



bilstein group Supplier Codex

Stand: 01.01.2023

Contents

1	Equality and Tolerance	4
2	Human rights and environmental protection - Due diligence in the supply chain	4
2.1	General	4
2.2	Compliance with human rights and environmental due diligence under the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz – LkSG)	4
2.2.1	Conducting risk assessments in accordance with section 5 of the German Supply Chain Due Diligence Act (LkSG)	4
2.2.2	Preventive Measures in the Business Operations of the Business Partner	4
2.2.3	Remedial Measures in case of violations of human rights and environmental due diligence obligations in the business operations of the business partner	5
2.2.4	Prevention and Remediation Measures in the Supplier's Upstream Supply Chain	5
2.2.5	Establishment of a Complaints Procedure	6
2.3	Human Rights Due Diligence Obligations	6
2.3.1	Prohibitions of Child Employment	6
2.3.2	Prohibitions of modern forms of slavery	6
2.3.3	Prohibition of disregarding the minimum standards for workplace safety	6
2.3.4	Prohibition of disregarding the freedom of association	6
2.3.5	Prohibition of discrimination in employment	7
2.3.6	Prohibition of withholding fair wages	7
2.3.7	Prohibition of causing certain environmental impacts	7
2.3.8	Protection against the use of security forces	7
2.4	Environmental Due Diligence Obligations	7
2.4.1	Protection against emissions of hazardous substances	7
2.4.2	Cross-border waste shipment	7
3	Free and fair competition	8
4	Responsible conduct and avoidance of conflicts of interest	8
5	Anti-money laundering	8
6	Prohibition of corruption	9
7	Quality	9
8	Product Safety	9
9	Intellectual Property and Know-How	9
10	Data Protection	9
11	Organization, Documentation, Consequences of Violations	9
12	bilstein group Whistleblower system	10

The bilstein group (consisting of Ferdinand Bilstein GmbH + Co. KG and its affiliated companies worldwide, hereinafter also referred to as “we”) is a reliable partner for replacement parts for the mobility of the future. We foster a corporate culture characterized by mutual trust, to which all employees contribute through free exchange of opinions.

We are aware of our responsibility for sustainable development and create trust in our company through honesty, respect and tolerance. We achieve the best results through targeted, open and fair collaboration with business partners and customers. In its Code of Conduct, the bilstein group has committed to complying with applicable law as well as basic rules and principles, thus providing its employees with a binding framework for their professional conduct.

The bilstein group also expects all business partners and, in particular, its suppliers to behave responsibly and in compliance with the law. Partnership behavior is the foundation of long-term cooperation for us. In this Supplier Code of Conduct, the expectations of the bilstein group towards its business partners are outlined. For the bilstein group, compliance with the requirements and expectations formulated below is a prerequisite for successful cooperation.

Furthermore, this Supplier Code of Conduct defines minimum standards of due diligence in the supply chain that business partners must observe and comply with when conducting business with all companies of the bilstein group.



Karsten Schüßler-Bilstein

Managing Director



Jan Siekermann

Managing Director

01 Equality and Tolerance

Equality, equal opportunities, respect and tolerance are self-evident for us in our interactions with each other and with business partners and customers. We also expect this from our business partners.

Our business partners do not tolerate discrimination or harassing behavior, whether based on gender, religious belief, sexual orientation, age, skin color or origin. They ensure that all employees have equal opportunities for professional advancement based on their individual abilities and qualifications. Business partners take appropriate measures to address discriminatory behavior.

02 Human rights and environmental protection - Due diligence in the supply chain

2.1 General

The bilstein group places the highest importance on respecting and protecting human rights. We expect our business partners to uphold the principles outlined in the United Nations' Universal Declaration of Human Rights and the European Convention on Human Rights.

Another central concern of the bilstein group is environmental and climate protection. The bilstein group reduces emissions along the value chain and communicates its environmental and energy policy to customers, suppliers, and interested parties. Ecological criteria are part of our supplier assessment.

In terms of sustainability, business partners ensure compliance with legal requirements and take responsibility for avoiding packaging waste and using recyclable materials such as corrugated cardboard, inflatable cushioning, and paper.

Business partners do not use substances that are harmful to health or the environment and ensure compliance with legal requirements for registration, authorisation and declaration as resulting inter alia from the REACH Regulation (EC) 1907/2006.

2.2 Compliance with human rights and environmental due diligence under the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz – LkSG)

Business partners must not violate the obligations outlined in sections 2.3 and 2.4 (hereinafter referred to as „human rights and environmental due diligence obligations“). Business partners shall ensure that their direct and indirect suppliers also do not violate human rights or environmental due diligence obligations.

2.2.1 Conducting risk assessments in accordance with section 5 of the German Supply Chain Due Diligence Act (LkSG)

Business partners conduct their own appropriate risk assessment in accordance with section 5 of the German Supply Chain Due Diligence Act (LkSG) in order to identify human rights and environmental risks in their own business operations and those of their direct suppliers.

The bilstein group also conducts a risk assessment in accordance with section 5 of the LkSG. Business partners shall provide the bilstein group with any information it needs to conduct a risk assessment of the business partner upon request. The bilstein group will conduct the risk assessment annually and, if necessary, on an ad hoc basis, and the business partners shall provide additional information as necessary. As part of the risk assessment, business partners shall allow bilstein group employees or third parties contracted by the bilstein group to visit and inspect their facilities in individual cases.

2.2.2 Preventive Measures in the Business Operations of the Business Partner

If during the risk assessment carried out under section 2.2.1, the business partner detects a risk within its own company, the business partner shall without undue delay and unsolicited take appropriate preventive measures. The same applies if the bilstein group detects a risk within its own risk assessment in relation to the business partner's company. In this case, the business partner is also obliged to take appropriate preventive measures upon request from the bilstein group.

2.2.3 Remedial Measures in case of violations of human rights and environmental due diligence obligations in the business operations of the business partner

In the event that the business partner becomes aware that a violation of human rights or environmental due diligence obligations has occurred or is imminent in its own business operation, the business partner shall without undue delay inform the bilstein group in accordance with section 12 and take appropriate remedial measures to prevent, cease or minimize the extend of such violation.

The business partner shall without undue delay provide evidence of any measures taken in this respect.

In cases where the violation of human rights or environmental due diligence obligations cannot be resolved in a timely manner, the business partner must develop and implement a concept to cease or minimize the violation and provide such concept to the bilstein group. The concept must contain a specific time schedule.

The effectiveness of the remedial measures taken in accordance with this section 2.2.3 shall be reviewed once a year as well as on an as-needed basis and updated without undue delay if necessary. The business partner shall inform the bilstein group of any update without undue delay. If the business partner fails to comply with its obligations under this section 2.2.3, the bilstein group shall be entitled to suspend the business relationship until the business partner complies with its obligations. Any other rights shall remain unaffected. If the violation is deemed to be very severe and the concept to cease it has not been success-

ful, the bilstein group also shall be entitled, in addition to the rights arising from the preceding subsection, to terminate the business relationship with the business partner permanently.

However, this shall only apply if the bilstein group has no other, milder means at its disposal to cease the violation. Any further claims to which the bilstein group is entitled if the business partner is in breach of its obligations shall remain unaffected.

2.2.4 Prevention and Remediation Measures in the Supplier's Upstream Supply Chain

The business partner shall provide the bilstein group or any third party appointed by the bilstein group with all information required by the bilstein group to conduct a risk assessment in relation to the direct or indirect suppliers of the business partner in accordance with section 5 LkSG, also repeatedly to the extend that a repetition is required under section 5 para. 4 LkSG.

The business partner shall also ensure that the direct or indirect supplier allows for inspections by employees or appointed persons of the bilstein group. If the business partner has factual indications that suggest a violation of human rights or environmental due diligence obligations by its direct or indirect suppliers, the business partner shall, without being prompted and at the latest upon request from the bilstein group, without undue delay implement appropriate preventive measures against the responsible person, such as carrying out inspections by the business partner's employees or - upon request from the bilstein group - by employees or appointed persons of the bilstein group.



The business partner shall without undue delay provide evidence to the bilstein group of the preventive measures taken. If the business partner finds that a violation of human rights or environmental due diligence obligations by a direct or indirect supplier has actually been committed or is imminent, the business partner shall, in accordance with section 12, report this, without undue delay develop and implement a concept for ending and minimizing the violation with the supplier and ensure that the supplier without undue delay implements the appropriate remedial measures provided for in this concept. The concept developed with the supplier shall be submitted to the bilstein group without undue delay. Section 2.2.3 (above) applies accordingly. The business partner shall without undue delay provide evidence to the bilstein group of the remedial measures actually taken.

2.2.5 Establishment of a Complaints Procedure

The business partner shall establish an appropriate complaint procedure within its company. The complaint procedure must enable individuals to report human rights and environmental risks as well as violations of human rights-related or environmental due diligence obligations that have arisen as a result of economic activities within the business partner's own business area or that of an immediate supplier. The complaint procedure must meet at least the following criteria:

- The receipt of the report must be confirmed to the reporting person.
- The persons responsible for carrying out the procedure must discuss the matter with the reporting person.
- The business partner shall provide clear and understandable information on the accessibility, responsibility and implementation of the complaint procedure publicly in an appropriate manner.
- The complaint procedure must be accessible to potential stakeholders, maintain the confidentiality of identity, and ensure effective protection against discrimination or punishment as a result of a complaint.

The business partner must also ensure that its immediate and indirect suppliers establish their own complaint mechanisms that meet the requirements above.

2.3 Human Rights Due Diligence Obligations

2.3.1 Prohibitions of Child Employment

It is not allowed to employ children who are of compulsory school-age according to the laws of the place of employment and have not yet reached the age of 15. The aforementioned principle may only be deviated from if there is an exception recognized by the ILO (see ILO Convention No. 138). However, such an exception is only considered if it is also provided for by the laws of the place of employment.

For children under 18 years old, the worst forms of child labor as defined in Article 3 of ILO Convention No. 182 are always prohibited. This includes forms of child labor that are associated with a particular danger to the life, health or morality of children.

2.3.2 Prohibitions of modern forms of slavery

All forms of forced labor, slavery, slavery-like practices, serfdom or other forms of control or oppression in the context of the workplace, such as extreme economic or sexual exploitation and degradation, are prohibited.

It is prohibited to retain identity documents, restrict the freedom of movement of employees or use intimidation and threats against employees.

2.3.3 Prohibition of disregarding the minimum standards for workplace safety

The obligations of workplace safety in accordance with the law of the place of employment must be upheld as a minimum. Adequate measures must be taken to counteract the risk of accidents or work-related health hazards.

2.3.4 Prohibition of disregarding the freedom of association

The right of employees to freedom of association must be preserved. Attention must be paid to the right of employees to form, join, and be members of a union without any unjust discrimination or retaliation, as well as the right to strike and engage in collective bargaining in accordance with the law of the place of employment.

In cases where free unions are generally banned in a state, the establishment of parallel structures that do not

fall under the ban of union formation under the applicable national law at the place of employment shall be pursued as a business measure. For example, this can be done by establishing works councils or alternative means of participation for employees.

2.3.5 Prohibition of discrimination in employment

Discrimination of employees in the workplace is prohibited. The prohibition includes any unequal treatment based on national and ethnic origin, social background, health status, disability, sexual orientation, age, gender, political opinion, religion or belief, unless it is justified by the requirements of the job.

2.3.6 Prohibition of withholding fair wages

Employees shall be paid an appropriate wage. The appropriate wage shall be at least the minimum wage set by the applicable law and otherwise determined by the law of the place of employment. Local living costs for the employees and their families, as well as local social security benefits, should be taken into account.

2.3.7 Prohibition of causing certain environmental impacts

It is prohibited to cause harmful land alteration, water pollution, air pollution, harmful noise emissions, or excessive water consumption that significantly affects the natural resources necessary for maintaining and producing food, denies access to clean drinking water, makes access to sanitation facilities difficult or destroys it, or harms the health of a person.

Prohibited is the illegal eviction and illegal deprivation of land, forests and waters in the acquisition, development, and other use of land, forests and waters that secure the livelihood of a person.

2.3.8 Protection against the use of security forces

It is prohibited to hire or use private or public security forces to protect a business project if, due to lack of training or control by the company, the prohibition of torture and cruel, inhuman or degrading treatment is disregarded, life or health is harmed, or freedom of association or coalition is violated.

2.4 Environmental Due Diligence Obligations

2.4.1 Protection against emissions of hazardous substances

To protect the environment and human health, it is prohibited:

- To produce products containing mercury in accordance with Article 4, paragraph 1 and Annex A, Part I of the Minamata Convention on Mercury of October 10, 2013,
- To use mercury and mercury compounds in manufacturing processes in accordance with Article 5, paragraph 2 and Annex B, Part I of the Minamata Convention from the withdrawal date set for the respective products and processes in the Convention,
- To handle mercury waste in contravention of Article 11, paragraph 3 of the Minamata Convention.

Chemicals and other persistent organic pollutants must always be handled, labeled, stored, collected, and disposed of in accordance with applicable laws, in particular the Stockholm Convention on Persistent Organic Pollutants of May 23, 2001 (POPs Convention) and the regulations based on it. The production and use bans on chemicals set out in Annex A of the POPs Convention must always be followed.

When handling, collecting, storing, and disposing of chemicals as waste, the applicable laws must also always be observed.

2.4.2 Cross-border waste shipment

Prohibited is the cross-border export of hazardous and other waste as defined by the Basel Convention of March 22, 1989 and Regulation (EC) No. 1013/2006, if:

- The importing country is not a party to the Basel Convention,
- The importing country has not given its written consent for the specific import or has banned it, or
- It can be assumed that the waste will not be handled in an environmentally sound manner in the importing country or elsewhere.

Also prohibited are:

- from states listed in Annex VII of the Basel Convention to states not listed in the Annex, and
- The import of hazardous waste and other waste (as defined above) from a state that is not a party to the Basel Convention.

03 Free and fair competition

Our business partners are committed to the principles of free and fair competition and compliance with all anti-trust and competition laws. Our business partners will not enter into any agreements or arrangements that prevent, restrict or distort competition, such as agreements or exchanges of information with competitors on prices and conditions, the division of markets or customers or in the form of anti-competitive tying of suppliers and

subcontractors. Our business partners will take appropriate preventive measures. .

04 Responsible conduct and avoidance of conflicts of interest

Our business partners make their decisions solely on a factual and transparent basis. They ensure that personal or financial interests do not influence the decision-making of their employees. They work to prevent the appearance of such interests.

05 Anti-money laundering

Money laundering is when money or assets obtained illegally are introduced into the legal economy and the



origin is concealed. Business partners ensure through appropriate measures and processes in compliance with applicable legal and regulatory requirements that money laundering is prevented. Corresponding risks are continuously analyzed and evaluated.

06 Prohibition of corruption

The bilstein group does not tolerate corruption. We firmly reject the provision of undue advantages through bribery. We also demand this from our business partners. They do not make any gifts or promises to third parties that may appear to be able to influence. Any such activities by business partners towards us may, depending on the individual case, result in the immediate termination of the business relationship.

07 Quality

The quality of our work and products is a foundation of the bilstein group's success. We expect that our business partners also see the achievement of the highest quality as their goal and standard for their own actions. They take measures to ensure this quality and strive for its ongoing improvement.

08 Product Safety

As a world-leading specialist in the aftermarket parts market, the quality of our products is essential to our success. We expect that it is also self-evident for our business partners that products meet all legal requirements and do not pose any risks to health or other things. To ensure this, they establish the highest quality and safety standards and continuously check their compliance.

If our business partners become aware that certain products may pose risks or safety hazards, they take all necessary measures immediately and inform the bilstein group without undue delay of any relevant issues.

Statutory labelling requirements, such as CE labellings, are always implemented correctly and responsibly by our

business partners.

09 Intellectual Property and Know-How

Intellectual property and technical know-how are essential to the bilstein group. Our business partners respect the protected rights of competitors, own business partners, and third parties. They ensure that trade and business secrets are not disclosed or passed on without authorization and not used for their own purposes.

10 Data Protection

Personal data is particularly protected by statutory provisions, such as the European General Data Protection Regulation. Our business partners ensure the protection of personal data through appropriate measures. They respect the privacy of third parties and treat their personal data confidentially.

11 Organization, Documentation, Consequences of Violations

For the bilstein group, compliance with the requirements for business partners outlined in this Code is an essential requirement for maintaining business relationships. Our business partners ensure the verifiability of compliance with these requirements through traceable documentation. If violations of these requirements are found, the bilstein group will take the necessary - possibly legal - steps.

To prevent violations, business partners establish the structures and processes necessary for compliance within their own organization. For example, they can establish their own code of conduct in which relevant principles and expectations are laid down. Business partners also set themselves the task of ensuring compliance with the principles and requirements set out here along the supply chain. The more specific obligations from section 2 (above) remain unaffected.

12 bilstein group Whistleblower system

The bilstein group has set up an internal whistleblower system that is also accessible to the bilstein group's business partners.

If business partners have indications that there may have been a violation of legal obligations within the bilstein group, they can report this via the bilstein group whistleblower system available at bilsteingroup.iwhistle.de.

If business partners have reason to believe that they themselves (or their suppliers) have violated this Supplier Code of Conduct, they are obliged to report this to the bilstein group without undue delay. The report is made while taking into account the legitimate interests of the business partner (or, if applicable, its supplier), data protection law, the rights of the business partner's employees and the protection of trade secrets.

Any other reporting obligations of the business partner contained in this Supplier Code of Conduct are not affected by the obligations under this section 12.

Information and consent of the supplier

By signing this Code of Conduct, the supplier agrees to act responsibly and to apply the principles and requirements of the Code of Conduct.

Supplier: _____

Address: _____

Place, date: _____

Signature: _____

Notes

[illegible]

Ferdinand Bilstein GmbH + Co. KG
Wilhelmstraße 47
58256 Ennepetal
Germany

bilsteingroup.com