

Company Philosophy, Social Responsibility, Code of Conduct

Requirements of the companies of the GLOBAL RETOOL GROUP for Corporate Social Responsibility in relations with business partners, suppliers and employees

The following requirements specify the expectations of the companies of the **GLOBAL RETOOL GROUP**, hereinafter referred to as GRG, regarding the attitude and behaviour of business partners / suppliers and employees within its business activities. The requirements are regarded as the basis for the successful business relations between GRG and its partners. Respectful and cooperative collaboration and a conscious awareness of social responsibility form the basis for long-term corporate success. This Code of Conduct summarizes the essential principles and basic rules for the company's own actions as well as for its behavior towards colleagues, business partners, customers and the public. The Code of Conduct provides all users with an orientation framework on such topics as adherence to rules & compliance, fairness & equal treatment, sustainability, data protection, health, occupational and environmental protection, and many other things.

- **Cooperation**

The requirements are based on national and international specifications and conventions, internal standards and values. They are supplemented by GRG's environmental policy, the environmental goals and specifications derived from it, and the quality policy. With the aim of successful and sustainable business activities, we are maintaining our competitive position through the quality and value of our products and services. GRG's business partners help shape the success of the company. Partnership creates lasting business relationships that are characterised by mutual benefits. Therefore the companies of GRG rely on close cooperation with their business partners and suppliers. Integrity, fairness, transparency and partnership are fundamental values for our cooperation. This also includes respectable, honest and compliant behaviour in

day-to-day business, especially with regard to human rights, health and safety at work, environmental protection and anti-corruption.

Environmental protection

Compliance with all relevant environmental laws and regulations by business partners, suppliers and employees in all countries in which they operate is a matter of course. The company WEMA VOGTLAND Technology of GRG is already certified in environmental management according to the ISO14001:2015 standard. This experience of certified environmental management is to be implemented step by step at the other companies in the GRG group in Lebach and Idar-Oberstein. In addition, the GRG companies expect their business partners, suppliers and employees to consider and comply with the following aspects:

➤ **Active approach to ecological challenges**

Environmental challenges are dealt with prudently and with foresight. Measures are taken for a responsible approach to the environment. The development and dissemination of environmentally friendly technologies shall be encouraged.

➤ **Creation and application of environmental management systems**

Environmentally oriented management is one of the priority objectives of the company policy. The GRG companies expect business partners at all their production sites as well as suppliers to have a suitable environmental management system and, in addition, its main suppliers to have a certified environmental management system according to the international standard ISO 14001 or the EU EMAS regulation.

➤ **Prevention of environmental and health damage, low resource consumption and greenhouse gas emissions**

Impacts on the environment and the health of employees are avoided or kept as low as possible in all activities. With regard to the development, the manufacture and the service life of products and also in other activities, the economical use of energy and

raw materials, the minimization of greenhouse gas emissions, the use of renewable resources and the minimization of environmental and health damage are taken into account.

➤ **Use and consumption of natural resources, heat and energy**

As part of their commitment to environmental sustainability, the companies of the GRG group are aware of the need to reduce consumption of natural resources and energy and to make our further growth resource-efficient.

➤ **CO₂ and pollutant emissions**

By converting the lighting to LED technology, the power consumption could be reduced and thus the emission of CO₂ and pollutants could be reduced considerably. A further milestone was the conversion of the heating system to district heating which has a more environmentally friendly balance.

➤ **Mobility behaviour**

Through intelligent mobility behaviour, we as a company on the one hand and our employees on the other can contribute to the conservation of natural resources and to a reduction in emissions. As part of our commitment to ecological sustainability, we are making particular efforts to reduce the number of trips and journeys required for business purposes by means of appropriate processes and technical equipment, and to reduce the consumption of resources for travel to and from our offices by using video and telephone conferences, even beyond the Corona pandemic period.

➤ **Water**

The GRG companies focus on sensitising their employees to the economical use of water and reducing the generation of waste water in production and in the sanitary area by using water-saving fittings, avoidance of leakage and closed cooling circuits..

➤ **Avoidance of environmental pollution**

Corporate environmental protection includes the prevention of environmental pollution. This includes the areas of waste, air emissions, water pollution, release of chemicals, noise, odors, light pollution, vibrations, radiation, infectious substances or biological hazards. It also includes the impacts that arise during use by the consumer, and thus integrates product responsibility in addition to the production responsibility dimension. Due to the high level of regulation in the area of environmental pollution prevention, GRG companies have to comply with a large number of legal requirements.

➤ **Recyclable materials, waste and recycling**

During the design, manufacture and service life of products and also during other activities waste prevention, re-use, recycling and safe, environmentally sound disposal of residual waste are taken into account. Recycling and careful handling of reusable materials and waste are important to us. The employees of GRG practice waste separation in accordance with the law. Disposal systems are available for various recyclable and harmful substances. For printer toners, we consider environmental aspects right from the choice of equipment. Empty cartridges are usually collected and recycled by the manufacturer. Disposable packaging, e.g. made of wood, is used several times wherever possible in order to minimize the consumption of wood as a natural product.

➤ **Responsible handling and procurement of raw materials and chemicals**

The GRG companies expect the company, business partners / suppliers to carefully check the origin of the raw materials used in their production and not knowingly supply products containing raw materials that contribute to human rights violations, bribery and ethical violations or have a negative impact on the environment. This also applies to conflict minerals.

Business partners, suppliers who produce chemicals as chemical substances or mixtures are subject to the registration obligation according to the REACH regulation (EU). Reference is made to compliance with national and international legal regulations, guidelines and provisions. For all substances and mixtures subject to registration under the REACH Regulation, a safety assessment in the form of safety data sheets (SDS) must be carried out with the aim of providing the downstream user with all the necessary information he needs to be able to handle the substance or mixture safely and not endanger or harm the environment and employees.

Substances of very high concern (SVHC) must be registered and included in the list of substances subject to authorisation, for example chromium (VI) compounds in mechanical engineering and lead with more than 0.1% alloy component. Information must be provided by the contractual partner / supplier. The supplier has an obligation to provide this information or notify the customer.

➤ **Qualification of personnel**

Business partners / suppliers, employees are to be informed and trained according to their tasks in environmental protection. The employee training is carried out by an external consultant in environmental management, and others.

• ***Employee rights***

For the employees of the GRG companies respect for internationally recognised human rights is the basis of all business relations. The following provisions in particular must be observed:

➤ **No discrimination**

Equal opportunities and equal treatment regardless of ethnic origin, skin colour, gender, religion, nationality, sexual orientation, social origin or political attitude, as far as it is based on democratic principles and tolerance of dissent,

is guaranteed. Employees are always selected, hired and promoted on the basis of their qualifications and skills.

➤ **No child labour**

Child labour is prohibited. The minimum age for admission to employment according to the requirements of government regulations are observed.

➤ **Freedom of association**

The fundamental right of all employees to form and join trade unions and employee representations is recognised. Where this right is restricted by local law, alternative, legally compliant ways of employee representation should be promoted.

➤ **Remuneration and benefits**

The remuneration and benefits paid or provided for a normal working week correspond at least to the legally valid minimum wage to be guaranteed.

➤ **No forced labour**

The companies of the GRG group reject any deliberate use of forced or compulsory labour, including debt bondage or involuntary prison labour.

➤ **Working hours**

The working time corresponds at least to the respective national legal requirements or the minimum standards of the respective national economic sectors.

➤ **Occupational safety and health protection**

The business partners / suppliers and employees shall at least comply with the respective national standards for a safe and hygienic working environment and shall take appropriate measures for health and safety at work to ensure healthy working conditions.

- • ***Transparent business relations***

- **Money laundering**

The business partners / suppliers and employees shall maintain business relations only with those business partners whose integrity they are convinced of. They must ensure that the respective applicable legal provisions against money laundering are not violated. We do not engage in money laundering activities. Every employee is requested to have unusual financial transactions, in particular involving cash, which may give rise to suspicion of money laundering, checked by the management in case of doubt.

- **Avoiding conflicts of interest**

The business partners / suppliers and employees of the GRG companies make their decisions solely on the basis of objective criteria and are not influenced by personal interests and relationships.

- **Anti-corruption**

The companies of the GRG group reject any kind of corrupt action and behavior to the detriment of the company. The GRG companies require their business partners / suppliers and employees to reject and prevent any form of corruption. Business partners / suppliers must ensure that their employees, subcontractors or agents do not give, offer or accept bribes, expedited payments for routine official acts, kickbacks, improper donations or other improper payments or benefits to customers, officials or other third parties

- **Fair market behaviour**

Our companies stand for competence, innovative strength, customer orientation and motivated employees who act responsibly. The sustainable economic success of the

company is based on this. Corruption and competition violations threaten this success - and will not be tolerated. For us, cartel agreements are not a means of obtaining a contract.

➤ **Import and export controls**

When importing and exporting goods/services, the business partners / suppliers and employees will comply with all valid and applicable laws.

• **Donations**

We see ourselves as an active member of society and therefore get involved in various ways. This includes donations and other forms of social commitment. We do not make financial contributions to political parties, party-affiliated or party-like organizations, or to elected officials or candidates for political office in Germany or abroad.

• **Legal consequences for breaches of the requirements**

GRG considers compliance with the requirements formulated in this document to be essential for the relevant contractual relationship. If a business partner / supplier does not adhere to these requirements, we reserve the right to terminate the business relationship with this business partner / supplier by extraordinary termination or to take alternative measures if the business partner / supplier can credibly assure and prove that he has taken immediate countermeasures to avoid future similar violations. The business partner / supplier has the duty to inform the GRG companies in the event of any apparent non-compliance with the requirements.

Plauen, June 2021



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