and business processes and to cooperate in minimizing or ending any violations of our expectations. For this reason, thyssenkrupp emphasizes the use of suitable effective measures such as audits and self-assessment questionnaires to verify compliance with our expectations.

In the event that there is any suspicion of noncompliance with our expectations (e.g., due to negative media reports or other indications), we want our supplier to inform us immediately of its findings and to provide information in response to our inquiries. We also want our supplier to identify the underlying causes of any failure to meet our expectations and to take prompt corrective action.

If the supplier demonstrably fails to meet the expectations laid down in this Supplier Code of Conduct, or fails to strive for and implement improvement measures, or fails to take corrective action within a reasonable period specified by thyssenkrupp, thyssenkrupp reserves the right to terminate individual or all contractual relationships.

Reporting Possible Misconduct

Possible violations of the SCoC can be reported via <https://thyssenkrupp.com/compliance-wb> – including anonymously, if desired.

Where required by law, thyssenkrupp expects its suppliers to set up an appropriate whistleblowing system themselves.



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