

# **ALTER**

## **Compliance Code for Suppliers and Business Partners**



Dear Sir or Madam,

TÜV NORD GROUP is a globally active company looking back on a long and distinguished tradition. Being such a company, it bears social responsibility towards customers, employees, investors and the general public and is committed to the ten principles of the United Nations Global Compact.

This social responsibility includes that TÜV NORD GROUP and its employees, at any time and everywhere, comply with all current laws, respect fundamental ethical values and act sustainably.

In accordance with the compliance strategy pursued by TÜV NORD GROUP, which not only focuses on the obligation to comply with applicable law (conformity with rules), but also includes aspects of good and responsible corporate governance with regard not only to sustainability, but also social and societal aspects, we expect our suppliers and business partners, as well as their employees, to act responsibly in this sense and to commit to our fundamental compliance principles.

In a complex supply chain, compliance takes on a central importance. Our customers as well as organisations where we are accredited, also oblige us to meet high compliance standards and to ensure the same from our supply relationships.

Therefore, we would like to conclude an agreement with your company, as a business partner of TÜV NORD GROUP, by signing this Code for Suppliers and Business Partners with you, which commits us to jointly meet the fundamental requirements of human and employee rights, work standards, data protection, environmental protection, compliance with all laws and the rejection of corruption.

We would therefore ask you to confirm the recognition of this Code as the basis of our business relationship by returning to us the completed and signed Supplier Declaration on the last page of the enclosed document.

We are looking forward to a successful cooperation or a successful continuation of our work together.

TÜV NORD GROUP

# ALTER

- 1. Introduction .....4
- 2. Social responsibility.....4
- 3. Transparent business relationships .....6
- 4. Fair market behaviour .....7
- 5. Protection of personal data, business and trade secrets and business assets .....8
- 6. Support in cases of doubt and consequences in the event of infringements .....8
- 7. Contractual obligation .....9

## 1. Introduction

TÜV NORD GROUP convinces its customers and business partners worldwide with a wide range of future-oriented services. For the benefit of its customers, with its success story extending across more than 150 years, TÜV NORD GROUP stands for experience and competence. With its services it is globally available, and its competence provides for quality, safety and reliability. It supports and develops economical business solutions and innovations. It is aware of its social responsibility and therefore feels committed to internationally recognised sustainability principles such as the Global Compact and the Global Reporting Initiative.

As part of its commitment to the principles contained in the TÜV NORD Code of Conduct, TÜV NORD GROUP also expects its suppliers, i.e. any contractual partner providing TÜV NORD GROUP with goods, materials or services, as well as business partners (this includes business partners with an intermediary or representative function who act in a sales-supporting capacity in the interests of or on behalf of the TÜV NORD GROUP, such as consultants, intermediaries, sales representatives, etc., as well as their employees) to act responsibly and to commit itself to the basic principles set out in this Code for Suppliers and Business Partners.

Where, in connection with the business relationship with TÜV NORD GROUP, the suppliers or business partners employ third parties, e.g. subcontractors or representatives, TÜV NORD GROUP expects that those third parties also commit to this Code.

## 2. Social responsibility

### Human and employee rights

TÜV NORD GROUP expects its suppliers and business partners to comply with and support international human rights, in particular the principles of the International Bill of Human Rights, the OECD Guidelines for Multinational Enterprises and the Labour and Social Standards of the International Labour Organisation (ILO).

#### No child labour, forced labour, illegal labour or other involuntary labour

TÜV NORD GROUP expects its suppliers and business partners to prohibit any kind of child labour, forced labour, illegal labour or other involuntary labour in accordance with the conventions of the International Labour Organisation (ILO) wherever possible and prevent any kind of human trafficking.

#### Occupational health and safety

TÜV NORD GROUP expects its suppliers and business partners to ensure the occupational safety and health of their employees in the workplace in compliance with the applicable laws and regulations. They support the improvement of working conditions with the help of an appropriate occupational health and safety management system (such as ISO 45001). This includes:

- A clear commitment of the company management to occupational safety and health protection
- Continuous assessment and consideration of the potential impacts of the activities, products and services on the health of the employees.
- The regular implementation of measures to avoid accidents on construction sites and in production facilities
- Immediate elimination of unsafe and hazardous conditions

- Implementation of precautionary measures against accidents and occupational diseases
- Training and instruction of the employees
- Equipping the employees with the protective equipment identified for their work

## Data protection compliance

The TÜV NORD GROUP expects its suppliers and business partners to ensure that they and their own employees comply with the relevant data protection laws<sup>1</sup>. This includes in particular regular awareness training for their own employees.

The Controller and the Data Processor shall ensure the legally compliant handling of the principles of the General Data Protection Regulation (Art. 5 para. 1 (a) to (f) of the GDPR) for the processing of personal data. The data processing is carried out in accordance with the specifications of the GDPR (Art. 24, para. 1 GDPR). Appropriate technical and organisational measures shall be taken for this purpose.

## No discrimination or harassment

TÜV NORD GROUP expects its suppliers and business partners to comply with the principles of equal opportunities and equal treatment, i.e. to exclude discrimination based on skin colour, nationality, social origin, any disability, sexual orientation, political or religious conviction, gender, age or other characteristics. They have established internal rules for fair contacts and relations to others and check compliance with the same. Behaviour (including gestures, language and physical contacts) that is sexist, coercive, threatening, abusive or exploitative will not be tolerated.

## Freedom of association and right to collective bargaining

TÜV NORD GROUP expects its suppliers and business partners to respect the right of their employees to freedom of association and collective bargaining in accordance with the applicable laws in each case.

## Transparency of working time and remuneration

TÜV NORD GROUP expects from its suppliers and business partners that working hours and remuneration are in accordance with the applicable national laws and the international standards of the ILO. Employment contracts shall specify working hours and remuneration. The level of remuneration shall be based on the applicable national laws in each case and ensure compliance with any guaranteed minimum income and social benefits.

## Respect for local communities and indigenous peoples

TÜV NORD GROUP expects its suppliers and business partners to avoid negative physical, social and ecological impacts and risks to local communities and indigenous peoples.

## **Environmental protection**

TÜV NORD GROUP expects its suppliers and business partners to comply with the respectively applicable national energy and environmental laws, regulations and standards. All necessary approvals and/or permits for the operation of their sites shall be documented and regularly reviewed. Furthermore, they shall develop an environmental policy or set up an appropriate environmental and energy management system (e.g. based on the ISO 14001 or 50001 standards).

## Responsible handling of hazardous substances and use of environmentally compatible products

---

<sup>1</sup> According to Article 8, para. 1 of the Charter of Fundamental Rights of the European Union and Article 16, para. 1 of the Treaty on the Functioning of the European Union, everyone has the right to the protection of the personal data concerning him or her.

The supplier and business partner shall ensure that all applicable product safety regulations and requirements are complied with in each case, in particular the legal specifications regarding the safety, labelling and packaging of products, as well as with respect to the handling of hazardous substances and materials. Rules, guidelines, internal standards or similar items concerning product-related environmental protection (product design, substance restrictions, labelling, information obligations, re-use, environmentally compatible product use, maintenance, disposal, chemical law (if applicable)) have been drawn up and training courses have accordingly been organised for the company's own employees. All suppliers and business partners shall actively inform their customers about the environmental compatibility of their products (e.g. environmental product declarations, environmental protection reports).

### Reduction of resource consumption and the volume of wastes and emissions

TÜV NORD GROUP expects its suppliers and business partners to handle their essential resources in a responsible manner. A continuous improvement process shall be in place to permanently reduce energy and water consumption levels, as well as the generation of waste. Emissions to the air, water or soil should be recorded and minimised in order to improve their quality.

A particular focus should be placed here on greenhouse gas emissions. Such recording should not be limited to the company's own emissions, but should also reflect upstream and downstream emissions as far as possible. Measures that are in line with the Paris Climate Agreement shall be taken and the use of renewable energies and alternative energy sources promoted.

## **3. Transparent business relationships**

Openness and transparency are the key for credibility and trust in business dealings. TÜV NORD GROUP expects its suppliers and business partners to comply with the following basic principles in particular:

### Avoiding conflicts of interest

Suppliers and business partners come to their decisions exclusively on the basis of factual criteria and do not allow themselves to be influenced by personal interests and relationships. Situations in which the interests of the supplier and business partner conflict or could conflict with the business interests of TÜV NORD GROUP shall be avoided. In cases where conflicts of interest become known, the supplier and business partner undertakes to inform TÜV NORD GROUP immediately.

### Prohibition of corruption

Suppliers and business partners do not tolerate any corruption. They shall ensure that their employees, subcontractors or representatives do not pay, offer or accept bribes, kickbacks, improper donations or other inadmissible payments or benefits to or from customers, public officials or other third parties.

### Presents, hospitality and invitations

Suppliers and business partners offer neither directly nor indirectly improper benefits in the form of gifts, hospitality or invitations to employees or any third parties in order to effect any non-permissible influencing. Neither do they request or accept any such improper benefits.

Any promotional and occasional gifts granted to employees on a voluntary basis by suppliers and business partners may be made only within an appropriate value range and context.

Any invitations extended to suppliers and business partners for meals or events must serve a business purpose, must not take place with unreasonable frequency and any hospitality must be effected within the framework of the ordinary course of business and be proportionate to the occasion.

## The government as client/customer and how to deal with authorities

Suppliers and business partners strictly comply with all statutory requirements when dealing with governments, authorities and public institutions. When participating in public invitations to tender, they respect the relevant statutory requirements and the rules of free and fair competition.

## Consultants and intermediaries

Suppliers and business partners use consultants or intermediaries only in full compliance with all applicable laws. In particular, they ensure that the remuneration paid to consultants or intermediaries is paid only for consultancy and brokerage services actually performed and that the remuneration is suitably commensurate with the performance rendered.

## Business books and records

Suppliers and business partners of TÜV NORD GROUP undertake to maintain complete business books and records that correctly document all business transactions and expenditures and are maintained in accordance with applicable laws and regulations.

## **4. Fair market behaviour**

As a fair and responsible market participant, TÜV NORD GROUP adheres to its contractual obligations. It also expects this behaviour from its suppliers and business partners, in particular compliance with the following basic principles:

### Free competition

Suppliers and business partners comply with all applicable antitrust laws. In particular, they do not engage in any anticompetitive agreements with competitors, suppliers or customers and do not abuse any possibly existing market-dominating position.

### Export control

Suppliers and business partners shall ensure compliance in each case with the applicable laws governing the import and export of goods, services and information, including those relating to economic and trade sanctions and anti-boycotts.

### Money laundering

Suppliers and business partners maintain business relationships only with such business partners of whose integrity they are convinced. They ensure that the respectively applicable statutory regulations against money laundering are not broken.

### Business information

In accordance with statutory regulations, suppliers and business partners publish business data and report on their business activities truthfully and in compliance with the respectively applicable laws.

### Supply chain and duties of care

At the TÜV NORD GROUP's suppliers, part of the value creation process takes place in the supply chain. It is therefore important that these suppliers adequately promote and actively implement compliance with this code or an equivalent code of conduct of their own in their supply chain, too.

For this reason, TÜV NORD GROUP expects its suppliers to comply with this code not only within their own

organisation, but also to pass on and promote the standards summarised in this code to their own suppliers.

## Conflict minerals

Suppliers and business partners shall ensure that they do not trade in goods and materials that have been obtained in an illegal or unethical manner. In order to ensure compliance with the corresponding regulations, the implementation of appropriate due diligence measures for the responsible procurement of minerals is to be confirmed. In the event of any production of, purchase of or trade in regulated conflict minerals (tantalum, tin, tungsten, gold or other minerals or their derivatives which are considered to be used for the financing of conflicts) from the Democratic Republic of the Congo (DRC) or its neighbouring countries, the supplier and business partner shall inform TÜV NORD GROUP of this and provide internal due diligence measures and their results upon request.

## **5. Protection of personal data, business and trade secrets and business assets**

Confidential data, business secrets and company assets must be protected. TÜV NORD GROUP expects its suppliers and business partners to comply with the following basic principles in particular:

### Data protection

Suppliers and business partners shall respect the privacy and the confidential information of all their employees and business partners and protect the data and intellectual property against misuse. Suppliers and business partners shall implement an appropriate Compliance Management System that supports compliance with the applicable laws, rules and standards.

### Protection of know-how, patents, company and business secrets

Suppliers and business partners shall respect the know-how, patents, company and business secrets of their business partners and any third parties. They do not pass on any such information to any third parties without prior express approval or in any other impermissible way.

### Handling of company assets

Suppliers and business partners respect the material and immaterial assets of the company and do not use the same for unethical or non-company purposes. They ensure that their employees as well as any third parties used by them in connection with the business relationship, such as subcontractors or representatives, neither damage nor misuse the assets of the company.

## **6. Support in cases of doubt and consequences in the event of infringements**

In suspected cases or in the event of complaints regarding possible violations of the code, the company's own employees, business partners and other stakeholders will have access to various channels, such as the ombudsman appointed by TÜV NORD GROUP and the central contact person responsible for compliance. All tips will be treated confidentially and followed up. The whistleblower can remain anonymous and will be protected from any possible negative consequences of his or her report that might arise. TÜV NORD GROUP also expects its suppliers and business partners to establish a whistleblower system in accordance with new legal specifications (EU Whistleblower Directive).



If a supplier or business partner does not comply with the basic principles set out in this code, sanctions may be taken depending on the nature of the violation, up to and including extraordinary termination of the business or supply relationship with this supplier or business partner.

In the event of deviations from the principles of the code, the supplier or business partner will be actively involved in the clarification of how corrections can be implemented within an appropriate timeframe. This joint clarification shall not relieve the supplier or business partner of its responsibility for its actions, omissions or the processing thereof.

All measures defined as a result of the review enter into the supplier assessment. The implementation of the measures thus influences the assessment of the performance of the supplier, the estimation of the future potential of the supplier as well as the status of the supplier approval.

Compliance with the obligations and principles of the Code for Suppliers and Business Partners can be verified. Here, the following methods can be used, the support of which by competent personnel must be ensured by the supplier or business partner:

- Self assessment
- Supplier quality audit
- Event-related review / audit

The review on site is only carried out after prior announcement, within the usual hours of business, and only in accordance with respectively applicable law. Additionally, it is ensured that neither the business activities of the supplier are restricted nor the confidentiality agreements of the supplier with any third parties violated. All data are treated in accordance with the applicable statutory regulations for the protection of personal data and for data security as well as antitrust law regulations.

## 7. Contractual obligation

The principles and requirements of this Code are understood to be a minimum standard for sustainable supplier management. This Code forms the basis of the business relationships and is therefore an integral part of all contracts with suppliers or other contractual agreements with business partners.

In addition to their own commitment to the values of the Code of Conduct, the legally effective obligation of all suppliers and business partners to comply with the principles of this Code represents a decisive component of the Compliance Program of TÜV NORD GROUP.

From the contractual obligation of the suppliers and business partners, there results the right to institute appropriate legal consequences in the event of any severe breaches of this Code, such as - in particular - the right to terminate the contractual relationship.

The suppliers and business partners therefore undertake to comply with the regulations of this Compliance Code for Suppliers and Business Partners by providing a legally binding signature and returning the declaration that is enclosed as an attachment.

### Annex

- Supplier Declaration

## Supplier Declaration

on the Code for Suppliers and Business Partners of TÜV NORD GROUP

**Supplier / Business Partner** .....

**Address** .....

.....

.....

**Contact person** .....

**Function** .....

**Email** .....

**Telephone** .....

We have read and understood the content of the Code for Suppliers and Business Partners TÜV NORD GROUP.

We hereby declare our express agreement that this Code becomes a contractual basis for all existing and future contractual agreements between our company and a TÜV NORD GROUP company.

Place, date .....

Name / Function in (printed letters) .....

Signature .....