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- Compliance Agreement between the SFB Group and its partner companies -

**SFB Schwäbische Formdrehteile GmbH**  
**Weiherweg 12-16**  
**D-87727 Babenhausen**

**amo-tec GmbH**  
**Memminger Straße 37**  
**D-87746 Erkheim**

**Agromet Sp. z o.o.**  
**Al. Wolności 5/7**  
**PL-63-300 Ostrzeszów**

**SFB Polska Sp. z o.o.**  
**ul. Rycerska 6, Rojów**  
**PL-63-500 Ostrzeszów**

**SFB Hydraulics GmbH**  
**Weiherweg 12-16**  
**D-87727 Babenhausen**

- hereinafter referred to as SFB -

and

- hereinafter referred to as the Business partner -

## Preamble

Our company aspires to be a modern and sustainable company that delivers excellent services and is committed to the fundamental values of society. Our company is responsible for creating and maintaining a corporate culture that best complies with relevant legal provisions and regulations, as well as ethical principles.

Our company is committed to respecting internationally applicable human rights and social standards. A shared understanding of ethical and sustainable conduct is an essential prerequisite for this.

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We adhere to the Ten Principles of the United Nations Global Compact, Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises.

The requirements and principles of this Code of Conduct are an essential part of the contractual obligations and cooperation between our business partners and SFB. Our business partners therefore undertake to obey and promote the following principles of this Code of Conduct and to regularly and appropriately require their employees to comply with them. Furthermore, these contents also apply in full to suppliers and other third parties employed by our business partners to fulfill their contracts with SFB. Business partners must therefore integrate provisions corresponding to the contents of this Code of Conduct into their own contracts. We expect them to use their best efforts to bind their suppliers and other third parties accordingly.

### **Principle of Legality**

SFB adheres to the principle of absolute compliance with the law for all actions, contracts, and other transactions of the SFB Group and expects the same from its business partners. Compliance with the principle of legality includes, among other things, the payment of due taxes and customs duties, compliance with competition and antitrust laws, the strict prohibition of corruption and money laundering, adherence to the state of the art, obtaining necessary official permits, compliance with export control laws, and observance of the statutory rights of third parties as well as statutory regulations for the protection of social and environmental standards.

### **Prohibition of Child Labor**

Our business partners undertake to employ only employees who have reached the required minimum age under applicable national law. We do not tolerate child labor. In particular, ILO Conventions No. 138 on the Minimum Age for Employment and No. 182 on the Elimination of the Worst Forms of Child Labor must be complied with.

### **Respect for Human Rights**

We require our business partners to respect internationally recognized human rights and actively promote them. This is based on the United Nations Guiding Principles on Business and Human Rights.

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## **Prohibition of Forced Labor**

We require our business partners to absolutely reject any form of forced labor, including human trafficking, torture, and any form of slavery or compulsory labor. Furthermore, the principle of freely chosen employment must be respected and observed.

## **Respect for Equal Opportunities**

We expect our business partners to refrain from any discrimination pertaining to, for example, skin color, ethnic origin, gender, age, nationality, social origin, disability, sexual orientation, religious affiliation, ideology, or political activity. This also applies to sexual harassment. Compliance with the ILO Convention is mandatory.

## **Right to Freedom of Association**

Our business partners must strictly respect the rights of employees to form unions and works councils. Membership in unions or employee representatives must not constitute grounds for unjustified discrimination. In particular, we refer to compliance with the provisions of ILO Convention No. 98.

## **Right to Fair Working Conditions**

We require our business partners to respect the right to fair working conditions in accordance with applicable ILO conventions. This includes, in particular, fair remuneration and social benefits that at least correspond to national and local legal standards, regulations, or agreements.

Legal regulations regarding minimum wages in the respective countries must be observed, as must the applicable regulations regarding working hours, breaks, and vacation.

## **Compliance with occupational health and safety**

We require our business partners to comply with the respective national standards for a safe and hygienic working environment. Additionally, our business partners, who are also manufacturers, are examining the introduction and further development of an occupational health and safety management system (OHS) according to ISO 45001 or an occupational health and safety management system suitable for the industry. In this context, they are introducing measures to implement the objectives of an OHS in an appropriate manner.

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## **Use of private or public security forces**

Our business partners undertake to refrain from engaging or using private or public security forces if doing so could result in the risk of torture and cruel, inhuman, or degrading treatment, injury to life or limb, or the infringement of freedom of association and coalition.

## **Compliance with environmental protection**

We expect our business partners to strive to avoid risks to people and the environment and to protect the natural resources used for food production accordingly. Our business partners' processes, facilities, and resources comply with applicable legal requirements and environmental protection. Our business partners, who are also manufacturers, also review the implementation and further development of an environmental management system (EMS) similar to ISO 14001 or an environmental management system suitable for their industry. Furthermore, business partners are required to implement such measures which will assist in achieving appropriate objectives of ISO 14001.

## **Climate Protection Compliance**

We require our business partners to comply with climate protection measures, for example, by increasing energy efficiency or generating energy from renewable sources. This includes ensuring transparency regarding their CO2 emissions and setting ambitious CO2 reduction targets.

## **Compliance with water and air quality**

We ask our business partners to use water carefully. They should minimize water withdrawal, especially in areas of water scarcity. Wastewater quality standards must be defined and monitored within the framework and in accordance with applicable legal and regulatory requirements.

Our business partners must at least comply with the relevant legal requirements and the requirements of local authorities.

We expect our business partners to minimize any impact of their business activities on the environment and to use resources sparingly. Materials should be reused wherever possible. When handling waste, our business partners follow the principle of "prevention rather than recycling." Our business partners always comply with the relevant legal regulations and regulatory requirements.

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## REACH and Substances of Concern

Our business partners are obligated to comply with material compliance, i.e., the statutory ingredient prohibitions, restrictions, and declaration requirements, such as CMR, REACH, and ROHS, regarding the prohibition and declaration of ingredients. In particular, the ban on the manufacture of mercury-added products, the use of mercury and mercury compounds in manufacturing processes, and the treatment of mercury waste in accordance with the Minamata Convention, the ban on the production and use of certain chemicals defined in the Stockholm Convention on Persistent Organic Pollutants, and the ban on the export of hazardous waste in accordance with the Basel Convention must be observed.

## Avoiding Conflicts of Interest

We expect our business partners to make decisions based on substantive considerations and not to perform illegal actions influenced by personal interests. As soon as a business partner becomes aware of a potential conflict of interest, they are required to take internal measures to resolve these conflicts and inform SFB immediately.

## Fairtrade

We expect our business partners to behave fairly in a competitive environment. In particular, agreements must not be entered if they aim at preventing, restricting, or distorting competition. A dominant market position may not be exercised unlawfully.

## Prohibition of Bribery

Compliance with applicable anti-corruption laws is mandatory for our business partners. In particular, we must ensure that our customers' employees, subcontractors, and representatives do not offer, promise, or grant any benefits to SFB Group employees with the aim of obtaining a contract or other preferential treatment in business transactions. These principles also apply if our business partners cooperate with other third parties in connection with their activities for SFB.

## Money Laundering Act

Our business partners must also comply with the relevant legal provisions on money laundering prevention and properly fulfill their reporting obligations.

Our business partners must work on preventing financing armed groups directly and indirectly.

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## Data Protection and Data Security

Our business partners, in compliance with the statutory GDPR requirements and applicable data protection and information security laws are obligated to ensure the right to informational self-determination, the protection of personal data, and the security of all business information and personal data in all business processes.

## Whistleblowers

Every business partner – their employees or those affected – is encouraged to report possible suspected cases and violations of this Code of Conduct. This is intended to limit the consequences of such violations and prevent similar misconduct in the future. To achieve that, the business partner should establish their own whistleblower system or join an industry-wide system. Reports to SFB can be submitted by email, by phone (see below), or via the reporting center in conformity to the Whistleblower Protection Act (HinSchG). Our business partners inform their employees about the opportunity to report non conformities.

## Controls

SFB reserves the right to appropriately monitor compliance with this Code of Conduct. The business partner is obligated to actively support any necessary controls. SFB will coordinate with the business partner regarding the scope, timing, and location. The business partner must respond to inquiries and requests for information within a reasonable timeframe and in compliance with the advised formalities within the framework of applicable data protection laws.

Violations, particularly of human rights-related or environmental obligations, must be stopped immediately. If this is not possible within the foreseeable future, the business partner must immediately develop and implement a plan for stopping or minimizing the violations. The plan must include a concrete timeline. Measures initiated must be documented and reviewed for their effectiveness. Furthermore, if a violation is suspected, the business partner must immediately investigate possible violations and inform SFB of the investigation measures taken.

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## Legal Consequences

A violation of the obligations described in this Code of Conduct constitutes a breach of contract with SFB and a significant impairment of the business relationship between SFB and the business partner. The business partner must inform SFB on the internal company measures it has taken to prevent future violations within a reasonable period of time. If the business partner fails to comply with these obligations within a reasonable period of time, fails to initiate appropriate corrective measures within a reasonable period of time, or if a violation is so serious that continuation of the business relationship becomes unreasonable for SFB, SFB reserves the right, without prejudice to its other rights, to terminate the affected contractual relationship without notice or to withdraw from the affected contract.

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Place, date

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Business partner

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Place, date

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SFB Group