Business Partner Code of Conduct WERMA Signaltechnik

1. Our social and societal responsibility

Respect for freedom and human rights is one of the essential foundations of WERMA's business. It creates the framework for our undertakings and is therefore one of the prerequisites for our success. WERMA is committed to sustainability. This includes the responsible – i.e. effective and efficient – and sustainable use of the available resources, both now and in the future.

WERMA is committed to ensuring sincere and honest conduct towards employees, customers, suppliers, competitors and other stakeholders.

WERMA recognizes that legal and cultural requirements vary in the global marketplace. WERMA expects all its business partners to act with the same fairness, sincerity and responsibility and with the same commitment to corporate social responsibility in all aspects of their business.

This Business Partner Code of Conduct highlights important standards that are consistent with WERMA's values and that we expect every business partner to observe and adhere to. Business partners include, but are not limited to, suppliers, consultants, vendors, brokers, dealers, contractual partners, agents and others, and are referred to hereafter as: the Business Partner.

2. Corporate philosophy

The Business Partner shall adhere to all the applicable laws, rules and regulations in the countries in which it operates and shall take appropriate measures to ensure compliance with these laws, rules and regulations.

Combating slavery and human trafficking

The Business Partner shall comply with all the applicable laws, rules and regulations that prohibit slavery and human trafficking in its own company as well as in its supply chain.

Respect for human rights

WERMA respects human rights and actively promotes the observance of these rights. We follow the United Nations Universal Declaration of Human Rights, which calls upon every individual, every organ of society and, in a wider sense, all economic players and companies to contribute to the observance of these rights. In addition, WERMA respects the Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy of the International Labor Organization (ILO) of the United Nations and the OECD Guidelines for Multinational Enterprises. The Business Partner shall treat all people with respect and fairness and uphold the fundamental human rights as laid down, for example, in the United Nations Universal Declaration of Human Rights and the Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy of the International Labor Organization (ILO) of the United Nations.

Compliance with the minimum wage

The Business Partner shall ensure, in accordance with applicable law, that employees and external subcontractors are contractually guaranteed reasonable wages, social benefits, working hours, freedom of association, and other fair working conditions.

Prohibition of child labour

WERMA is committed to the prohibition of any form of child labour. When working with or employing minors (e.g. apprentices), WERMA respects the national regulations regarding the minimum age for admission to employment and protects the rights of young workers from circumstances that endanger their health, safety or moral wellbeing. The same is also expected of the Business Partner.

Prohibition of forced labour and disciplinary measures

WERMA will not tolerate any employment achieved through coercion. The Business Partner shall also maintain a work environment in which there are no reprisals. In particular, the use of physical punishment, mental or physical coercion, and verbal abuse are prohibited.

Combating discrimination

WERMA does not tolerate discrimination. All employees must be treated equally with respect and fairness and it must be ensured that they also conduct themselves in the same way. All forms of discrimination, harassment and other dishonest conduct on the basis of race, colour, religion, religious beliefs, gender, ethnic or national origin, nationality, sexual orientation, age, physical or mental disability, veteran status, or any other legally protected characteristic are prohibited.

Social Dialogue

WERMA expects its business partners to engage in an open, respectful, and constructive social dialogue. Business partners respect dialogue and exchange and comply with all applicable legal requirements while enabling open and direct communication. Concerns and feedback from employees must be able to be raised freely and without any risk of disadvantage or retaliation.

Career Management and Qualification

WERMA expects its business partners to attach appropriate importance to the professional and personal development of their employees. Through suitable training, continuing education, and qualification measures, business partners promote the long-term employability of their employees and ensure that the competencies required to meet current and future demands are developed and maintained.

Career management practices of business partners should be based on performance, qualifications, and potential, and should support fair development opportunities and equal opportunities for advancement.

3. Competition and compliance

Compliance with antitrust laws

The Business Partner shall ensure that his business practices comply with the applicable antitrust and competition laws and regulations and other laws and regulations relating, for example, to monopolies, unfair competition, restrictions on trade and competition, and relationships with competitors and customers. The Business Partner shall not enter into any agreements with competitors or take any other action that may unfairly affect competition, including, but not limited to, price fixing or market sharing.

Combating corruption

WERMA does not tolerate corruption. The Business Partner shall also comply with the applicable anti-corruption laws and regulations, including those relating to bribery in other countries. The Business Partner shall reject any form of corruption, bribery, theft, embezzlement or blackmail, and shall not tolerate illegal payments, in particular payments or other advantages given to an individual, a company or a public official with the aim of influencing decision-making processes, regardless of whether this violates applicable laws or not. In particular, he shall under no circumstances offer, grant or accept bribes, payoffs, kickbacks or other illegal payments, incentives, special or expensive gifts, entertainment, favors or other benefits or contributions of value for the realization of business opportunities or in any connection with WERMA's business activities.

Import and export regulations

The Business Partner shall comply with all applicable import and export control laws, including, but not limited to, sanctions, embargoes and other laws, regulations, government requirements and guidelines that control the transfer or shipment of goods, technology and payments.

Prevention of money laundering

At WERMA, we expect our Business Partners to comply with all applicable money laundering laws and to refrain from participation in any money laundering activities.

4. Handling of information

Conflicts of interests

Employees are expected to act in the best interests of their company. Private interests and personal considerations must never influence business decisions. WERMA and its Business Partners shall avoid any activities or situations that could lead to a conflict between WERMA's business interests and the private interests of a WERMA employee or a Business Partner. As soon as a Business Partner becomes aware of a conflict of interest, he shall inform WERMA immediately.

Data protection and confidential information

WERMA protects the privacy of its customers and other persons and takes any measures necessary to ensure the accuracy and security of data (e.g. in relation to confidential customer, health or social security data). The Business Partner shall also comply with all applicable data protection laws. It is the Business Partner's responsibility to ensure that confidential business information or trade secrets that become known to him in connection with his business dealings with WERMA (referred to hereafter as "Confidential Information") are kept strictly confidential and are not used in an improper manner or disclosed to third parties.

Intellectual property

WERMA expects its employees to take responsibility for the company's assets and to protect them from theft, misuse and wastage. The Business Partner shall also protect and safeguard WERMA's intellectual property as Confidential Information.

5. Environment, health and safety

Health and safety at work

The Business Partner shall protect the health and safety of his employees at the workplace. Rules and procedures aimed at minimizing health risks and promoting accident prevention must be implemented and communicated to employees in order to provide a safe working environment. All relevant measures aimed at ensuring health and safety in the workplace must be complied with.

Security in the supply chain

The business partner is obliged to produce, store, load and unload goods that it produces, stores, transports, delivers to WERMA or accepts from WERMA on behalf of WERMA at secure business premises and at secure handling locations and to protect them from unauthorized access during production, storage, handling or processing, loading and transport. In particular, but not exclusively, he shall be obliged to ensure that third parties cannot enter his business premises, that third parties cannot gain

access to his offices, freight rooms, etc., and that third parties cannot gain access to the goods or manipulate the loading units.

In addition, the business partner shall use only reliable personnel checked against the current anti-terror lists for the production, storage, processing, loading, transport and acceptance of such goods. In this regard, the Business Partner shall observe, in particular but not exclusively, the " Merkblatt zur Bekämpfung des Terrorismus" issued by the Federal Office of Economics/Foreign Trade.

https://www.bafa.de/SharedDocs/Downloads/DE/Aussenwirtschaft/afk_merkblatt_embargomassnahmen_terrorismusbekaempfung.html

Conflict minerals

The Business Partner must be aware of the applicable legal requirements relating to "conflict minerals" including tin, tantalum, tungsten, their ores and gold from conflict areas and must ensure that these laws are complied with. Furthermore, the Business Partner will make every effort to avoid using any raw materials in its products that directly or indirectly finance armed groups that violate human rights.

Environmental protection

The Business Partner shall comply with all applicable environmental protection laws and regulations and remain committed, to the greatest possible extent, to preserving resources and protecting the environment.

The WEEE, RoHS and REACH regulations

The Business Partner shall comply with the specifications for regulated substances and product contents and with all applicable laws prohibiting or restricting the use, contents and handling of certain substances, including but not limited to the RoHS, WEEE, REACH regulations and similar laws. The Business Partner shall provide WERMA with all information in connection with the relevant substances and product contents, including, where applicable, material declarations.

6. Compliance with the Business Partner Code of Conduct

WERMA considers the provisions of this Business Partner Code of Conduct to be essential to the business relationship between WERMA and the Business Partner, but reserves the right to amend them from time to time. Compliance with the provisions of the Code of Conduct is therefore essential with regard to the business relationship between WERMA and the Business Partner, and the Business Partner acknowledges this.

In the event of serious breaches of this Business Partner Code of Conduct being committed by the Business Partner, WERMA reserves the right to terminate the business relationship with the Business Partner subject to the applicable laws.

WERMA reserves the right to take reasonable measures to verify that the Business Partner is complying with this Business Partner Code of Conduct. All verification measures shall be scheduled during business hours in mutual agreement with the Business Partner, and the Business Partner shall provide meaningful documentation that clearly and transparently demonstrates compliance with this Business Partner Code of Conduct.

The Business Partner shall endeavor to familiarize himself with the business practices of his suppliers, subcontractors and other business partners and to oblige all suppliers, subcontractors and business partners to comply with this Business Partner Code of Conduct or with comparable values.

The Business Partner and WERMA shall discuss all matters relating to this Business Partner Code of Conduct in a trusting and respectful manner.

The Business Partner is encouraged to report any violations of this Business Partner Code of Conduct via the compliance email channel (compliance@werma.com).

This Code of Conduct is reviewed annually and updated as necessary.

WERMA Signaltechnik GmbH + Co.KG
Erich-Marquardt-Str. 1
78604 Rietheim-Weilheim, Germany
Tel. +49 (0)7424 9557 – 0
Fax.+49 (0)7424 9557 – 44
www.werma.com