



Code of Conduct for business partners of the Lohmann & Rauscher Group

I. Introduction

In accordance with our corporate philosophy and our claim **“People.Health.Care.”**, we at Lohmann & Rauscher are committed to economic, ecological and social sustainability in all of our business activities. As an international corporate group, we ensure that these standards are reviewed and continually improved. We are committed to producing and distributing our products and services in a way that respects human rights and the environment.

Therefore, we work exclusively with suppliers and service providers (hereinafter: business partners) who are committed to the same principles of ethical, safe and responsible business practices. We expect our business partners to be aware of and comply with all applicable international, national and local laws and regulations, contractual agreements and internationally recognised standards and regulations, and to align their practices with the generally recognised industry standards when working with Lohmann & Rauscher. This includes the principles set out in this Code of Conduct. Furthermore, we expect our business partners to implement and promote the same principles in their own supply chains.

This Code of Conduct summarises important standards for ethical conduct, social responsibility and environmental protection, particularly on the basis of the provisions of the German Supply Chain Due Diligence Act (LkSG), as well as international conventions, such as the general United Nations (UN) Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, as well as the labour standards of the International Labour Organization (ILO).

Lohmann & Rauscher regularly reviews its conduct guidelines to ensure they are appropriate and effective. We expressly reserve the right to amend this Code of Conduct at any time, should this be necessary based on the risk assessment that we regularly perform.

II. Requirements for business partners

We expect our business partners to comply with the minimum standards stipulated in this Code of Conduct when carrying out their business activities. However, this does not release the business partner from complying with further individual laws and other regulations of the countries in which they operate. For this purpose, they shall establish and maintain a system for monitoring compliance with the laws and regulations.

1. Business integrity

a. Competition law

The principles of free and fair competition shall apply to the conduct of business activities. In the course of these activities, the respective applicable anti-trust regulations shall be obeyed. All agreements with competitors, customers and business partners that violate anti-trust laws are prohibited and will not be tolerated. This applies, in particular, to agreements on prices and conditions.

b. Corruption and bribery

Personal interests shall be strictly separated from business interests. The business partner shall not grant and accept any contributions in the form of tangible assets, monetary or comparable values, which serve the purpose of gaining a personal advantage or influencing business decisions. Bribes from both public officials and business partners shall not be accepted. Exceptions are contributions and invitations that are given in a reasonable manner as part of normal business hospitality, politeness and custom.

c. Money laundering and terrorism financing

The business partner shall not promote money laundering and terrorism financing in any way either directly or indirectly. They shall comply with the national and international legal obligations that are applicable to them regarding the prevention of money laundering.

d. Export controls and customs

The business partner shall comply with the respectively applicable regulations for the import and export of goods, in particular, the respectively applicable customs and foreign trade laws. Trade sanction programmes shall be observed.

e. Proper accounting

The business partner shall ensure proper accounting of business transactions and affirm that they do not fake, conceal or falsify any business transactions.

f. Intellectual property and non-disclosure

The business partner shall respect the patent rights, intellectual property, business and trade secrets of Lohmann & Rauscher and third parties and shall not share these without express prior consent or make these available in any other form.

g. Data protection

The business partner shall process the personal data of their employees, business partners and customers according to the respectively applicable data protection regulations, for example, the European General Data Protection Regulation (EU GDPR). It shall be ensured that their IT infrastructure is sufficiently protected.

2. Social responsibility and fair working conditions

a. Human rights; prohibition of inhumane treatment

The business partner shall respect the basic human rights, personal dignity and privacy of each person. They shall treat all people with respect and fairness.

They shall not tolerate any behaviour that may be considered physically, psychologically, verbally or sexually harassing, abusive or exploitative.

b. Prohibition of child labour

The business partner shall denounce any form of child labour. They shall not employ any children who are below the age at which compulsory school attendance ends according to the law of the place of employment. In any case, the age of employees must not be below 15 years. Furthermore, the use of children below 18 years of age for the following activities shall be denounced:

- all forms of slavery or slavery-like practices, such as the sale of children and child trafficking, debt bondage and servitude, as well as forced and compulsory labour, including the forced or compulsory recruitment of children for deployment in armed conflicts
- the use, procurement or offering of children for prostitution, for the production of pornography or for pornographic performances
- the use, procurement or offering of children for illegal activities, in particular for the production and trade of drugs, and
- work that, by its nature, or due to the circumstances under which it is performed is likely to be harmful to the health, safety or morality of children.



c. Prohibition of forced labour and slavery

The business partner shall respect the prohibition of the employment of persons in forced labour. This includes any work performed or services provided that are demanded of a person under threat of punishment, and for which they have not made themselves available voluntarily, for example, as a result of debt bondage or human trafficking. The business partner shall also denounce all forms of slavery, slavery-like practices, servitude or oppression in the workplace environment, for example, through extreme economic or sexual exploitation and degradation. This also includes withholding passports or other documents belonging to employees.

d. Diversity and equal treatment

The business partner shall espouse the diversity, equality and inclusion of employees, customers and contractual partners. Every form of harassment and every form of unequal treatment shall be rejected. This includes unequal treatment on the basis nationality and ethnic background, social background, health status, disability, sexual orientation, age, gender, political view, religion or ideology, unless the unequal treatment is due to the requirements of the employment. Unequal treatment includes, in particular, the payment of unequal remuneration for work of equal value.

e. Remuneration

The remuneration of employees shall meet, as a minimum, the national statutory standards or the industry benchmarks. The reasonableness of a wage is measured according to the respective minimum wage in the place of employment set by the applicable law.

f. Working hours

Working hours must be in accordance with the applicable laws or industry standards.

g. Freedom of association and freedom to form a coalition

The right of all employees to form, join or become a member of unions and employee representative bodies shall be recognised. Employees must not be discriminated against on the basis of establishing, joining or being a member of such an organisation. Furthermore, the business partner shall respect the right of unions to act freely and in accordance with the law of the place of employment.

h. Occupational safety and protection

The business partner is responsible for a safe and healthy work environment. They shall respect the applicable duties of occupational safety for the prevention of accidents at work or work-related health hazards according to the law of the place of employment, which arise in particular due to:

- clearly inadequate safety standards in the preparation and maintenance of the workplace, work area and work equipment
- the lack of protective measures to prevent exposure to chemical, physical or biological agents
- the lack of measures to prevent excessive physical and mental exhaustion, particularly due to inadequate organisation of work regarding working hours and breaks or
- inadequate training and instruction of employees.

i. Engaging security forces

The business partner shall not engage or use any private or public security forces to protect the business project if, during the deployment of security forces, due to insufficient training or monitoring on the part of the company:

- the prohibition on torture and cruel, inhumane or degrading treatment is violated
- life and limb are injured or
- the freedom of association and freedom to form coalitions are restricted.

3. Environmental protection

a. Environmental protection

The business partner shall ensure compliance with the national and international environmental regulations that are applicable to them. They shall obtain all required environmental permits and approvals and comply with the operational requirements and reporting obligations stipulated therein.

The business partner shall use resources efficiently and ensure appropriate monitoring of operations to minimise adverse environmental impacts. They shall promote a sustainable circular economy and contribute to the global reduction of greenhouse gases.

We expect our business partner to counteract the bringing about of harmful soil changes, water contamination, air pollutants, harmful noise emissions or excessive water usage, which significantly adversely affects the natural foundations for the preservation and the production of food, denies a person access to safe drinking water, impedes or destroys a person's access to sanitary facilities or harms a person's health.

All applicable laws and regulations regarding hazardous materials, chemicals and substances must be strictly obeyed. These include in particular:

- the Minamata Convention on Mercury of 10 October 2013
- the POPs Convention on the handling of persistent organic pollutants of 23 May 2001, as well as
- the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal of 22 March 1989.

b. Respect for land rights

The business partner denounces any form of unlawful forced eviction and supports the prohibition on the unlawful dispossession of land, of forests and waters in the acquisition, development or any other use of land, forests and waters, the use of which secures a person's livelihood.

III. Review

1. Training

The business partner shall take suitable measures to impart to their employees an adequate understanding of the principles of this Code of Conduct and the applicable legal regulations.

2. Opportunities to lodge complaints

Lohmann & Rauscher has established the whistleblowing system "Tell us". This gives whistleblowers the opportunity to make their complaints, either providing their name or remaining anonymous. The business partner must share with their business partners and employees in a suitable manner the information received from Lohmann & Rauscher on the accessibility, responsibility for and execution of the complaints process. The complaints process must be accessible to whistleblowers, while maintaining confidentiality of identity and effective protection from discrimination. Reprisals against persons who make use of a reporting mechanism are impermissible.

3. Course of action in the event of breaches

We expect our business partners to take reasonable measures to identify risks with their supply chains. In the event of a suspicion of breaches and to protect supply chains with increased risks, the business partner shall inform Lohmann & Rauscher in a timely manner and, where appropriate, regularly about the identified breaches and risks, as well as the measures taken.

Lohmann & Rauscher may check compliance with the standards and regulations specified in this document using a self-assessment questionnaire and risk-based audits. The business partner declares their agreement that Lohmann & Rauscher may perform such audits once per year or as warranted to review compliance with the Code of Conduct at the business partner's premises during regular

business hours after giving reasonable prior notice. The business partner may object to specific audit measures if these would breach mandatory data protection regulations.

Should a breach of the provisions of this Code of Conduct be identified, Lohmann & Rauscher shall immediately inform the business partner of this in writing and set a reasonable deadline for them to align their behaviour with these provisions. If a remedy is not possible within a foreseeable period of time, the business partner must indicate this immediately and jointly create a plan with Lohmann & Rauscher, which contains a timeline for the cessation or minimisation of the breach. Lohmann & Rauscher reserves the right to end the business relationship on a case-by-case basis as a final consequence if there is an absence of a remedy of identified breaches within the meaning of this Code of Conduct.

By signing this document, the business partner undertakes to act responsibly and adhere to the stated requirements. The business partner undertakes to communicate the contents of this Code to their employees, authorised representatives, suppliers and service providers in a way that is comprehensible for the respective person or group of people and to make all of the necessary arrangements for the implementation of the requirements.

Business partner: _____

Date: _____ Signature(s): _____

Company stamp: _____

The Executive Board

As of: June 2023



Wolfgang Süßle
President, CEO &
CCO



Thomas Menitz
COO & Senior Executive
Vice President



Holger Mägdefrau
CFO



Dr. Klemens Schulz
CPO