

# CHEMIE<sup>3</sup>-INDUSTRY-STANDARD FOR SUSTAINABLE VALUE CREATION

Code of Conduct

Gechem GmbH & Co KG



Dr. Spiess Chemische Fabrik GmbH



Hauptstraße 4  
67271 Kleinkarlbach

## Code of Conduct

### Preamble

#### 1. Preamble

**Gechem GmbH & Co KG and its wholly owned subsidiary Dr. Spiess Chemische Fabrik GmbH (hereinafter jointly referred to as "WE")** are committed to legally compliant as well as ethically and socially responsible, sustainability-led corporate governance.

As a member of the German chemical industry association VCI and as part of the CHEMIE<sup>3</sup> industry federation WE base our actions on the reviewed proposal for this Code of Conduct to ensure that clarity and transparency underpin the bureaucratic work involved in compliance with the legal obligations of occupational safety, human rights, and corporate ethics.

WE are aware of our responsibility within our own organisation and our fields of business vis-à-vis customers and suppliers and act with integrity and fairness. WE are equally aware of our responsibility for our actions and how they affect society and climate change.

WE especially abide by a set of values such as integrity and fairness irrespectively of whether activities take place in Germany or abroad. Hence, WE support initiatives and principles such as the UN Global Compact and the OECD Guidelines for Multinational Companies and undertake to make them part of our corporate principles and procedures.

In addition, **Gechem GmbH & Co KG** is a co-signatory of the Responsible Care Global Charter of the chemical industry whereby WE expressly undertake to continually improve our efforts in areas such as occupational safety, security, climate protection and product responsibility.

WE want to work together with our customers, suppliers, and service providers (hereinafter referred to as "Business Partner/s") in a mutually beneficial way to further develop sustainability in the supply chain. The success of our cooperation with our Business Partners is based on mutual trust, transparency, reliability, and fairness. This Code of Conduct defines the requirements of responsible business practices, human rights, employment standards, environmental protection, and product safety.

**Gechem GmbH & Co KG and Dr. Spiess Chemische Fabrik GmbH** are responsible for the implementation of ethical, social, and ecological standards within their own companies and expect their Business Partners to adhere to the principles set out in this Code of Conduct and take them into account within their own supply chain.

### Responsible business practices

#### 2. Compliance with laws, recognised human rights as well as labour standards and guidelines <sup>1</sup>

The Business Partner undertakes to comply, with regard to all business-related actions and decisions, with the respectively valid national laws as well as the relevant internationally recognised standards, guidelines and principles, in particular the principles of the **Global Compact of the United Nations**, the **General Human Rights Declaration**, the **Conventions of the Organisation of the United Nations**, the **Core Labour Standards of the International Labour Organization (ILO)**, the **OECD Guidelines for Multinational Companies** and the **UN Guiding Principles on Business and Human Rights**.

Adherence to this Code of Conduct as well as the applicable rules and standards must not be undermined by subsidiary agreements such as different contractual arrangements or other comparable measures.

In the case of discrepancies between national and international regulations, the Business Partner must comply with the standard that offers the highest level of protection to the parties concerned

**3. Prevention of corruption and money laundering**

The Business Partner hereby undertakes to comply with international and local anti-corruption laws and standards. When dealing with Business Partners and government institutions, there is a strict separation between the interests of the company and the private interests of employees on both sides. Extraneous considerations and personal interests shall play no part in any actions and decisions taken.

A policy of zero tolerance must be applied to any actions involving blackmailing and embezzlement or other types of behaviour involving the accepting of advantages/benefits.

Funds are exclusively obtained from legitimate sources. Money laundering and the acceptance of organised crime will not be supported.

**4. Anti-trust and competition law**

The Business Partner shall ensure adherence to the respective national and international anti-trust laws as well as the laws against unfair competition including agreements with competitors on pricing and contract terms or other forms of anti-competitive arrangements, in particular agreements with competitors whose hidden aim is market or customer sharing.

**5. Privacy and data protection**

The Business Partner hereby undertakes to comply with the provisions of the applicable data protection laws. Personal data must therefore only be collected, processed, or used as far as this is required for clearly stipulated and legally permitted aims. The use of such data must be transparent for the data subject; the Business Partner undertakes to comply with all laws that regulate the notification and reporting of personal data as well as the revocation of any consent to the use as well as the blocking and deletion of personal data.

In addition, the Business Partner treats individuals in a respectful way that is compatible with the right to privacy and ensures that a person's privacy is not interfered with in unlawful and/or arbitrary ways.

To ensure product integrity, any transfer of technologies and know-how must be undertaken in such a way that intellectual property rights and confidential information remain protected, even against unintentional changes or deletion.

**6. Import and export**

The Business Partner undertakes to comply with the valid import and export laws and, in particular, with any regulatory sanctions, embargoes and other relevant laws, regulations, government and national guidelines and principles that regulate the transfer, provision, or delivery of goods and/or technologies.

<sup>1</sup> According to section 2(2) no. 12 of the German Supply Chain Act (LkSG), a risk to human rights also includes any breach of the ban on illegal acts or omissions beyond numbers 1-11 that may directly impair a protected legal position in a particularly serious manner and the illegality of which is obvious if all relevant circumstances are duly taken into account.

<sup>2</sup> See ILO Convention 138 (Minimum Age (1973)) and ILO Convention 182 (Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour (1999)). According to this Convention the worst forms of child labour are, among others, slavery, debt bondage, child trafficking, prostitution, pornography, the compulsory recruitment of children for use in armed conflict, the use of children for illicit activities such as drug trafficking as well as any work carried out by children which harms their health, safety, or development.

<sup>3</sup> See ILO Convention 29 (Forced Labour 1930 and Protocol of 2014) and ILO Convention 105 (Abolition of Forced Labour (1957)).

<sup>4</sup> See ILO Convention 155 (Occupational Safety and Health and Working Environment (1981) and ILO Convention 187 (Promotional Measures for Safety and Health (2009)).

<sup>5</sup> See ILO Convention 87 (Freedom of Association and Protection of the Right to Organise (1948) and ILO Convention 98 (Right to Organise and Collective Bargaining (1949)).

<sup>6</sup> See ILO Convention 111 (Discrimination (Employment and Occupation) (1958)) and ILO Convention 100 (Equal Remuneration (1951)).

Respect of Human Rights and Labour Standards <sup>10</sup>**7. Prohibition to child labour<sup>2</sup>**

The exploitation of children and adolescents cannot be tolerated in any form.

The Business Partner is expected to prevent the use of any form of child labour for its operational activities. The Business Partner must also comply with the rules concerning the minimum age for admission to employment. Where national law prescribes stricter criteria concerning child labour or the minimum age for admission to employment, it takes precedence.

**8. Prohibition of forced labour and other forms of modern slavery<sup>3</sup>**

No form of forced and/or compulsory labour can be tolerated. This means that the Business Partner must not impose any form of involuntary employment or employment by threatening penalties or other sanctions, including compulsory overtime, work duties, forced labour of prisoners, slavery, or debt bondage.

In addition, the Business Partner herewith is committed to the taking of measures aimed at abolishing forced labour or any form of modern slavery.

**9. Freedom of Association and Right to Collective Bargaining <sup>5</sup>**

The Business Partner warrants to safeguard the basic right of its employees to freedom of association and the right to collective bargaining within the framework of national law. The Business Partner has an open mind vis-à-vis the activities of trade unions and their organisational work. Employee representatives will not be discriminated against and are allowed to exercise their representative functions at their place of work.

In cases where national laws restrict the freedom of association and/or the right to collective bargaining, the Business Partner shall do everything in its power to ensure that the free and independent association of employees for the purpose of collective bargaining is made possible and actively granted.

**10. Equal treatment <sup>6</sup>**

WE expect all our Business Partners to make the equal treatment of their employees an essential part of their corporate policies also with regard to recruitment, remuneration, benefits, promotion and the termination of employment. The Business Partner must therefore eliminate and prevent any form of discrimination based on ethnic, national, or social origin, skin colour, sex, age, religion, ideology, political orientation and/or work, membership in a trade union or a body representing employees, disability, sexual identity or orientation or other personal characteristics or preferences.

The Business Partner offers equal employment opportunities and warrants that the respectively valid statutory provisions are complied with at all times.

Equal treatment also includes equal pay for equal work.

**11. Land rights**

The Business Partner warrants that when acquiring, developing, or using land, it will abide by the ban on the unlawful clearance and confiscation of land, forests, and waterways, in particular if their use ensures people's livelihood.

**12. Abuse of violence by private or public security staff**

When employing public or private security staff to protect corporate projects, the Business Partner shall issue the respective instructions or undertake checks to ensure that the security staff will neither restrict the freedom of association, nor physically abuse employees nor engage in any kind of inhuman or humiliating treatment.

**13. Ban on harassment or inhuman treatment**

The Business Partner ensures that measures are implemented to avoid physical abuse or disciplining, threats of physical abuse, sexual or other harassment as well as verbal abuse or other forms of intimidation

**14. Disciplinary measures and approach to employees**

**Gechem GmbH & Co KG and Dr. Spiess Chemische Fabrik GmbH** expect their Business Partner to treat its employees with dignity and respect. Sanctions, fines, other penalties, or disciplinary measures must only be imposed to the extent that the applicable national and international laws and standards as well as the internationally recognised human rights are abided by.

The Business Partner ensures that no employee is exposed to verbal, psychological, sexual and/or physical violence or harassment. It is not permitted to use wage deduction as a disciplinary measure.

**15. Local communities and indigenous people**

The Business Partner shall act responsibly within the local community, consider the concerns of the locals and ensure healthy and safe living conditions. The Business Partner respects the rights of indigenous peoples to the land, the territory, and the resources that they have traditionally owned, occupied or otherwise used or acquired.

## Labour standards

### 16. Health and safety at work <sup>4</sup>

It is one of the key business objectives of **Gechem GmbH & Co KG and Dr. Spiess Chemische Fabrik GmbH** to avoid accidents at work as well as work-related illnesses. WE always aim to guarantee the wellbeing and satisfaction of our employees, which at the same time contributes to the success of our companies.

WE therefore expect our Business Partners to provide a safe, healthy, and hygienic working environment and take all measures necessary to prevent work-related accidents and health hazards. To demonstrate these efforts the Business Partner undertakes to abide by internationally recognised occupational health and safety standards. In addition, the Business Partner is expected to press ahead with the continuous improvement of the working environment and make the safety-related training of employees a priority.

### 17. Remuneration and social benefits

The Business Partner shall ensure that the wages paid to its employees are adequate. An adequate wage cannot be lower than the applicable statutory minimum wage or the minimum wage agreed for the respective industry. In addition, the Business Partner shall offer its employees social benefits that match the respective applicable national or local standards. Wages shall be paid on time and written, easy-to-understand information about the wages shall be made available.

### 18. Restriction of hours of work<sup>7,8</sup>

The system of working hours introduced by the Business Partner must be in accordance with the respective applicable national laws, industry standards and the pertinent ILO Conventions.

### 19. Regularly employment

The Business Partner must ensure that any work is carried out based on a recognised employment contract in line with national laws and practices. Obligations resulting from a regular employment contract must not be circumvented by the use of other types of contractual arrangements.

### 20. Training

The Business Partner is expected to offer all employees, as a minimum, the regular, legally prescribed training courses covering the applicable regulations.

### 21. Environmental effects that may have a negative impact on some human rights

The Business Partner undertakes to avoid harmful soil changes, air, noise and water pollution, harmful noise emissions or excessive water use that could have a negative impact on the preservation of natural resources, and refrain from actions that obstruct access to drinking water and sanitary facilities or pose a human health hazard.

<sup>7</sup> The most important ILO Conventions are the Hours of Work (Industrial Undertakings) Convention 1919 (No. 1) and the Hours of Work (Commerce and Offices)

Convention 1930 (No. 30). Other relevant ILO Conventions regarding hours of work can be found at: <https://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/working-time/lang--en/index.htm>.

<sup>8</sup> Please note: A restriction of hours of work is recognised in the German Supply Chain Act (LkSG) in connection with health and safety hazards.

## Environmental protection

**22. Environmental and climate protection**

The protection of human beings and the climate is an integral part of the policies adopted by **Gechem GmbH & Co KG and Dr. Spiess Chemische Fabrik GmbH**.

WE therefore expect the Business Partner to take appropriate measures to minimise any climate-relevant effects of its business activities, forge ahead with active climate and environmental protection in accordance with internationally valid standards and statutory regulations and continuously improve the effectiveness of its efforts in that field. This includes the avoidance – as far as possible – of emissions and waste as well as a continuous increase in resource efficiency.

The Business Partner takes suitable and verifiable measures and introduces effective methods and/or management systems (e.g. in line with ISO 14001 or other management systems that meet a similar standard) establishing environmental performance and its continued improvement to ensure climate protection.

WE expect our Business Partner to push ahead with the safe and environmentally friendly development and production of goods, their packaging and transport and, by doing so, reduce greenhouse gases. When it comes to disposal, the principles of circular economy concerning re-use, further use or recycling must be observed.

**23. Waste and emissions**

WE request that the Business Partner maintain procedures and systems that guarantee the safe handling, transport, storage, recycling, re-use, and management of raw material, other business materials and waste.

The Business Partner hereby undertakes to minimise the production and disposal of waste as well as any form of release or emission of materials into the air, the water and/or the soil that could have a negative impact on human health, ecosystems, and the climate.

Furthermore, the Business Partner must ensure that all materials and waste are handled and treated appropriately before they enter the environment if that were to be unavoidable. The respective legal discharge limit levels must be met and/or undercut.

The Business Partner is obliged to prevent the unintended release, emission and/or the discharge of hazardous substances into the environment or, if this were to be unavoidable, minimise it by introducing and actively maintaining suitable procedures and systems. In addition, WE expect the Business Partner to use and, where applicable, introduce and maintain procedures and systems that continuously and sustainably optimise its use of all relevant resources such as energy, water, and raw material. The aim must be the use of renewables.

**24. Compliance with specific environmental conventions**

As far as applicable, WE request that the Business Partner warrant compliance with the bans on the use and production of mercury and the treatment of mercury waste according to the Minamata Convention, the ban on the production and use of chemicals and the handling, collection, storage, and disposal of waste in a way that is not environmentally friendly in line with the Stockholm Convention and, finally, the ban on the export and import of hazardous waste according to the Basel Convention.

The German Ordinance on the Transport of Dangerous Goods by Road, Rail, and Inland Waterways (GGVSEB) must be complied with.

Employees must be trained in the handling of hazardous substances. The handling of hazardous substances as well as their appropriate disposal must be documented.

**Product responsibility****25. Product safety**

The Business Partner must comply with all relevant country- and state-specific laws and legal regulations concerning product safety. In addition, the Business Partner must, prior to the delivery of the product or the rendering of the service, provide all relevant product information, in particular any information about the composition, the use (in particular processing instructions, installation instructions as well as health and safety measures) and, where applicable, the disposal of its products as well as label its products appropriately. Besides, the Business Partner undertakes to make available an entire set of documents concerning the legal conformity of the products and services provided, including (but not limited to) safety data sheets and product labelling regulations.

**26. Process safety**

WE recommend that the Business Partner introduce and maintain a formal management system to monitor its processes in accordance with recognised safety standards. Where applicable, the Business Partner conducts site and/or facility-specific risk assessments. The Business Partner must take suitable measures to prevent incidents at all its sites and facilities.

**27. Clinical studies and animal protection (if relevant)**

**Gechem GmbH & Co KG and Dr. Spiess Chemische Fabrik GmbH** request that the Business Partner conduct – if unavoidable – clinical studies and product tests on animals in accordance with international guidelines and all applicable national and local regulations. Concerning product tests on animals, the Business Partner shall at all times use the 3R principle: Replace, Reduce, Refine.

**28. Conflict minerals (if relevant)**

The Business Partner is expected to ensure that no products are supplied to **Gechem GmbH & Co KG or Dr. Spiess Chemische Fabrik GmbH** that contain metallic elements the ores and/or derivatives of which originate from a conflict region where they may contribute to the direct or indirect funding or supporting of armed groups and/or lead to human rights violations. The Business Partner is expected to abide by the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD DDG) as well as other applicable regulations such as the EU Conflict Minerals Regulation.



## Implementation

### **I. Implementation**

The Business Partner hereby undertakes to actively inform its direct suppliers of the requirements set out in this Code of Conduct and request compliance.

If the Business Partner were to have introduced its own Code of Conduct or a formal corporate policy containing all requirements listed in this Code, WE expect the Business Partner to fully meet these requirements. If the Business Partner has not introduced its own Code of Conduct or formal corporate guidelines, it shall herewith declare to comply with this Code of Conduct and fulfil all requirements set out herein as described above.

WE expect the Business Partner to disclose, upon request, any risks and/or breaches of the requirements set out in this Code of Conduct that have been detected in its own field of business and/or its own supply chain.

### **II. Qualification**

The Business Partner is expected to encourage and improve the qualification of its employees through suitable training and professional development measures.

### **III. Complaint mechanism**

The Business Partner must establish and maintain effective complaint mechanisms for its employees that enable them to report potential breaches of the Code of Conduct.

### **IV. Monitoring**

**Gechem GmbH & Co KG and Dr. Spiess Chemische Fabrik GmbH** reserve the right to either use its own employees, independent third parties, certifications, other forms of official safeguarding measures or issue-specific on-site audits to monitor and check compliance with the requirements of this Code.

### **V. Sanctions**

**Gechem GmbH & Co KG and Dr. Spiess Chemische Fabrik GmbH** shall treat any serious breach by the Business Partner of the obligations, requirements and provisions set out in this Code as a material contractual violation and shall therefore, depending on the individual case, consider legal action where suitable.

The Business Partner will be given the opportunity to take the appropriate corrective measures.

**Gechem GmbH & Co KG and Dr. Spiess Chemische Fabrik GmbH** reserve the right to suspend and/or terminate the business relationship.

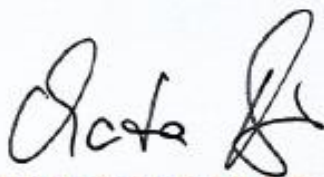
## Companies based in Kleinkarlbach

### Gechem GmbH & Co KG

### Dr. Spiess Chemische Fabrik GmbH

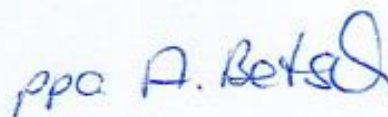
Hauptstraße 4  
67271 Kleinkarlbach

Managing partner  
Martina Nighswonger



Kleinkarlbach  
01.03.2023

signed Martina Nighswonger  
Gechem GmbH & Co KG



signed Astrid Betsch  
Dr.Spiess Chemische Fabrik GmbH

► The information included in this Code of Conduct is based on the German Supply Chain Act *German act on corporate due diligence obligations in supply chains* and international standards like [OECD-http://mneOECD-Due-Diligence-Guidance-for-Responsible-Business-Conduct](http://mneOECD-Due-Diligence-Guidance-for-Responsible-Business-Conduct), [UNGuidingPrinciplesBusinessHR\\_EN.pdf](#) and [ethicaltrade.org/](http://ethicaltrade.org/), which is mainly based on ILO Convention.