

Sustainable Sourcing Policy

1 Introduction

- ▶ As a family-owned company, the conduct of our business in an ethical and sustainable manner is fundamental to our values. Accordingly, we maintain a sourcing policy that aims to address sustainability challenges beyond the boundaries of our operations and is rooted in our commitment to a better and more sustainable world. Hence, it addresses the highest standards possible.
- ▶ This document summarizes our core values, principles, and standards for our business partners and suppliers concerning the production and delivery of goods and services according to recognized, globally applicable principles. We encourage our business partners to communicate these guidelines to their employees as well as their business partners to ensure compliance with our principles. Furthermore, we expect our partners and their suppliers to observe compliance with all applicable laws and regulations.

2 What we understand by sustainable sourcing

- ▶ Sustainable sourcing is the acquisition of essential goods and services that have the least impact upon the environment, society, and human health. Furthermore, sourcing is considered sustainable when a company or any other type of organization broadens this framework by meeting its needs for goods, services, works and utilities in a manner that achieves value for money and promotes a positive outcome, not only for the organization itself, but for the economy, environment, and society. Sustainable sourcing therefore combines social, ethical, and environmental performance factors. To promote sustainability throughout our supply chain as well as to fully understand and manage the associated risks, we have integrated various sustainability criteria into our procurement and supply chain management process. These include a risk analysis as well as the evaluation of suppliers via independent third-party providers and close collaboration with our partners.

3 Objectives

This policy is intended to:

- Ensure that all suppliers employ sustainable business practices
- Encourage our partners and suppliers to embrace and improve sustainable behavior
- Improve the environmental, social, and financial outcome of our sourcing and business practices
- Provide insight regarding the values and standards that are important to us and must be adhered to
- Highlight how important it is for us at Greiner to comply with the law as well as with environmental and social standards and to avoid human rights violations
- Make certain that our personnel apply sustainability principles when purchasing goods and services
- Acknowledge the impact of our decisions on the environment and society
- Demonstrate our obligation to manufacture products and offer services with a higher degree of sustainability
- Manage environmental impact, respond to climate change, and secure the more efficient use of resources

4 Principles and objectives

- ▶ We actively support the UN Global Compact's principles, and we encourage our suppliers to align with the same principles. These can be found on www.unglobalcompact.org.
- ▶ Business partners and suppliers shall always strive to minimize actually or potentially adverse effects on society, health, the environment, and natural resources in their operations.
- ▶ In our view, a sustainable and successful business relationship is based on integrity, transparent standards in business practice, and close cooperation.
- ▶ It is of critical importance for our operations to ensure that business is conducted with suppliers and business partners, who comply with our values as outlined in the [Greiner Code of Conduct](#). These values are as follows:

4.1 Social Policies & Principles

Human Rights

- Suppliers are obligated to respect and comply with applicable local labor law, the UK Modern Slavery Act, and ILO standards ([ILO Library Resources - International Labour Standards - ILO Research Guides at International Labour Organization](#)), internationally recognized labor standards, and human rights for all their employees and contracted labor ensuring they are being treated fairly with dignity and respect. Among other requirements, this means that our suppliers and business partners are committed to not use forced, bonded or child labor. At a minimum, our suppliers and business

partners shall observe *Convention 138 (Minimum Age)*, *Convention 182 (Worst Forms of Child Labor)*, and *Convention 105 (Abolition of Forced Labor)* of the International Labor Organization (ILO).

- Business partners must ensure no form of bonded labor is used and that employment is on the basis of free will.

Equal opportunities & Non-discrimination

- We expect our suppliers and business partners to promote equal opportunities and treatment, and prevent discrimination with regards to personnel recruitment, promotions, the provision of training and further education. No employee may face disadvantages or discrimination owing to gender, age, skin color, culture, ethnic origin, sexual orientation, political views, disability, religious affiliation, or ideology. Our suppliers and business partners shall observe *Convention 111* of the International Labor Organization (ILO) pertaining to Discrimination (Employment and Occupation).

Freedom of Association & Collective Bargaining

- We expect our suppliers and business partners to respect the right of their employees to freedom of association and collective bargaining. Employee representatives must not be subjected to discrimination or termination of contract in retaliation for exercising employee rights, submitting grievances, participating in trades union activities, or reporting suspected legal violations. Our suppliers and business partners shall observe *Convention 87 (Freedom of Association)* and *Convention 98 (Right to Organize and Collective Bargaining)* of the International Labor Organization (ILO).

Health & Safety in the Workplace

- We expect our suppliers and business partners to comply with the respective applicable legal requirements regarding health and safety in the workplace in order to protect their employees. Suppliers and business partners must adhere to internationally recognized standards, actively work to identify, and resolve safety deficiencies, and continually improve conditions in the workplace, in order that health and safety are guaranteed and protected. This includes:
 - identifying, assessing, and addressing health and safety issues, risks, and impacts in their current and future operations and
 - defining ambitious health and safety goals or adopting standards emphasizing that no task is important enough to put anyone's health and safety at risk.

Minimum Wage & Working Hours

- We expect our suppliers and business partners to pursue a fair remuneration policy that takes into account all local legislation governing labor and pay. If legal statutes or collective bargaining regulations do not exist, wages and benefits shall be based on industry-specific, contractually negotiated remuneration and benefits that are typical for the respective location and ensure an appropriate standard of living for employees and their families. Our suppliers and business partners shall comply with *Convention 100 (Equal Remuneration)* of the International Labor Organization (ILO).

4.2 Environmental Policies & Principles

Environmental Protection

We expect our suppliers and business partners to adopt measures to ensure that the environment is treated in a responsible manner. They should strive to develop and disseminate environment-friendly technologies. We require that the respectively applicable national laws, regulations, and standards pertaining to the environment be upheld. During the development and manufacture of products, their utilization phase, and other activities, provision must be made for the minimization of greenhouse gas emissions, health hazards and threats to the environment, as well as the use of renewable resources. Additionally, suppliers agree to manage transport efficiently to reduce risk, cost, and environmental impact.

Energy & Resource Efficiency

- We expect our suppliers and business partners to utilize natural resources sparingly and reduce environmental impact upon the atmosphere, soil, and water. Our suppliers and business partners shall contribute to cutting back energy consumption and hence greenhouse gas emissions.

Waste & Recycling

- We expect our suppliers and business partners to take into consideration the prevention of waste, as well as the reuse, recycling, and safe, environmentally friendly disposal of residues during the development and manufacture of products, their utilization phase, and other activities.

Conflict Materials & responsible sourcing

- We expect our suppliers and business partners to adopt appropriate measures to ensure that their products do not employ raw materials, which are either cultivated or mined in conflict or high-risk zones, or finance armed groups that violate human rights. In addition, we ask our suppliers to follow Commission Recommendation (EU) 2018/1149 for the identification of conflict-affected and high-risk areas and other supply chain risks and due diligence obligations under Regulation (EU) 2017/821 of the European Parliament and of the Council, the OECD due diligence guidance for responsible supply chains of minerals from conflict-affected and high-risk areas and Section 1502 of the Dodd-Frank Act on requiring responsible minerals sourcing where applicable.
- We commit ourselves to responsible sourcing by preferencing EcoVadis-certified suppliers and recycled products where practically possible and economically feasible.

Chemicals

- We expect our suppliers and business partners to register chemical substances in a central database maintained by the REACH (Registration, Evaluation, Authorization and

Restrictions of Chemicals) Authority if they produce or import these substances in or into the EU in quantities greater than one metric ton per year.

Product Safety

- We expect our suppliers and business partners to observe all the respective applicable legal requirements and provisions pertaining to product safety and, in particular the statutes regarding the safety, labeling, and packaging of products, as well as the use of hazardous substances and materials. Our suppliers and business partners shall share their knowledge and expertise with customers, their own suppliers, and third parties, and adopt a transparent and proactive approach to providing Greiner with information regarding the environmental and safety aspects of their products.

4.3 Ethical Policies & Principles

Legal Requirements

- We expect our suppliers and business partners to conduct themselves in an ethical and fair manner when operating their businesses, observe all international, national, and local legislation and regulations applicable to their business activities, and obtain all the required permits.

Corruption

- We expect our suppliers and business partners to respect, support, and observe national and international anti-corruption initiatives (such as the conventions of the United Nations (UN), the Organization for Economic Cooperation and Development (OECD), and the UK Bribery Act 2010). In particular, with regard to customers, public officials, or other third parties, they shall ensure that their employees, subcontractors, and representatives neither pay, nor offer, nor receive bribes, kickbacks, improper donations, gratuities or other advantages.

Bribery

- We expect our suppliers and business partners to refrain from the misuse of invitations or gifts to influence others. This shall also apply to Greiner employees. Invitations and gifts are only to be given when the occasion and scale are appropriate, i.e. they are of insignificant monetary value and are considered to be a generally acceptable business practice at the respective location. Likewise, suppliers and business partners shall not request or accept inappropriate advantages of this kind.

Money Laundering

- We expect our suppliers and business partners to observe the relevant legal statutes regarding the prevention of money laundering and not to participate in any such activities. Our suppliers and business partners shall only conduct business relationships with partners possessing unquestionable integrity.

Import & Export Controls

- We expect our suppliers and business partners to comply with all the respective applicable legislation pertaining to the import and export of goods, services, and information. Our suppliers and business partners shall respect any applicable trade restrictions, embargoes, and other limitations.

Competition

- We expect our suppliers and business partners to conduct themselves fairly in the competitive environment and observe the applicable antitrust legislation. Our suppliers and business partners shall not enter into agreements with competitors in violation of antitrust laws, nor shall they take improper advantage of any potential market-dominating position.

Conflicts of Interest

- We expect our suppliers and business partners to make their decisions solely on the basis of objective criteria and not to allow themselves to be influenced by personal interests or relationships.

Data, Commercial Secrets & Company Assets

- We expect our suppliers and business partners to observe all the respective applicable legislation intended to protect the personal data of employees, customers, suppliers, and other affected parties. Furthermore, expertise, patents, company and commercial secrets belonging to Greiner or third parties must be respected. Suppliers and business partners shall not pass such information on to third parties without Greiner's express written consent. We expect our suppliers and business partners to publish business data and reports regarding their business activities that are truthful and in accordance with the respective applicable legal statutes.
- Suppliers commit to data protection and privacy and shall ensure proper technical and organizational measures to protect data and privacy.

Transparency & traceability

- We expect our suppliers to establish adequate processes to follow and document their own supply chains if practically possible, economically feasible and especially when it is requested by Greiner. In addition, the supplier shall ensure that any subcontractor/supplier subcontractors being part of the supply chain relevant to the contractual relationship also obeys the values and standards highlighted in this policy. Our goal is to work with our suppliers to create the greatest possible transparency and traceability, and to actively address and mitigate supply chain risks.

5 General Supplier Assessment

- ▶ The Greiner supplier assessment applies to all purchasing categories. Beginning with the suppliers with the highest purchasing order volume or/and suppliers classified as high-risk

suppliers, all relevant suppliers will be assessed in line with this sourcing policy. Greiner has established three levels of investigation in order to assess, evaluate and verify supplier and business partner compliance with the requirements of the Greiner Sourcing Policy.

- Compliance with the [Greiner Code of Conduct for Suppliers and Business Partners](#) and completion of a self-assessment questionnaire. For new suppliers, this step takes place before the tendering process.
- Assessment of supplier sustainability performance by EcoVadis, internal audits by Greiner personnel and/or audits by third parties to verify compliance with the requirements of Greiner Code of Conduct

6 Compliance with Greiner Sourcing Requirements

- ▶ We reserve the right to verify proper implementation of these standards and, in case of any violations, to take appropriate action including termination of business relationship.
- ▶ If the supplier and/or business partner signs the Greiner Code of Conduct, meets the Greiner self-assessment criteria, fulfills EcoVadis criteria and/or successfully passes audits, no further measures other than regular reviews of sustainability performance and audits will be necessary.
- ▶ We encourage anyone to report violations of the Responsible Sourcing Policy to Greiner. Reports can be submitted confidentially and anonymously to <https://tell-greiner.com>.

7 Non-Compliance with Greiner Sourcing Requirements

- ▶ In the event of the supplier or business partner failing to fulfill any of Greiner's requirements, the following procedure shall be followed:

Step 1: Development of action plan/roadmap

- Greiner strives to cooperate with its business partners on the correction of supply chain non-conformities. The supplier or business partner must draw up a corrective action plan (CAP), which includes measures that deal with non-conformity. The action plan and/or roadmap will also be required to include a timeline for the rectification of such discrepancies.

Step 2: Analysis of importance of supplier

- If a supplier or business partner proves to be uncooperative, or measures fail, non-conformity shall be communicated internally and the divisional Head of Purchasing notified. He/she will assess whether an alternative supplier is available or not. If there is an alternative supplier, we will strive for the alternative.

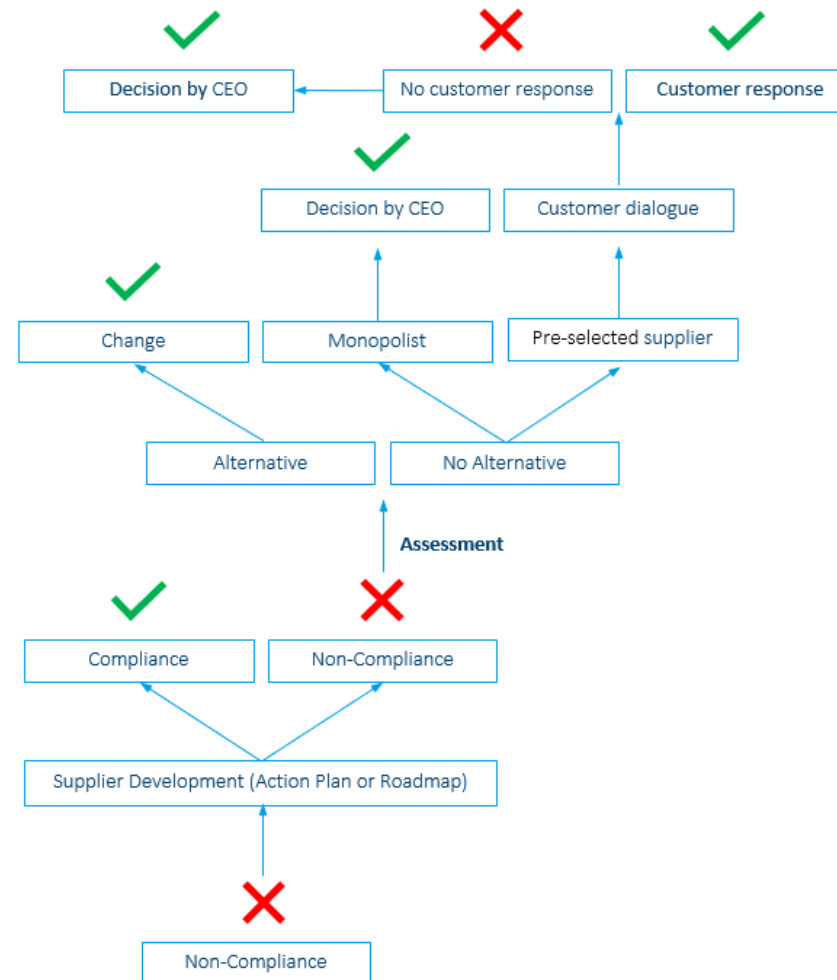
Step 3: No alternative supplier available

- The lack of an alternative supplier can be due to different reasons. The customer may have selected the supplier and Greiner is obliged to cooperate, or the supplier possesses a monopoly and hence there is no competitor that could serve as an

alternative. In that case, the Head of Purchasing will discuss potential solutions with the customer.

Step 4: Alternative supplier available

- Should a supplier demonstrate non-conformity but was selected by the customer, it is necessary to engage with the customer and raise awareness regarding such non-conformities and concrete issues. If the customer acknowledges the non-conformities, the problems will be solved. However, should the customer ignore such issues, the CEO of the AG will decide whether or not the business transaction will be terminated. If no alternative supplier is available, the divisional CEO will also decide if the business relationship with this specific supplier is to be terminated or prolonged.



Decision level:
CEO / CFO / COO AG

Decision level:
Division CEO / CFO

Decision level:
Head of Purchasing

Decision level:
e.g. Category manager or
Lead Buyer

The evaluation of supplier compliance with the Greiner Sourcing requirements is based on the acceptance of the Code of Conduct for Suppliers and Business partners, self-assessment questionnaire, remote external assessment (e.g. EcoVadis) and/or onsite audits by Greiner or third party to verify compliance with Greiner's Code of Conduct for Suppliers and Business Partners.

Non-compliance Supplier development (action plan or roadmap): Evaluation of supplier compliance with Greiner Sourcing requirements based on acceptance of Greiner Code of Conduct for Suppliers and Business Partners, self-assessment questionnaire, assessment by EcoVadis and/or onsite audits by Greiner or third party to verify compliance with Greiner Code of Conduct for Suppliers and Business Partners.

8 Scope

- ▶ This document governs all procurement processes within Greiner AG and its divisions, which include purchases by our personnel and suppliers. Its scope is defined as follows:
 - Goods and services acquired / contracted by Greiner companies or Greiner staff during our business operations.
 - All forms of procurement such as purchasing, leasing, sub-contracting, franchising, contracting, etc. (no-exhaustive list).
 - Business units may apply additional and/or stricter standards to their individual procurement activities.