



CODE OF CONDUCT

Supplier Code of Conduct

SOLVARO is committed to ecologically and socially responsible corporate management. We expect the same behavior from all of our suppliers. We also expect our employees to observe the principles of ecological, social and ethical behavior and to integrate them into the corporate culture (more in our Code of Conduct for Employees). We also strive to continuously optimize our entrepreneurial activities and our products and services in terms of sustainability and ask our suppliers to contribute to this with a holistic approach. For future cooperation, the contractual partners agree on the application of the following regulations for a joint code of conduct. This agreement is the basis for all future deliveries. The contractual partners undertake to comply with the principles and requirements of the Code of Conduct and to endeavor to contractually oblige their subcontractors to comply with the standards and regulations listed in this document. The contractual partners also undertake to take part in audits.

The Code of Conduct is based on national laws and regulations as well as international agreements such as the United Nations General Declaration of Human Rights, the Guidelines on Children's Rights and Entrepreneurship, the United Nations Guidelines on Business and Human Rights, and the international labor standards of the International Labor Organization.

1. Requirements for suppliers

1.1 Social responsibility

Exclusion from forced labor

No forced labor, slave labor or similar work may be used. All work must be voluntary and employees must be able to terminate their work or employment at any time. In addition, there must be no unacceptable treatment of workers, such as psychological hardship, sexual and personal harassment.

Prohibition of child labor

Child labor may not be used in any phase of production. Suppliers are requested to adhere to the recommendation from the ILO conventions on the minimum age for the employment of children. Accordingly, the age should not be less than the age at which compulsory schooling ends and in any case not under 15 years. If children are found at work, the supplier must document the measures that must be taken to remedy the situation and enable the children to attend school. The rights of young workers must be protected and special protective regulations must be observed.

Fair wages

The remuneration for regular working hours and overtime must correspond to the national statutory minimum wage or the minimum standards customary in the industry, whichever is higher. The remuneration for overtime must in any case exceed the remuneration for regular hours. If the remuneration is insufficient to cover the costs of normal living expenses and to set up a minimum amount of reserves, the supplier is obliged to increase the remuneration accordingly. The employees are to be granted all services required by law. Deductions from wages as punitive measures are not permitted. The supplier must ensure that the employees receive clear, detailed and regular written information on the composition of their remuneration.

Fair working hours

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

Freedom of association

The right of workers to form and join organizations of their choice and to bargain collectively must be respected. In cases in which the freedom of association and the right to collective bargaining are restricted by law, alternative possibilities for an independent and free association of employees for the purpose of collective bargaining are to be granted. Employee representatives are to be protected from discrimination. They should be given free access to their colleagues' workplaces to ensure that they can exercise their rights in a lawful and peaceful manner.

Use of private or public security forces

The use of private or public security forces to protect corporate projects is prohibited. These may only be deployed if it can be guaranteed that they will comply with the ban on torture and cruel, inhuman or degrading treatment, will not injure life or limb and will not impair freedom of association through their deployment.

Prohibition of Discrimination

Discrimination against employees in any form is prohibited. This applies e.g. B. for discrimination based on gender, race, caste, skin color, disability, political conviction, origin, religion, age, pregnancy or sexual orientation. The personal dignity, privacy and personal rights of each individual are respected.

Diversity and ethical recruitment

The promotion of diversity among employees must be taken into account. Equal opportunities for all employees are guaranteed in all aspects of selection, training and development. In addition, the goal of inclusion should be pursued in everyday work. Recruitment should be conducted without discrimination and bias. The focus is on integrity, transparency, trust and performance. The supplier ensures open and transparent communication with the applicants and keeps candidates informed about the status of their application.

Health protection; Safety at work

The supplier is responsible for a safe and healthy work environment. The necessary precautionary measures against accidents and damage to health that may arise in connection with the activity are taken through the establishment and application of appropriate occupational safety systems. In addition, the employees are regularly informed about applicable health and safety standards and measures are informed and trained. Employees are given access to sufficient drinking water and access to clean sanitary facilities.

Grievance mechanisms

The supplier is responsible for establishing an effective grievance mechanism at the operational level for individuals and communities who may be adversely affected.

Dealing with conflict minerals

For the conflict minerals tin, tungsten, tantalum and gold as well as for other raw materials such as cobalt, the company establishes processes in accordance with the principles of the Organization for Economic Cooperation and Development (OECD) for the fulfillment of the duty of care to promote more responsible Supply chains for minerals from conflict and high risk areas and expects the same from its supplier. Smelters and refineries without adequate, audited due diligence processes should be avoided.

Land, forest and water rights and forced evictions

The supplier undertakes to protect land, forest and water, the use of which ensures the livelihood of local people and recognizes the right of the local population to use land, forest and water as a basis for life. The supplier rejects any kind of expropriation and eviction.

1.2 Environmental responsibility

If no environmental management system according to EMAS or ISO 14001 has been introduced, the company tries to cover similar standards. The core topics of the EMAS regulation (No. 1221/2009) and ISO 14001: 2015 are as follows

Environmental aspects: emissions into the atmosphere, discharges into water, pollution of soils, consumption of raw materials and natural resources, energy consumption / efficiency, release of energy (in the form of heat, radiation, light, noise), generation of waste, land consumption / biological diversity

Treatment and discharge of industrial wastewater

Wastewater from operational procedures, production processes and sanitary facilities must be typified, monitored, checked and, if necessary, treated before discharge or disposal. In addition, measures should be introduced to reduce the production of wastewater.

Dealing with air emissions

General emissions from operational processes (air and noise emissions) as well as greenhouse gas emissions must be typified before they are released, routinely monitored, checked and, if necessary, treated. The supplier is also responsible for monitoring its exhaust gas cleaning systems and is required to find economical solutions to minimize any emissions.

Decarbonization

The supplier is obliged to design its business processes in line with the goals of decarbonization. In addition includes the analysis and evaluation of your own carbon footprint and the implementation of measures to reduce greenhouse gas emissions throughout the supply chain. The supplier should rely on renewable energies and energy-efficient technologies and pay attention to their sustainability when selecting materials and raw materials.

Handling of waste and hazardous substances

The supplier follows a systematic approach to identify, handle, reduce and responsibly dispose of or recycle solid waste. Chemicals or other materials that represent a hazard if released into the environment must be identified and handled in such a way that safety is ensured when handling these materials, transporting, storing, using, recycling or reusing them and when disposing of them.

Reduce the 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, must be reduced or avoided. This is done either directly at the point of origin or through processes and measures, e.g. by changing the production and maintenance processes or processes in the company, through the use of alternative materials, through savings, through recycling or with the help of the reuse of materials.

Dealing with energy consumption / efficiency

The energy consumption must be monitored and documented. Economical solutions must be found to improve energy efficiency and minimize energy consumption.

1.3 Ethical business conduct**Fair competition**

The norms of fair business activity, fair advertising and fair competition must be observed. In addition, the applicable antitrust laws must be applied, which prohibit in particular agreements and other activities that affect prices or conditions when dealing with competitors. Furthermore, these regulations forbid agreements between customers and suppliers with which customers are to be restricted in their freedom to determine their prices and other conditions for resale autonomously.

Confidentiality / data protection

The supplier undertakes to meet the reasonable expectations of his client, suppliers, customers, consumers and employees with regard to the protection of private information. The supplier must observe the laws on data protection and information security and the official regulations when collecting, storing, processing, transmitting and passing on personal information.

Intellectual property

Intellectual property rights must be respected; Technology and know-how transfer must take place in such a way that intellectual property rights and customer information are protected. The supplier is obliged not to use or offer any counterfeits, imitations or counterfeit products in the manufacture and delivery of goods and services.

Integrity / Bribery, Taking Advantage

The highest standards of integrity must be applied to all business activities. The supplier must pursue a zero tolerance policy when prohibiting all forms of bribery, corruption, extortion and embezzlement. Procedures for monitoring and enforcing the standards are to be used to ensure compliance with anti-corruption laws.

Conflicts of interest

Decisions by our suppliers related to the cooperation with SOLVARO are based on objective criteria. Conflicts of interest in private matters or other economic or other activities - including those of relatives or other related persons or organizations - are avoided from the start.

Disclosure of Information

Our suppliers have a responsibility to disclose financial and non-financial information in accordance with applicable law and industry practice, including but not limited to information about their workforce, health and safety practices, environmental practices, business activities, financial condition and performance.

Financial Responsibility

Our suppliers meet their financial responsibilities by maintaining books and records in accordance with applicable law and generally accepted accounting principles. Transactions such as financial statements, Quality reports, timesheets, expense reports, filings with customers or regulators are to be accurately recorded, maintained and, if necessary, reported on, in keeping with the duties of a diligent businessman.

Export Controls and Economic Sanctions

Governments and international organizations may impose temporary restrictions, such as embargoes or economic sanctions, on certain business transactions applicable to countries or individuals. The supplier respects international regulations and does not engage in transactions or business with goods or technologies affected by restrictions.

Animal Welfare

The supplier sees it as his task to ensure animal welfare and the preservation of biodiversity in the procurement and production of his products or services.

2. Implementation of the requirements

The supplier undertakes to ensure that its employees and the employees of its suppliers are informed about human rights and environmental requirements and receive the necessary education and training have to ensure the implementation of the requirements of this code of conduct.

With regard to supply chains, we expect our suppliers to identify risks within them and to take appropriate measures. In the event of suspected violations and to secure supply chains with increased risks, the supplier will inform the company promptly and, if necessary, regularly about the violations and risks identified and the measures taken. The company can check compliance with the standards and regulations listed in this document at the production sites of the suppliers. The supplier declares that he agrees that the client may carry out such audits to check compliance with the code at the supplier's premises during normal business hours after appropriate prior notice by persons commissioned by him. The supplier can object to individual audit measures if they would violate mandatory data protection regulations. If a violation of the regulations of this code of conduct is found, the client will inform the supplier in writing within one month and set him a reasonable grace period in order to bring his behavior in line with these regulations. If such a breach was culpable and makes it unreasonable for the client to continue the contract up to its proper termination, the client can terminate the contract after the deadline has expired without success if he threatened this when setting a grace period. A statutory right to extraordinary termination without setting a grace period remains unaffected, as does the right to compensation.

3. Acknowledgment and consent of the supplier

By signing this document, the supplier undertakes to act responsibly and to adhere to the principles / requirements listed. The supplier undertakes to communicate the content of this code to the employees, agents and subcontractors in an understandable manner and to take all necessary precautions for the implementation of the requirements.

Place / Date / Company

Name / Signature