

# Supplier Code of Conduct

**Our values  
and our joint  
responsibility  
in society,  
as a business partner  
and in the workplace**

## Introduction

It is our intention to source from suppliers who share our high standards with regard to labor and welfare conditions, health and safety, anti-bribery and fair competition, and environmental management.

Procurement decisions are made based on ethical standards, quality, service, price, delivery, best value and other similar factors. Any corrupt, improper or unethical behavior in dealings with suppliers is prohibited.

Fette Compacting Group expects suppliers to operate in accordance with the core principles outlined in this document. Our Supplier Code of Conduct is based on internationally recognized standards including the International Labor Organization conventions and recommendations, which in turn are based on the United Nations Guiding Principles on Business and Human Rights (UNGPs), Convention on Rights of the Child and the ten principles of the UN Global Compact.

We believe that we can only enhance the overall sustainability performance through continuous and collaborative supplier development and consistent supplier and sub-supplier management. Considering the growing complexity of our n-tier supplier network, we depend on joint efforts with our direct suppliers, to obtain more transparency and effectiveness.

If we can support you in complying with our Supplier Code of Conduct, please approach your relevant contact person within our company.

## Core Principles of Supplier Code of Conduct



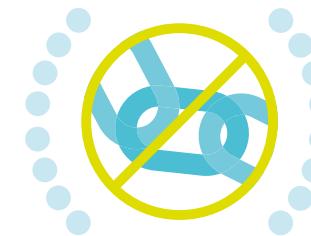
Laws and Regulations – Compliance with the applicable laws and regulations of all the countries where we do business.



Terms and Conditions of Employment – Respect for human rights, fair treatment and freedom of association. Everyone has the right to choose where, for whom and in what position they choose to work and when to leave a job. In conformity with local law, the right of workers is to be respected and upheld to voluntarily determine whether or not to be represented by labor organizations of their own choosing, and where represented by a union to bargain collectively in accordance with the appropriate local laws.



Discrimination, harassment and retaliation – Suppliers shall provide a workplace free of harassment and discrimination. Discrimination for reasons such as color, age, gender, sexual orientation, ethnicity, disability, religion, political affiliation, union membership or marital status is not tolerated.



Modern slavery and human trafficking – we are opposed to any form of convict, bonded, forced, indentured or other illegal labor, any form of slavery or human trafficking, or any other similarly prohibited conduct.



Wage and benefits – we will give fair wages and working hours. Everyone has the right to be paid fairly for the work that they do, and to work reasonable hours. We expect that all workers are allowed at least one day off in a seven day period or at least two days off in any fourteen day period.



Child Labor and Young Workers – Suppliers shall not use child labor. The employment of young workers below the age of 18 shall only occur in non-hazardous work and when young workers are above a country's legal age for employment or the age established for completing compulsory education.

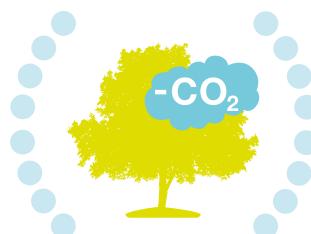
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Fair Treatment – Suppliers shall provide a workplace free of harsh and inhumane treatment, including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers and no threat of any such treatment.



Health and safety – Adherence to all applicable health and safety laws and regulations. We expect suppliers to ensure that workers work in safe conditions and that employer-provided living quarters are safe, hygienic and do not compromise the dignity of workers.



Sustainable development and environmental protection – Responsibility for the environment and to seek ways to operate sustainably without damaging the environment. Suppliers shall comply with all applicable environmental laws and regulations, such as e.g. the Minamata Convention on Mercury and the Stockholm Convention on PPOs.



Data privacy – Ensuring the integrity of data and the protection of our customers, employees and our company information. We are committed to protecting the privacy and confidentiality of the personal information of our customers and employees.



Anti-Bribery and Fair competition – High ethical standards are to be maintained and requires all parties doing business with us to comply with all applicable Anti-Bribery and Corruption ("ABAC") laws and other regulations that prohibit bribery, solicitation of bribery and the payment of kickbacks. These laws include the US Foreign Corrupt Practices Act, the UK Bribery Act and ABAC laws and regulations in all countries where we conduct business.

Third Parties shall conduct their business consistent with fair competition. They shall employ fair business practices, including accurate and truthful advertising. Third Parties shall comply with all fair competition and antitrust laws and regulations.

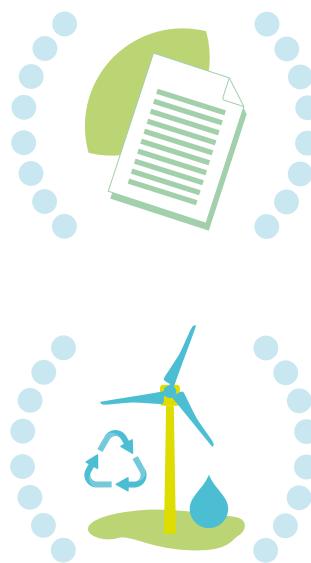
The commitment of the Fette Compacting Group towards Human Rights and Environmental obligations are outlined in our "[Human Rights Policy Statement](#)" which will be available on the homepage of the LMT Group.

### Openness to Assessments and Audits

We expect suppliers to be open and transparent to our assessment of their compliance with our Supplier Code of Conduct.

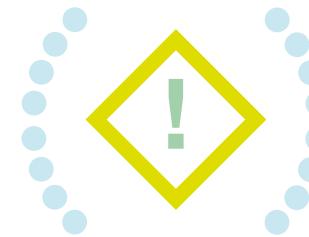
## Environment

Suppliers shall operate in an environmentally responsible and efficient manner, and they shall minimize adverse impacts on the environment. Suppliers are encouraged to conserve natural resources, to avoid the use of hazardous materials where possible and to engage in activities that reuse and recycle. The environmental elements include:



Environmental Authorizations – Suppliers shall comply with all applicable environmental regulations. All required environmental permits, licenses, information registrations and restrictions shall be obtained and their operational and reporting requirements followed.

Waste and Emissions – Suppliers shall have systems in place to ensure the safe handling, movement, storage, recycling, reuse or management of waste, air emissions and wastewater discharges. Any waste, wastewater or emissions with the potential to adversely impact human or environmental health shall be appropriately managed, controlled and treated prior to release into the environment.



Treatment of chemicals and other hazardous goods – Suppliers shall comply the applicable laws regarding the treatment of chemical and hazardous goods and in particular with the requirements of the EU chemicals regulation (EC 1907/2006) "REACH – Registration, Evaluation, Authorization and Regulation of chemicals" and EU regulation (EC 2011/65) "RoHS – Restriction of Certain Hazardous Substances". This implies to fulfil any reporting and declaration obligations applicable for the goods delivered to Fette Compacting.



Spills and Releases – Suppliers shall have systems in place to prevent and mitigate accidental spills and releases to the environment.

## Supply Chain responsibility

### Due Diligence

Supply chain due diligence is observed based on the 'OECD Due Diligence Guidance for Responsible Business Conduct'. To verify suppliers' compliance with the standards and rules set out in this document, we apply a risk based third party due diligence process which may include Supplier Self-Assessment Questionnaires or other due diligence measures.

All suppliers are encouraged to implement a due diligence process themselves, to ensure that their contractors and sub-contractors comply with the standards and rules set out in this document, as well.

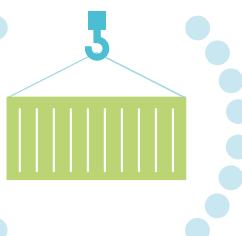
Upon request, we require collaboration between suppliers and sub-suppliers with the target to obtain maximum transparency in relevant high-risk supply chains to the source of origin if needed.



### Responsible Sourcing of Raw Materials

Extraction, production, transport, trade, processing and export of certain raw materials along the upstream value chain may be linked to high ESG risks for people and the environment. We aim to use only raw materials in our products, whose extraction, production, transport, trade, processing and export neither directly nor indirectly contribute to human rights abuses, health & safety issues, environmental pollution or compliance breaches.

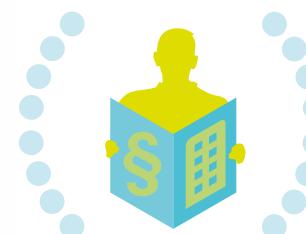
We expect our suppliers of raw material and finished goods to establish processes in accordance with the 'OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas'. Smelters and refiners without adequate, audited due diligence processes in place shall be avoided. Upon request, suppliers shall disclose their supply chain including information on the origin of the material.



### Identification of concerns –

#### Whistleblower System

All parties involved should be encouraged to report concerns or illegal activities in the workplace, without threat of reprisal, intimidation or harassment. Suppliers shall investigate and take corrective action if needed. In order to support this, the LMT Group has installed a publicly accessible [whistleblowing system](#).





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Grabauer Str. 24  
21493 Schwarzenbek, Germany  
Phone: +49 (0) 4151 12-0

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Responsible in terms of press law:

Volker Reinsch

Editing and realization:

Jonas Dittrich

Design:

Braun Engels Gestaltung GmbH