



## Supplier Code of Conduct

BUTTING Group



**BUTTING**

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## Foreword

The BUTTING Group is a family business in its 7th generation. Sustainability and a long-term outlook for future generations have been both the driving force and the motivation for the BUTTING family and the company management since the company was founded in 1777. We want to pass on a healthy and self-determined company to the next generation.

Our corporate governance is therefore based on responsible value creation as well as long-term orientation and partnership. We are continually implementing sustainable measures and innovative products. For this, we need a powerful, global network, as well as valuable and trusting cooperation. We build on long-term partnerships with employees, customers and suppliers. As a responsible company, we care about the health of our employees and the safety of our products, as well as our environment. For example, we have a clear and realistic roadmap for our contribution to achieving the climate targets by 2040.

A prerequisite for sustainability and a long-term outlook for the BUTTING Group is that our group's business environment is also supportive of our development. That is why we integrate our suppliers directly into our sustainability strategy. When it comes to procurement, in addition to economic, technical and process-related criteria, we attach great importance to social and ecological aspects. These include human rights, working conditions, corruption prevention, and climate and environmental protection. Of course, we also implement the requirements of the Supply Chain Sourcing Obligations Act (known as the Supply Chain Act).

With this in mind, we have developed this supplier Code of Conduct, which sets out clear expectations of our suppliers. It is our aim to work only with suppliers that align themselves with our principles and comply with applicable national laws.

We reserve the right to terminate cooperation with business partners who violate our values and principles.

In addition to this supplier Code of Conduct, our management has adopted a Human Rights Policy Statement (see Section 6 (2) Supply Chain Sourcing Obligations Act). Our policy statement is available on our website ([www.butting.com](http://www.butting.com)) under „Code of Conduct“.

## 1. Our requirements for suppliers

### **1.1 Personal conduct**

#### **1.1.1 Respect for human and worker rights**

We expect our suppliers to comply with internationally recognised human rights in accordance with the European Convention on Human Rights of 4/11/1950 and to reject any form of forced or child labour. We require recognition of the rights of all workers to freedom of association and assembly. We also expect compliance with legal provisions regarding minimum wage and working hours, also with respect to deployed external personnel.

#### **1.1.2 Equal treatment and non-discrimination**

We are committed to promoting diversity and require our suppliers not to discriminate against anyone on the basis of gender, nationality, skin colour, origin, religion, ideology, trade union activity, age, sexual identity or disability. We require fair and equal treatment of all employees at our suppliers and we do not tolerate harassment or bullying. We demand respectful and collegial interaction with each other.

#### **1.1.3 Occupational health and safety**

We expect our suppliers to strictly comply with relevant safety regulations and to promote proactive and safety-conscious behaviour to avoid hazards. This also applies to employees of subcontractors.

#### **1.1.4 Protection of freedom of expression and privacy**

We require our suppliers to respect the right to freedom of expression and to protect privacy and personal rights.



## **1.2 Conduct in all business relationships**

### **1.2.1 Observance of and compliance with the law**

Our suppliers must comply with the law and observe all applicable legal prohibitions and obligations, even if this entails short-term economic disadvantages or difficulties

### **1.2.2 Fair and equitable competition**

We expect our suppliers to strictly comply with all laws that protect and promote competition, in particular the currently applicable antitrust law. We do not accept price fixing or other agreements with competitors that unfairly divide sales markets or customers or otherwise hinder free competition under any circumstances.

### **1.2.3 Prevention of corruption**

We require our suppliers to reject corrupt behaviour. No advantages may be granted to business partners or public officials that could lead to improper preferential treatment. Likewise, our suppliers may not accept such benefits from business partners.

### **1.2.4 Avoidance of conflicts of interest**

Business decisions must be based on factual criteria. Conflicts of interest that could arise from private concerns or other economic activities should be avoided.

### **1.2.5 Prevention of money laundering**

Our suppliers must comply with applicable laws on the prevention of money laundering and terrorist financing and must not participate in such activities.

### **1.2.6 Foreign trade law**

We require our suppliers to comply with the applicable international and national regulations of foreign trade law, in particular export control and embargo regulations. Our suppliers must not engage in any unauthorised business activities with sanctioned persons, companies or organisations and must also ensure this within their own supply chain.

## **1.3 Conduct in the supply chain**

### **1.3.1 Compliance with legal requirements**

We strive to work in partnership and cooperation with our suppliers and expect them to comply with all national requirements regarding supply chains and due diligence. We require our suppliers to establish an appropriate whistleblowing system when necessary.

### 1.3.2 Obligation of upstream suppliers and group companies

Our suppliers are obliged to ensure that their affiliated companies also comply with the principles and requirements described in this Code of Conduct. They must also work in their upstream supply chain to ensure that their upstream suppliers also comply with these principles and requirements.

### 1.3.3 Conflict minerals and high-risk commodities

Our suppliers must comply with all applicable legislation on conflict minerals. We demand that minerals such as tin, tantalum, tungsten, gold and related ores and metals be procured from conflict-free sources. For products containing conflict minerals or high-risk raw materials, we require transparency along the entire supply chain up to the smelter, as well as information on the origin of the material.







## **1.4 Conduct towards the environment**

### **1.4.1 Sustainable environmental and climate protection**

Our suppliers must use natural resources responsibly and as sparingly as possible. They must comply with all applicable national energy and environmental laws, regulations and standards, including the Minamata Convention and the Stockholm Convention.

### **1.4.2 CO<sub>2</sub> reduction**

Our suppliers must be transparent about their own emissions and upstream activities. They must set out to take effective action in line with the Paris Climate Agreement to reduce their direct and indirect CO<sub>2</sub> emissions, promote renewable energy and use alternative energy sources.



## **1.5 Conduct in handling information, data and intellectual property**

### **1.5.1 Protection of information**

Our suppliers must maintain company and business secrets at all times and protect their IT systems from unauthorised access. Unauthorised access to business premises and uncontrolled electronic data access by outsiders must be prevented. Our suppliers must prevent outsiders from obtaining confidential information, including after employment relationships have ended.

### **1.5.2 Accuracy of information**

Our suppliers must ensure open and truthful reporting and communication to investors, employees, customers, business partners, the public and government institutions.

### **1.5.3 Data protection**

Our suppliers must comply with personal data protection laws.

### **1.5.4 Intellectual property**

Our suppliers must protect our know-how and intellectual property that we disclose to them from unauthorised access by third parties and use it exclusively for legitimate purposes.



## 2. Reporting of misconduct

### 2.1 Whistleblowing

We encourage our suppliers and their employees to report potential misconduct that could impact the BUTTING Group through our whistleblowing system. This system can be accessed via the following link: [Compliance – BUTTING Group ([butting.com](https://butting.com))]. The opportunity to submit information is available to all our employees as well as business partners and stakeholders, and this can be done anonymously if desired.

### 2.2 Whistleblower protection

We protect the interests of whistleblowers through our secure reporting system and are committed to treating any information we receive confidentially. We will do everything we can to protect whistleblowers from possible harm. At the same time, we protect the interests of those about whom information is submitted.

## 3. Implementation in the business relationship and consequences of misconduct

### 3.1 Acceptance

Before entering into a business relationship with BUTTING, we expect you to agree to our Code of Conduct. Our suppliers may present an equivalent alternative that they can prove they follow.

### 3.2 Review

We regularly review our suppliers' compliance with the principles and requirements as part of a due diligence process to minimise risks in the supply chain. We are granted the right to monitor compliance with this Code of Conduct through checks.

### 3.3 Information in the event of suspicion

Any breach of this Code of Conduct will be considered as a significant impairment of our contractual and business relationship with the supplier. If there is reasonable suspicion of a breach, we will request information about the incident.

### 3.4 Termination

We reserve the right to terminate contracts with suppliers extraordinarily without notice if they demonstrably violate this Code of Conduct or fail to take measures to improve. This shall not affect our right to claim damages under applicable law.

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