

With this Code of Conduct (CoC), we communicate our expectations of suppliers working with us. As an external obligation, this CoC forms the interface between the sustainability values and goals of SL Rack GmbH and the desired behaviour of suppliers.

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A. Introduction / Preamble

We at **SL RACK** are committed to ecologically and socially responsible corporate governance. We expect the same behaviour from all our suppliers and their employees and agents. We also expect our employees to observe the principles of ecological, social and ethical behaviour and to integrate them into our corporate culture. Furthermore, we strive to continuously optimise our business activities and our products in terms of sustainability and ask our suppliers to contribute to this in the sense of a holistic approach.

For future cooperation we agree with our contractual partners on the validity of the following regulations for a common code of conduct. A breach of this CoC may ultimately be grounds and cause for us to terminate the business relationship, including all associated supply contracts.

The CoC is based on national laws and regulations, such as the **German Supply Chain Due Diligence Act (LkSG)**, as well as **international conventions** such as the *United Nations Universal Declaration of Human Rights*, the *Guidelines on Children's Rights and Business Conduct*, the *United Nations Guiding Principles on Business and Human Rights*, the international labour and social standards and fundamental principles of the *International Labour Organisation (ILO)* and the *United Nations Global Compact*.

We are committed to the principles and values set out in this CoC and this is what we at SL Rack stand for.

Sincerely,



Haag i. OB, December 2022

B. Requirements for Suppliers

I. Social Responsibility

1. Human Rights

Our suppliers are committed to fulfilling their responsibility to respect and promote human rights and to avoid any violation, adverse impact or abuse of such rights. In the context of human rights, it is particularly important for us to emphasise that our suppliers comply with all locally and internationally applicable requirements. However, in the event of a conflict between these requirements and our CoC, suppliers should take the most stringent approach.

2. Exclusion of Forced Labour

No forced labour, slave labour or work of a similar nature shall be used. All work shall be voluntary and without threat of punishment. Any circumstances that violate this must be eliminated. All employees of our suppliers and those in its supply chain must be able to leave work or employment at any time. Furthermore, there shall be no unacceptable treatment of workers, such as psychological hardship, sexual and personal harassment and humiliation. The hiring or use of security guards shall be prohibited if their use causes inhuman or degrading treatment or injury to any person or interferes with the freedom of association.

3. Prohibition of Child Labour

Our suppliers must ensure that child labour is not used at any stage of production. Suppliers are required to comply with the recommendation from the ILO conventions (*ILO Convention 138*) on the minimum age for the employment of children. According to this, the age should not be less than the age at which compulsory schooling ends according to the law of the place of employment and in any case not less than 15 years. If children are found at work, the supplier must document the measures to be taken to remedy the situation and enable the children to attend school.

Workers under the age of 18 shall not be employed in work which is harmful to the health, safety or morals of children. Special protective regulations shall be observed.

4. Fair Remuneration

Remuneration for regular hours of work and overtime must be in line with the national statutory minimum wage or industry minimum standards, whichever is higher. Applicable overtime allowances must be taken into account. Insofar as the remuneration is not sufficient to cover the costs of ordinary living and to build up a minimum level of reserves, the supplier shall be obliged to increase the remuneration accordingly. Employees shall be granted all benefits prescribed by law. Wage deductions as punitive measures are not permitted.

Our suppliers shall ensure that their workers receive clear, detailed and regular written information on the composition of their remuneration.

5. Fair Working Time

Working hours must comply with applicable laws or industry standards. Overtime is only permitted if it is worked on a voluntary basis and does not exceed 12 hours per week. Employees shall be granted at least one day off after six consecutive working days. The weekly working time shall not regularly exceed 48 hours.

6. Freedom of Association

The right of workers to form and join organisations of their choice, to bargain collectively and to strike shall be respected. The values of *ILO Conventions 87 and 98* shall be respected.

In cases where freedom of association and the right to collective bargaining are restricted by law, alternative means of independent and free association of workers for the purpose of collective bargaining shall be provided. Workers shall not be discriminated against on the grounds of formation, affiliation or membership of such an organisation. Workers' representatives shall be granted free access to the workplaces of their colleagues to ensure that they can exercise their rights in a lawful and peaceful manner.

7. Prohibition of Discrimination

The unequal treatment of employees in any form is inadmissible unless it is justified by the requirements of the employment. This applies, for example, to discrimination based on

gender, national, ethnic or social origin, skin colour, disability, health status, political conviction, ideology, religion, age, pregnancy or sexual orientation. The personal dignity, privacy and personal rights of each individual are respected.

8. Health protection; safety in the workplace

Suppliers are responsible for providing a safe and healthy working environment. By setting up and applying appropriate occupational safety systems, necessary precautionary measures are taken against accidents and damage to health that may arise in connection with the activity. Appropriate measures shall be taken to prevent excessive physical or mental fatigue. In addition, employees are regularly informed and trained about applicable health and safety standards and safety measures. Employees shall be provided with access to drinking water in sufficient quantity and access to clean sanitary facilities.

9. Conservation of natural livelihoods

Suppliers shall not, in violation of legitimate rights, deprive people of land, forests or waters whose use secures their livelihoods. Suppliers shall refrain from damaging soil, polluting water and air, emitting noise and using excessive amounts of water if this damages the health of people, significantly impairs the natural basis for the production of food or prevents people's access to safe drinking water or sanitary facilities.

II. Ecological Responsibility

1. Treatment and Discharge of Industrial Wastewater

Wastewater from operations, manufacturing processes and sanitary facilities shall be typed, monitored, inspected and treated as necessary prior to discharge or disposal. In addition, measures should be introduced to reduce the generation of wastewater.

2. Managing Air Emissions

Air, noise and greenhouse gas emissions generated by operations are to be typed, routinely monitored, verified and treated as necessary prior to their release. Suppliers are also required

to monitor their emission control systems and are encouraged to find economic solutions to minimise any emissions.

3. Environment / Dealing with waste and hazardous substances

As a company in the field of renewable energy, we feel particularly committed to the environment and place great importance on the economical and efficient use of our natural resources in our business activities. Our goal is to have a positive impact on the environment while limiting our ecological footprint. In this context, we are committed to complying with all applicable environmental laws and standards.

Auch unsere Lieferanten haben einer systematischen Herangehensweise zu folgen, um Festabfall zu ermitteln, zu handhaben, zu reduzieren und verantwortungsvoll zu entsorgen oder zu recyceln. Die Verbote der Ausfuhr gefährlicher Abfälle im *Baseler Übereinkommen vom 22. März 1989* in der aktuellen Fassung sind zu beachten. Chemikalien oder andere Materialien, die bei ihrer Freisetzung in die Umwelt eine Gefahr darstellen, sind zu ermitteln und so zu handhaben, dass beim Umgang mit diesen Stoffen, der Beförderung, Lagerung, Nutzung, beim Recycling oder der Wiederverwendung und bei ihrer Entsorgung die Sicherheit gewährleistet ist. Quecksilber ist im Einklang mit den Verboten des *Übereinkommens von Minimata vom 10. Oktober 2013* zu verwenden und persistente organische Schadstoffe im Einklang mit dem *Stockholmer Übereinkommen vom 23. Mai 2001* in der aktuellen Fassung.

Our suppliers must also follow a systematic approach to identify, handle, reduce and responsibly dispose of or recycle solid waste. The prohibitions on the export of hazardous waste in the Basel Convention of 22 March 1989, as amended, must be observed. Chemicals or other materials that pose a risk if released into the environment shall be identified and handled in a manner that ensures safety during their handling, transport, storage, use, recycling or reuse and disposal. Mercury shall be used in accordance with the prohibitions of the *Minimata Convention of 10 October 2013* and persistent organic pollutants in accordance with the *Stockholm Convention of 23 May 2001* in its current version.

4. Reduce consumption of Raw Materials and Natural Resources

The use and consumption of resources during production and the generation of waste of all kinds, including water and energy, shall be reduced or avoided. This shall be done either directly at the point of production or through procedures and measures, e.g. by changing production and maintenance processes or procedures within the company, through the use of alternative materials, through savings, through recycling or with the help of the reuse of materials.

5. Dealing with Conflict Minerals

In the case of handling the conflict minerals tin, tungsten, tantalum and gold, as well as for other commodities such as cobalt and other listed conflict commodities, the supplier shall establish processes in accordance with the Organisation for Economic Cooperation and Development (OECD) *Guiding Principles on Due Diligence to Promote Responsible Supply Chains for Minerals from Conflict and High-Risk Areas*. Smelters and refineries without adequate audited due diligence processes should be avoided.

6. Dealing with Energy Consumption/Efficiency

Energy consumption shall be monitored and documented. Economic solutions must be found to improve energy efficiency and minimise energy consumption.

III. Ethical Business Conduct and Compliance

1. Fair Competition

The standards of fair business, fair advertising and fair competition shall be observed. In addition, the applicable antitrust laws shall be applied, which specifically prohibit collusion and other activities that influence prices or conditions when dealing with competitors. Furthermore, these regulations prohibit agreements between customers and suppliers that are intended to restrict customers' freedom to autonomously determine their prices and other conditions when reselling.

2. Confidentiality / Data Protection

The suppliers undertake to comply with the legal requirements regarding the protection of personal data. They shall observe the laws on data protection and information security as well as the official regulations when collecting, storing, processing, transmitting and passing on protected data/information.

3. Intellectual Property

Intellectual property rights shall be respected; technology and know-how transfers shall be made in a manner that protects intellectual property rights and customer information.

4. Integrity / Bribery and Avoidance of Conflicts of Interest

The highest standards of integrity shall be applied in all business activities. Suppliers are committed to a zero tolerance policy for all forms of bribery, corruption, extortion and embezzlement. Procedures for monitoring and enforcing standards shall be in place to ensure compliance with anti-corruption laws.

IV. Financial Integrity

1. Records

Our suppliers shall maintain accurate accounting records and a system of internal accounting controls to ensure that all transactions are transparent and properly authorised and controlled.

All business records prepared, published or submitted by suppliers to authorities, shareholders and creditors shall be complete in accordance with applicable accounting standards. All financial records shall be properly prepared by the supplier in accordance with their duties and responsibilities, in a timely manner and in accordance with applicable legal requirements.

2. Money Laundry

Money laundering is the process of converting illegally acquired funds in order to make them legitimate, thereby infiltrating them into the regular and formal economic cycle. Money laundering is not limited to cash transactions, it also includes monetary instruments and other proceeds from illegal activities.

We and our suppliers are required to carefully check the source of funds from customers and business partners to ensure that no payments are part of this global illegal system, which is often linked to other serious crimes. Suppliers are committed to ensuring that we are not directly or indirectly involved in money laundering activities. Regular risk assessments are carried out across the business to identify areas of risk. Our suppliers are required to comply with the risk assessment procedures associated with money laundering risk and to ensure that any potential money laundering case is appropriately reported to the Group.

3. Taxes

Our suppliers are required to comply fully with all national and international tax laws and treaties and to make full disclosure to the relevant tax authorities.

Each of our suppliers agrees, in accordance with applicable laws, not to participate in or facilitate national or international tax evasion activities and recognises violations thereof as a criminal offence. Any suspected tax evasion or any request or solicitation by a third party to facilitate tax evasion shall be promptly addressed by Suppliers.

C. Implementation of the Requirements

I. Organisation of the Cooperation

We expect our suppliers to identify risks within their supply chains and to take the necessary measures. In the event of suspected violations of the standards and regulations set out in this CoC and in order to safeguard supply chains with increased risks, the supplier will regularly

inform **SL RACK** upon request about identified violations and risks as well as the measures taken.

In order to ensure compliance with the standards and regulations listed in this CoC, we reserve the right to check the supplier's production sites with the help of a self-assessment questionnaire and risk-based audits. The supplier already agrees that **SL RACK** will carry out such audits at regular intervals or for specific reasons, taking into account the requirements for data protection and the protection of business secrets at the supplier's production sites after giving reasonable advance notice.

If a breach of the provisions of this CoC is identified, we shall immediately notify the supplier in writing and set a reasonable period of grace for the supplier to bring its conduct into line with these provisions. If a remedy is not possible in the foreseeable future, the supplier must notify us immediately and, together with us, draw up a concept with a timetable for ending or minimising the violation. If the grace period expires fruitlessly or if the implementation of the measures contained in the concept does not bring about a remedy after expiry of the time schedule and no milder means are available, we may terminate the business relationship and cancel all contracts. A statutory right to extraordinary termination without granting a grace period, in particular in the case of serious violations, remains unaffected, as does the right to compensation for damages.

II. Complaint / Whistleblowing Procedure

SL RACK has established an internal whistleblowing procedure, which provides a method for highlighting and reporting actual or suspected violations of this CoC. This must be accessible to all employees of our suppliers while maintaining confidentiality of identity and effective protection against discrimination. They can always contact compliance@sl-rack.de to report any grievances.

Our suppliers must pass on information received from **SL RACK** on accessibility, responsibility and the implementation of a complaints procedure to their employees in an appropriate

manner. In the absence of such guidance, our suppliers are responsible for establishing an effective grievance mechanism for individuals and communities at the corporate level.

D. Acknowledgement and Agreement of the Supplier

By signing this document, the supplier undertakes to act responsibly and to comply with the principles and requirements set out. He further undertakes to communicate the contents of this CoC to his employees, consultants, subcontractors and other commissioned third parties in an understandable manner and to endeavour to contractually oblige the aforementioned persons to comply with the standards and regulations listed in this document. It will take all necessary precautions for the implementation of these requirements.

_____, _____
Place, Date

Signature of the Supplier (Name and Position)