

# Sustainability in the supply chain

Supplier Code



# Supplier Code

Ethics and sustainability in terms of legal, economic, environmental and social responsibility is an integral part of our business. This also includes long-term, trusting partnerships and the law-abiding behaviour of our suppliers. We source raw materials, goods and services from suppliers worldwide to secure the long-term success of our company and our customers with innovative products and services.

The Supplier Code applies to all suppliers of GF and their employees. GF expects its suppliers to implement the principles established in this Code in their company. It is the responsibility of GF's suppliers to verify compliance with the principles set out below in their own supply chains.

The principles set out in the GF Supplier Code are based on the following international conventions and standards:

- Principles of the Global Compact of the United Nations (UN)
- Guidelines for Multinational Enterprises of the Organization for Economic Cooperation and Development (OECD)
- Conventions of the International Labour Organization (ILO)
- Charter for Sustainable Development of the International Chamber of Commerce (ICC)
- SA8000 (standard for socially responsible corporate governance)
- Dodd-Frank Act on conflict minerals
- GF Code of Conduct

## I. Business ethics

- a) Compliance with laws** // GF's suppliers undertake to abide by the applicable laws and regulations, to respect human rights and in particular to respect human dignity.
- b) Prohibition of corruption** // GF does not tolerate any form of corruption from its suppliers, such as bribery or the granting or acceptance of unlawful benefits, regardless of whether they are given directly, through intermediaries, to private persons or public authority officials. Prohibited in particular are the granting (active bribery, granting of advantages) and the receipt (passive bribery, acceptance of advantages) of donations that are intended to provide an illegal advantage.
- c) Fair competition** // GF expects its suppliers to comply with international and national laws for the safeguarding of fair competition. These include provisions on unfair competition and antitrust laws. Agreements with competitors on prices, terms of sale, quantity restrictions, sharing of territory or deals for public tenders etc. are strictly prohibited.
- d) Intellectual property** // The suppliers will protect the intellectual property of GF, such as patents, trademarks, copyrights, designs, trade secrets, specimens, models and know-how, and respect the intellectual property of third parties. The supplier shall in particular ensure that the products delivered to GF do not infringe the intellectual property of others.
- e) Product safety** // GF products and services, and related products from our suppliers, shall endanger neither people nor the environment and shall meet the agreed or legally required standards for product safety. Suppliers undertake to clearly communicate information on safe usage.

## II. Respect for human rights

- a) Prohibition of forced labour and child labour** // GF does not tolerate forced labour or child labour, neither in its own operations nor among its suppliers. The minimum age for admission to employment in accordance with applicable national laws must be observed by the supplier.

**b) Prohibition of any discrimination //** GF does not tolerate any kind of discrimination and expects its suppliers to prohibit any kind of discrimination in their organisation on grounds of sex, marital status, race, colour, origin, religion, sexual orientation, disability, political affiliation or other personal characteristics.

**c) Prohibition of disciplinary penalties //** GF requires that its suppliers do not punish employees physically or mentally in any form. This is especially true when employees report business practices in good faith that violate national, international or internal regulations.

### **III. Working conditions**

**a) Occupational health and safety //** The ultimate goal of GF is an accident-free workplace. All suppliers must comply with the occupational safety regulations at their facilities. Each supplier must establish policies and procedures for occupational health and safety and disclose them to their employees, so that accidents and occupational diseases can be avoided.

**b) Living wages //** GF requires its suppliers to be aware of their social responsibility towards employees and to ensure that their employees' remuneration and working hours are fair and reasonable. The supplier shall grant its employees the social benefits to which they are entitled by law or contract.

**c) Working hours //** GF expects that employees of its suppliers are able to find a balance between work and leisure time and that the respective applicable national legislation on working time is observed. Employees shall be entitled to a regular annual leave.

### **IV. Compliance with environmental standards**

**a) Environmental legislation //** GF expects its suppliers to comply with applicable national environmental laws.

**b) Prevention and reduction of environmental pollution //** GF expects its suppliers to reduce emissions in the production process, control harmful emissions and process them as far as possible prior to their release into the environment.

Whenever possible, waste should be avoided or recycled. GF's suppliers shall develop procedures governing the transport, storage and the safe and environmentally friendly treatment and disposal of waste.

**c) Responsible procurement of raw materials //** GF's suppliers shall support activities that ensure the responsible procurement of raw materials. The procurement and use of raw materials that have been obtained unlawfully or through unethical or unreasonable measures are to be avoided.

Suppliers are required to disclose the origin and sources of the raw materials used by them in order to exclude the use of raw materials affected by embargoes or other import restrictions, such as conflict minerals, and to identify these raw materials in manufactured products in the supply chain.

**d) Avoidance of hazardous substances //** Any substances whose release poses a threat to humans and the environment are to be avoided. GF's suppliers shall maintain a hazardous materials management, which ensures the safe use, transport, storage, reprocessing, recycling and disposal.

**e) Environmentally friendly products //** In the development of products and services GF's suppliers shall take care that their use is economical in terms of consumption of energy and natural resources. The products should be as suitable as possible for reuse, recycling or safe disposal.

Products supplied to GF shall contain no substances of very high concern covered by the REACH regulation. If necessary, the substances concerned are to be reported to GF in advance.

Materials or purchased parts that do not meet RoHS requirements are to be substituted by the supplier in consultation with GF. If required, the GF supplier must present an EU conformity declaration of compliance with the RoHS directive.

### **V. Management systems**

GF expects its suppliers to maintain management systems to ensure compliance with the principles set out in this Supplier Code. GF gives preference to suppliers who are actively engaged in a quality management system according to ISO 9001, an environmental management system according to ISO 14001 and OHSAS 18001 for occupational safety or equivalent systems. A management system oriented according to SA8000 requirements for social responsibility and ISO 50001 for energy management are recommended.

## VI. Implementation

a) **Monitoring and verification requirement** // The supplier shall on request provide all relevant information for an initial assessment accurately and in full as part of a self-assessment.

He or she shall also provide other information available that demonstrates compliance with the GF Supplier Code. GF has the right to monitor the implementation of this Code and to check implementation via supplier audits.

The supplier shall immediately inform GF about events that are contrary to the principles of the GF Supplier Code.

b) **Non-compliance** // Any breach of the principles and requirements set out in the GF Supplier Code constitutes a fundamental breach of contract by the supplier. GF reserves the right in the event of non-compliance with the GF Supplier Code to request remedial measures to be implemented within a reasonable period of time determined by GF. In the event of a failure to meet the deadline or in case of severe violation of the principles and requirements set out in this Supplier Code GF has the right, if appropriate, to terminate the cooperation without notice.

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