



SUPPLIER CODE OF CONDUCT

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Version: 1

**Preamble**

1. GMH Group is a family-owned company. Sustainability and a long-term perspective, also for future generations, are therefore part of our DNA. We align our company management with responsible and long-term value creation. For example, the GMH Group is a pioneer in the field of low-CO₂ steel production. GMH Group's Green Steel is already rendering our customers' products more sustainable due to climate-friendly production processes. Compared to steel from integrated steel mills, each ton of crude steel from our electric furnace causes 80 % less CO₂ emissions. We use almost 100 % scrap as raw material. Our value stream saves emissions thanks to climate-friendly logistics. New sustainable measures and innovative products are being added all the time. At the same time, we have a clear, realistic roadmap for how we will produce our steel, which is already low in emissions, in a completely climate-neutral manner by 2039.
2. Sustainability and a long-term perspective for the GMH Group naturally presuppose that the environment of the GMH Group also enables our development. For this reason, we involve our suppliers directly in our sustainability strategy. In purchasing, in addition to more short-term relevant criteria such as economic, technical and process requirements, we also attach importance to social and ecological aspects. These include human rights, working conditions, corruption prevention and climate and environmental protection. We implement the requirements of the German Supply Chain Sourcing Obligations Act ("Lieferkettensorgfaltspflichtengesetz").
3. Against this background, we have developed this Supplier Code of Conduct, which clearly formulates our expectations to suppliers. It is our aim to work only with suppliers who align themselves with our principles and comply with nationally applicable legislation.
4. We reserve the right to terminate contracts with suppliers if they violate our principles.
5. In addition to this Supplier Code of Conduct, our management has adopted a policy statement on our human rights strategy (see Section 6 (2) of the German Supply Chain Sourcing Obligations Act). Our policy statement is available on our homepage (www.gmh-gruppe.de).

1. OUR REQUIREMENTS FOR SUPPLIERS**1.1 Personal conduct**

- 1.1.1 Respecting people and employee rights: We expect compliance with the internationally recognised human rights laid down in the European Convention on Human Rights of 04.11.1950 and the rejection of all forms of forced and child labour.

We expect the observance of the rights of all employees to freedom of assembly and association.

We expect compliance with the statutory regulations on minimum wages and working hours, also in relation to external staff.

- 1.1.2 Equal treatment and non-discrimination: We demand diversity in practice and the promise not to discriminate against anyone, be it on the basis of gender, nationality, skin colour or origin, religion or belief, trade union activity, age, sexual identity or disability.



We expect that all employees of suppliers are treated fairly and equally, that harassment and bullying are not tolerated and that respectful, collegial interaction is demanded.

1.1.3 Occupational health and safety: We expect compliance with relevant safety regulations and the demand for prudent, foresighted and safety-conscious conduct to avoid hazards, including for subcontracted employees.

1.1.4 Protection of freedom of expression and privacy: We expect respect for the right to freedom of expression and the protection of personal rights and privacy.

1.2 **Conduct in all business relationships**

1.2.1 Observance of and compliance with rules and regulations: We expect compliance with rules and regulations and observance of the applicable legal prohibitions and obligations, even if this entails short-term economic disadvantages or difficulties for the supplier or individuals.

1.2.2 Fair and equitable competition: We expect compliance with all laws that protect and promote competition, in particular the applicable antitrust laws. In particular, we expect that no price agreements or other agreements are made with competitors that divide up sales markets or customers among themselves or that otherwise illegally impair free and open competition.

1.2.3 Avoidance of corruption: We expect that corrupt behaviour by employees will not be tolerated and that no advantages of value will be granted to business partners or public officials in return for undue preferential treatment when dealing with national and international customers, suppliers and authorities. Equally, we expect that such advantages will not be accepted from business partners either.

1.2.4 Avoiding conflicts of interest: We expect that business decisions are made exclusively on the basis of objective criteria and that conflicts of interest with private issues, or other economic or other activities, including those of relatives or otherwise close persons or organisations, are avoided, as far as possible, already from the outset.

1.2.5 Prevention of money-laundering: We expect our suppliers to comply with the applicable laws on the prevention of money laundering and terrorist financing and not to participate in such activities.

1.2.6 Foreign Trade Legislation: We expect our suppliers to comply with the applicable international and national regulations of foreign trade law, in particular export control and embargo regulations, and not to engage in any legally inadmissible business activities with sanctioned persons, companies or organisations.

1.3 **Conduct in the supply chain**

1.3.1 Compliance with legal requirements: We are committed to working in partnership and cooperation with our suppliers and expect our suppliers to comply with all national supply chain and due diligence requirements. Where required by law, we expect our suppliers to establish an appropriate whistleblowing system.

1.3.2 Obligation of pre-suppliers and group companies: We expect our suppliers to ensure that their affiliated companies (Section 15 of the German Stock Corporation Act) also comply with and recognise all the principles and requirements specified in this Supplier Code of Conduct. We also expect our suppliers to make reasonable efforts in their upstream supply chain to ensure that their suppliers also comply with all the principles and requirements stipulated in this Code of Conduct.

1.3.3 Conflict minerals and high-risk raw materials: We expect our suppliers to comply with all applicable legal requirements for conflict minerals. We expect that minerals, especially tin, tantalum, tungsten, gold and related ores and metals have been acquired free of conflict. In the event that a product contains a conflict mineral or a high-risk raw material, we expect transparency about the supply chain up to the smelter as well as the origin of the material.

1.4 **Conduct toward the environment**

1.4.1 Sustainable environment and climate protection: We expect our suppliers to use natural resources responsibly and to conserve material as much as possible, as well as to comply with applicable national energy and environmental laws, regulations and standards, including the Minamata Convention and the Stockholm Convention in particular.

1.4.2 CO₂-reduction: We expect our suppliers to be transparent about their own emissions and upstream activities, to take effective action in line with the Paris Climate Agreement to reduce their direct and indirect CO₂ emissions, to work on continuous improvements and to promote the use of renewable energy and alternative energy sources.

1.5 **Conduct when handling information, data and intellectual property**

1.5.1 Protection of information: We expect our suppliers to protect company and business secrets under all circumstances and to protect their IT systems against external access. We expect that our suppliers do not allow outsiders unsupervised access to company premises or uncontrolled electronic access to data.

We expect that our suppliers keep information closely linked to our GMH Group confidential, also after the expiration of a business relationship.

1.5.2 Accuracy of information: We expect our suppliers to ensure open and truthful reporting and communication towards investors, employees, customers, business partners, the public in general and government institutions.

1.5.3 Data Protection: We expect our suppliers to comply with the laws on the protection of personal data.

1.5.4 Intellectual property: We expect our suppliers to defend our know-how and other intellectual property, in as far as we disclose it to our suppliers, against any unauthorised access by third parties and to use it exclusively for permissible purposes.

2. **REPORTING OF MISCONDUCT**

2.1 Whistleblowing: Reliable information helps us to identify violations at an early stage and to reduce damage to us, our employees and our business contacts, their suppliers and employees as well as the environment.

Therefore, we ask our suppliers to report potential misconduct that could have an impact on the GMH Group via our whistleblowing system if there are concrete indications. This system can be accessed via the following link: [[Compliance – GMH Group \(gmh-gruppe.de\)](https://www.gmh-gruppe.de)]. All our employees as well as our business partners, their employees and other stakeholders can use the system to submit information - anonymously if they wish.



2.2 Protection of whistleblowers: We protect the interests of whistleblowers not only by setting up this secure reporting system, but also by promising to treat incoming information confidentially and to protect whistleblowers acting to the best of our knowledge against any disadvantages resulting from a report by all means necessary. Similarly, we protect the interests of the persons affected by a report.

3. IMPLEMENTATION IN THE BUSINESS RELATIONSHIP AND CONSEQUENCES OF MISCONDUCT

3.1 Acceptance: Before entering into a business relationship with our suppliers, we expect them to accept our Supplier Code of Conduct. Our suppliers are at liberty to present an equivalent alternative to which they demonstrably adhere.

3.2 Verification: We regularly verify our suppliers' compliance with the principles and requirements as part of a due diligence process to identify, reduce and avoid risks in the supply chain. In this context, our business partner grants us the right to verify compliance with these principles, which they confirm by accepting this Supplier Code of Conduct.

3.3 Information in case of suspicion: We consider any violation of this Supplier Code of Conduct as a material impairment of our contractual relationship by our supplier. If there are reasonable grounds to suspect that our supplier is not complying with our Supplier Code of Conduct, we will request information about the relevant facts.

3.4 Termination: We reserve the right to extraordinarily terminate without notice individual or all contractual relationships with our suppliers who demonstrably do not comply with our Supplier Code of Conduct or who do not strive for and implement improvement measures. This does not affect our right to claim damages under applicable law.

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