

# Code of Conduct for Suppliers and Third Party Intermediaries

## Our understanding of sustainability in supplier management

At Siekmann Econosto ("SE"), we consider sustainability to be an essential part of our business processes. As an industrial valve and service provider with high product and process competency, we purchase products, components and services from suppliers worldwide to secure the sustainable success of our customers by providing innovative solutions for products and services.

This requires responsible management that strives for a long-term, value-added business model. For this reason, our suppliers are an integrated part of our sustainability strategy. In all our procurement activities, we carefully take into consideration a set of economic, process-driven and technical criteria as well as essential social and ecological factors such as human rights, labor conditions, anti-corruption concerns and environmental protection.

Irrespective of different products, services, markets, regions or processes, the principal factors for supplier assessment and evaluation at Siekmann Econosto are always cost, quality, reliability, innovation and sustainability.

At Siekmann Econosto, we expect that our suppliers comply with applicable national laws, with the principles of the United Nations Global Compact, and with the Supplier Code of Conduct. Furthermore, we expect our suppliers to introduce suitable processes within their organizations that support compliance with applicable laws and that drive continuous improvements with regard to the principles and requirements laid out in the Supplier Code of Conduct. Moreover, we expect from our suppliers to ensure compliance with these principles and requirements by all their affiliates.

### The supplier and/or third party intermediary declares herewith:

**Legal compliance:** to comply with the laws of the applicable legal systems.

**Prohibition of corruption and bribery:** to tolerate no form of and not to engage directly or indirectly in any form of corruption or bribery and not to grant, offer or promise anything of value to a government official or to a counterparty in the private sector to influence official action or obtain an improper advantage.

### Fair competition, anti-trust laws and intellectual property rights:

- to act in accordance with national and international competition laws and not to participate in price fixing, market or customer allocation, market sharing or bid rigging with competitors;
- to respect the intellectual property rights of others.

### Invitations and gifts:

- to refrain from presenting any invitations or gifts to our employees to gain any form of influence;
- any invitations or gifts extended to our employees or related parties, if any, must be reasonable and suitable with a view to scope and design, i.e. they must be of low financial value and reflect ordinary local business custom;
- to refrain from asking our employees or related parties for any inappropriate advantages.

**Conflicts of interest:** to avoid all conflicts of interest that may adversely influence business relationships.

### Respect for the basic human rights of employees:

- to promote equal opportunities for and treatment of its employees irrespective of skin color, race, nationality, social background, disabilities, sexual orientation, political or religious conviction, sex or age;
- to respect the personal dignity, privacy and rights of each individual;
- to refuse to employ or make anyone work against his will;
- to refuse to tolerate any unacceptable treatment of employees, such as mental cruelty, sexual harassment or discrimination;
- to prohibit behavior including gestures, language and physical contact, that is sexual, coercive, threatening, abusive or exploitative;
- to provide fair remuneration and to guarantee the applicable national statutory minimum wage;
- to comply with the maximum number of working hours laid down in the applicable laws;
- to recognize, as far as legally possible, the right of free association of employees and to neither favor nor discriminate against members of employee organizations or trade unions.

**Prohibition of child labor:** to employ no workers under the age of 15 or, in those countries subject to the developing country exception of the ILO Convention 138, to employ no workers under the age of 14.

**Health and safety of employees:**

- to take responsibility for the health and safety of its employees;
- to control hazards and take the best reasonably possible precautionary measures against accidents and occupational diseases;
- to provide training and ensure that employees are educated in health and safety issues;
- to set up or use a reasonable occupational health & safety management system.

**Environmental protection:**

- to act in accordance with the applicable statutory and international standards regarding environmental protection;
- to minimize environmental pollution and make continuous improvements in environmental protection;
- to set up or use a reasonable environmental management system.

**Supply chain:**

- to use reasonable efforts to promote among its suppliers compliance with this Code of Conduct;
- to comply with the principles of non-discrimination with regard to supplier selection and treatment.

**Money laundering:** to comply with all applicable statute governing the prevention of money laundering, and not to participate in any money laundering activities.

**Conflict Minerals:** to take reasonable efforts to avoid in its products the use of raw materials which directly or indirectly finance armed groups who violate human rights.

## Supplier relations

At Siekmann Econosto, we expect our suppliers to communicate the principles laid out herein to their subcontractors and sub-suppliers and to take these principles into account when selecting subcontractors and sub-suppliers. Our suppliers are expected to encourage their subcontractors and sub-suppliers to comply with the minimum standards of this Code of Conduct regarding the protection of human rights, working conditions, anti-corruption and environmental protection when fulfilling their contractual obligations.

We will review our suppliers' compliance with the principles and requirements laid out in the Supplier Code of Conduct regularly, asking our suppliers to complete a self-assessment not more than once a year. Furthermore, we reserve the right to consult with each supplier and to appoint a qualified employee of SE, or a third party, to perform an inspection at the supplier's site.

Any violation of the principles and requirements set out in this Code of Conduct will be regarded as a serious violation of the supplier regarding his contractual obligations. In the event that supplier is suspected of violating any of the principles laid out in the Supplier Code of Conduct (e.g. based on negative media reports), Siekmann Econosto reserves the right to request from the supplier that all relevant information be disclosed. Furthermore, Siekmann Econosto reserves the right to stop any business with all suppliers who are in clear, verifiable violation of the Supplier Code of Conduct and/or who are neither seeking nor implementing measures for improving their sustainability performance. In the event that a supplier evidently fails to fulfill any of the principles and requirements set out in this Supplier Code of Conduct, or refuses to implement measures for improving his sustainability performance, Siekmann Econosto reserves the right to immediately terminate any or all contracts with the supplier for cause.

References:

United Nations Global Compact ([www.unglobalcompact.org](http://www.unglobalcompact.org))  
Universal Declaration of Human Rights ([www.un.org/en/rights](http://www.un.org/en/rights))  
International Labour Standards / ILO (<http://www.ilo.org/global/standards/lang-en/index.htm>)  
OHSAS 18001 Healthy & Safety Standard ([www.ohsas-18001-occupational-health-and-safety.com](http://www.ohsas-18001-occupational-health-and-safety.com))  
International Organization for Standardization / ISO ([www.iso.org](http://www.iso.org))