

Supplier Code of Conduct of GMC Instruments Group

The Supplier Code of Conduct sets out the minimum requirements of GMC Instruments Group and its companies (hereinafter referred to as „GMC-I“) to our suppliers.

It is based on the United Nations (UN) Declaration of Human Rights, the UN Global Compact, the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the OECD Due Diligence Guidance to Promote Responsible Supply Chains for Minerals from Conflict and High-Risk Areas.

The Supplier Code of Conduct applies to all suppliers of goods and services to GMC-I worldwide, as well as their agents or subcontractors (hereinafter referred to as „suppliers“). GMC-I expects its suppliers to comply with the principles in this Supplier Code of Conduct and we expect our suppliers to implement these standards downstream in their supply chain.

Ethics and Compliance

Compliance with the applicable law and official regulations

Our suppliers are obliged to comply with all applicable laws, rules and official regulations. They must not permit, tolerate or carry out any form of illegal or unethical actions.

Free competition

GMC-I is fully committed to the principles of market economy and fair competition. This includes the applicable antitrust and trade laws. We also expect this from our suppliers.

In particular, unlawful agreements as well as any formal agreements but also concerted practices, such as informal discussions and agreements, that have the purpose or effect of preventing or restricting competition, for example agreements on prices, offers, production or sales quotas, as well as agreements on the division of customers, territories or markets, are prohibited. Even the mere appearance of a violation must be avoided.

Corruption

Our suppliers prohibit bribery or corruption in any form, including bribes, kickbacks and other improper influence. They must not offer, promise or give any benefit to obtain preferential treatment. Such improper gratuities may consist of money, services or other benefits.

Conflicts of interest

GMC-I expects its suppliers to avoid all conflicts of interest that have or could have a negative impact on business decisions relating to GMC-I.

Suppliers who are affected by a potential or actual conflict of interest in their activities relating to GMC-I are obliged to disclose it immediately to GMC-I and to resolve it.

Foreign trade regulations

Our suppliers are obliged to comply with the applicable laws or embargoes that restrict or prohibit the import, export or domestic trade of goods, technologies or services, the handling of regulated products and payment transactions. They must observe the relevant control conditions and check, whether an official permit is required, which must be obtained in due form and time.

Money laundering and terrorism financing

GMC-I expects its suppliers to ensure that GMC-I cannot be misused for money laundering or other illegal purposes. Money laundering means financial or economic transactions by which illegally funds are channelled into the legal financial system. Our suppliers shall, in particular, inform themselves sufficiently about the contractual partner, its business environment and the purpose of the intended business transaction.

Corporate property, confidentiality, data protection and information security

GMC-I expects its suppliers to handle GMC-I corporate property with care and responsibility. The company assets may only be used for permissible business purposes and under no circumstances for illegal or unethical purposes.

Our suppliers are obliged to ensure that any confidential business information, trade and business secrets or intellectual property related to GMC-I's business activities are kept strictly confidential and protected from unauthorised disclosure and access by third parties. Our suppliers must implement and maintain appropriate technical and organisational measures for information security.

Furthermore, our suppliers are obliged to comply with all applicable laws and official regulations on data protection and information security.

Human Rights and Working Conditions

Child labour

GMC-I rejects child labour. All forms of child labour (in accordance with the principles of the United Nations Global Compact and the standards of the International Labour Organisation (ILO) are prohibited at our suppliers.

Forced labour and modern slavery

GMC-I expects its suppliers to reject any form of forced labour. This includes any work or service that is required of a person against their will or under threat of punishment. Our suppliers are obliged to comply with the requirements of the UN Global Compact and the standards of the ILO.

Furthermore, GMC-I expects its suppliers not to tolerate or profit from modern forms of slavery and human trafficking. Human trafficking includes any recruitment, harbouring or transportation of people for the purpose of exploitation through the use or threat of force or deception and the forcing of these people to work involuntarily. The term modern slavery describes practices in which a person is under the control of another person for the purpose of economic exploitation by violence or power. This includes, for example, forced labour, debt bondage, forced prostitution and forced marriage.

Our suppliers are obliged to provide their employees with a comprehensible and legally binding employment contract.

Responsible mineral sourcing

Our suppliers are required to take appropriate measures to ensure that no products are supplied to GMC-I that contain minerals whose raw materials or derivatives originate from a conflict or high-risk region where they directly or indirectly contribute to the financing or support of armed groups or human rights violations.

Conflict minerals include tin, tantalum and tungsten, their ores as well as gold, cobalt and mica.

GMC-I recommends that its suppliers comply with the OECD Due Diligence Guide to Promote Responsible Supply Chains for Minerals from Conflict and High-Risk Areas.

Our suppliers are required to continuously work on transparency in the upstream supply chain. Upon request, information on smelters and refineries used must be provided to GMC-I.

Discrimination and harassment

GMC-I is committed to fair, respectful and equal treatment from recruitment, remuneration and promotion to termination, and to opportunities of all employees. We also expect this from our suppliers.

GMC-I recommends its suppliers to create an inclusive and supportive working environment and to pay attention to diversity when selecting their employees or business partners.

Freedom of association and collective bargaining

GMC-I expects its suppliers to maintain open and constructive communication with their employees and employee representatives. In accordance with local laws, suppliers shall respect the right of employees to join trade unions, appoint employee representation, form a works council and engage in collective bargaining. Our suppliers undertake not to discriminate against employees who exercise this right.

Working hours and remuneration

GMC-I expects its suppliers to comply with the applicable regulations on working hours. Furthermore, it is expected that the suppliers' employees receive fair remuneration on time, that is in line with applicable laws and ensuring a reasonable standard of living.

Disciplinary measures

GMC-I expects its suppliers to inform their employees regarding possible disciplinary measures in case of compliance violations. Wage reductions as disciplinary measures are to be avoided; this does not affect a possible claim for damages on a contractual or legal basis.

Occupational health and safety

GMC-I expects its suppliers to adequately protect their employees from chemical, biological or physical hazards. Physically demanding activities and conditions in the workplace, as well as risks arising from the use of the infrastructure available in the workplace, must be managed in such a way that employees are protected from hazards. This applies in particular to work with hazardous materials as well as fire protection.

Our suppliers must provide adequate controls, appropriate training, safe work procedures, adequate maintenance and the necessary technical protective measures as well as suitable protective equipment and safety information on identified risks or hazardous substances to reduce health and safety risks in the workplace and to prevent accidents and occupational illnesses.

GMC-I expects its suppliers to replace all substances used that pose a risk to health and the environment with less hazardous products wherever possible. Activities requiring the use of substances with a particularly high risk potential (SVHC) shall be considered on a case-by-case basis and monitored separately.

The minimum requirements for a safe and healthy working environment, as defined by the ILO Conventions, include the provision of drinking water, adequate lighting, appropriate room temperature, good ventilation, sanitary facilities and, where appropriate, safe and healthy company accommodation.

GMC-I expects its suppliers to ensure that security forces operating for the supplier act proportionately and in accordance with generally accepted human rights standards.

Indigenous people

GMC-I expects its suppliers to respect the rights of indigenous and other local communities, in particular the prohibition of unlawful eviction and unlawful taking of land, forests and waters.

Sustainability

Climate protection and protection of natural resources

GMC-I expects its suppliers to use natural resources (e.g. water, raw materials) efficiently, use environmentally friendly technologies and products and utilise renewable resources and energy. In order to conserve natural resources, our suppliers shall support the application of generally accepted sustainability standards and certifications.

GMC-I expects its suppliers to define environmental targets and to monitor and improve environmental indicators of products and services, especially with regard to the reduction of greenhouse gas emissions along the supply chain. Upon request, suppliers must provide GMC-I with information regarding environmental indicators such as material, energy and water consumption, and CO₂ emissions (classification in Scope 1, 2 and 3 according to the Greenhouse Gas Protocol), to the best of their ability.

Negative impacts on the environment caused by the suppliers themselves or within the supply chain are to be prevented, minimised or compensated. In particular, this includes water and air pollution, noise emissions or excessive water consumption.

GMC-I recommends that its suppliers design their practices in line with the principles of the circular economy, including material reduction and substitution, as well as return, reuse and recycling.

Waste, emissions and materials

GMC-I expects its suppliers to ensure safety and compliance in the handling, disposal and recycling of waste, exhaust and effluents. Activities that may have a negative impact on human health or the environment must be adequately managed and controlled. The release of hazardous substances must be prevented and minimised. The use of substances and materials that are hazardous to the environment and health shall be avoided.

In accordance with the legal requirements in the respective markets, suppliers are obliged to register, label, declare and have approved the substances and materials, and to comply with existing substance restrictions and bans.

The regulations of the Minamata Convention on the production, use and treatment of mercury and the Stockholm Convention on Persistent Organic Pollutants (POPs) must be bindingly observed by our suppliers.

Implementation

Risk management

GMC-I expects its suppliers to regularly identify, analyse and manage risks covered by this Supplier Code of Conduct and with reference to all applicable legal requirements. This includes, in particular, the identification and analysis of risks related to human rights, the sustainability and the integrity. Based on the risk analysis, measures to avoid or manage the risks are to be derived.

Documentation

GMC-I expects its suppliers to provide the necessary documentation to demonstrate compliance with the principles of the Supplier Code of Conduct and with all applicable regulations and guidelines.

Audits and information

GMC-I may request relevant documents to account for the suppliers' compliance. The suppliers will provide GMC-I with the necessary self-declarations, statements or certificates upon request.

GMC-I retains the right to carry out reviews or on-site audits either themselves or by an appointed third party with reasonable notice to check compliance with the principles and requirements set out in this Supplier Code of Conduct.

Suppliers undertake to notify GMC-I in a timely manner of any suspected violations of the principles and requirements set out in this Supplier Code of Conduct that might impact their relationship with GMC-I. The suppliers will clarify possible incidents to the best of their ability, take appropriate remedial actions and provide GMC-I with the requested information.

Any breach of the principles and requirements set out in the Supplier Code of Conduct constitutes a material impairment of the contractual relationship.

Continuous improvement

GMC-I expects its suppliers to continuously improve, e.g. by setting performance targets and fulfilling implementation plans.

Grievance mechanisms and remedial action

GMC-I expects its suppliers to promote and establish communication channels for their employees and stakeholders to file complaints or report possible unlawful conduct without fear of repression or harassment. Our suppliers must investigate and take remedial action based on the communications.

Our suppliers are obliged to inform GMC-I of any investigation or prosecution that could affect their activities for GMC-I or damage GMC-I's reputation.

If at any time a supplier or one of its employees believes that an GMC-I employee has violated these principles, the supplier or its employee should report its concerns, anonymously if desired, to GMC-I. The description of the reporting channels and contact details can be found on the website of the respective company.

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