



Supplier Code of Conduct at RATIONAL AG

- Supplier Code of Conduct -

Table of contents

Introduction.....	2
Scope and purpose.....	3
Specific principles.....	3
Corruption	4
Behaviour towards competitors	4
Occupational health and safety	4
Discrimination and harassment.....	4
Child labour	4
Forced labour	4
Freedom of association and employee representation.....	5
Fair remuneration	5
Behaviour in relation to the environment.....	5
Complaints procedure.....	5
Compliance	6

Introduction

Dear suppliers and business partners,

You play a key role in shaping RATIONAL's corporate success and also have a significant influence on achieving our sustainability goals. Close, cooperative partnerships and long-term business relationships are important to us. RATIONAL is expressly committed to socially and environmentally responsible corporate governance. This commitment is part of our aspiration to be a company that people want us to be.

This Code of Conduct summarises the values, principles and actions of RATIONAL as well as the aspirations, expectations and requirements of our suppliers and business partners (hereinafter referred to as "suppliers"). The general objective is always to prevent or minimise human rights and environmental risks in the supply chains and to put an end to violations of human rights or environmental obligations.

This Code specifies RATIONAL's expectations regarding the environmental, social and ethical behaviour of suppliers in their business activities and forms the basis for successful and responsible business relationships.

In return, RATIONAL's suppliers can expect us to adhere to our own Code of Conduct, actively implement it and continuously develop it further within our corporate culture.

Landsberg am Lech

The Executive Board of RATIONAL Aktiengesellschaft

Scope and purpose

This Code of Conduct applies worldwide to all suppliers to the RATIONAL Group and applies equally to the suppliers' production facilities. The RATIONAL Group comprises RATIONAL Aktiengesellschaft and all companies that are affiliated with RATIONAL Aktiengesellschaft under company law (hereinafter referred to as "RATIONAL").

RATIONAL is aware of its responsibility for the economic, ecological and social impacts of its actions. RATIONAL is committed to procuring all materials and services responsibly and in accordance with ethical principles. RATIONAL expects the same from its suppliers, particularly in the areas of anti-corruption and fair competition, health and safety at work, freedom from discrimination, harassment, child and forced labour and conduct towards the environment. RATIONAL supports its suppliers in implementing these requirements. In the spirit of partnership, RATIONAL offers its suppliers support in the application of these requirements, e.g. through training.

The supplier must respect internationally recognised human rights and keep the environmental impact of its business activities as low as possible and strive to continuously reduce it. The supplier undertakes to take appropriate account of expectations along the supply chain, including those of its upstream suppliers.

Specific principles

RATIONAL's sustainability requirements, and therefore this Code, are based on international conventions such as

- The UN Covenant on Civil and Political Rights, the UN Social Covenant and the UN Global Compact,
- The UN Guiding Principles on Business and Human Rights
- The UN Universal Declaration of Human Rights
- The OECD Guidelines for Multinational Enterprises
- The OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas
- The International Labour Organization (ILO) Conventions on International Labour Standards, and
- National laws and obligations such as the German Supply Chain Duty of Care Act or the UK Modern Slavery Act.

RATIONAL explicitly, but not exclusively, emphasises the following aspects of the above-mentioned guidelines:

Corruption

In the supplier's dealings with RATIONAL and government institutions, the interests of the company and the private interests of employees on both sides must be kept strictly separate. Actions and (purchasing) decisions must be made free of extraneous considerations and personal interests. Personal benefits of monetary value in return for preferential treatment in business dealings must not be offered, promised, granted or approved. Similarly, personal benefits of monetary value must not be solicited or accepted in dealings with business partners. The supplier shall require its employees not to accept any promises of such benefits.

Behaviour towards competitors

The supplier shall respect fair competition and shall at all times comply with all applicable laws that protect and promote competition. In particular, when dealing with competitors, these rules prohibit agreements and other activities that influence prices or conditions, allocate territories or customers, or improperly restrict free and open competition.

Occupational health and safety

The supplier is responsible for providing a safe and healthy working environment in which work-related illnesses and accidents are minimised. Appropriate measures shall be taken to prevent excessive physical or mental fatigue. In addition, employees shall be regularly informed and trained on applicable health and safety standards and measures.

Discrimination and harassment

Any form of discrimination or harassment, sexual or otherwise, is prohibited. This includes, but is not limited to, discrimination based on gender, national, ethnic or social origin, colour, disability, medical condition, political opinion, ideology, religion, age, pregnancy or sexual orientation. The privacy and personal rights of each individual will be respected. Human dignity is inviolable.

Child labour

The supplier shall comply with United Nations regulations on human rights and children's rights in its operations and supply chains. In particular, it undertakes to comply with the Convention concerning the Minimum Age for Admission to Employment (Convention 138 of the International Labour Organisation) and the Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour (Convention 182 of the International Labour Organisation). If a national regulation on child labour provides for stricter standards, these must be given priority.

Forced labour

The supplier shall not use forced, bonded, indentured or similar labour or tolerate the trafficking of human beings for the purpose of forced labour. All work must be voluntary and without the threat of punishment. This prohibition also applies to any obligation to work to penalise freedom of expression or political opinion. Employees must be able to terminate their work or employment at any time. Security forces shall not be engaged or used to treat or injure persons in an inhuman or degrading manner or to restrict freedom of association.

Freedom of association and employee representation

The supplier recognises the right of employees to freedom of association, to form and join workers' organisations of their choice, to be represented and to bargain collectively.

Fair remuneration

Remuneration for regular working hours and overtime shall be at the national statutory minimum wage or the minimum standards customary in the industry, whichever is higher. If the remuneration is insufficient to cover normal living costs and to build up a minimum level of reserves, the supplier is obliged to increase the remuneration accordingly. Employees must be provided with all legally required benefits. Wage deductions as a punitive measure are not permitted. The supplier must ensure that employees receive clear, detailed and regular written information on the composition of their remuneration.

Behaviour in relation to the environment

The supplier shall not take land, forests or water, the use of which secures the livelihood of people, in violation of legitimate rights. The supplier shall refrain from harmful soil alteration, water and air pollution, noise emissions and excessive water consumption, if this harms people's health, significantly impairs the natural basis for food production or prevents people from having access to clean drinking water or sanitary facilities. The supplier shall encourage its employees to behave in an environmentally responsible manner.

Complaints procedure

Violations can be reported anonymously to RATIONAL via a complaints management system. This ensures that whistleblowers are not penalised in connection with their complaints. The complaints procedure enables individuals or groups who are affected by or feel threatened by negative impacts on human rights, as well as their representatives, to voice their concerns. It is accessible at all times. This allows potential adverse impacts to be identified early and appropriate measures to prevent, avoid and remedy violations to be taken.

The supplier must ensure that its employees have access to the RATIONAL reporting and complaints platform at

<https://rational.reporting-channel.com>

while maintaining the confidentiality of their identity and providing effective protection against discrimination.

RATIONAL has a zero tolerance policy towards unethical business behaviour. Whenever RATIONAL becomes aware of a violation of the values of this Code of Conduct, the company will take action - if possible in partnership with the supplier - to correct the violation and prevent future incidents. RATIONAL will immediately notify the supplier concerned in writing of any breaches and set a reasonable deadline for the supplier to bring its behaviour into line with these rules. If remedial action is not possible in the foreseeable future, the supplier must inform RATIONAL immediately and, together with RATIONAL, draw up and implement a concept with a timetable for terminating or minimising the infringement. In the meantime, RATIONAL is

entitled to temporarily suspend the business relationship. If the time limit expires without result, or if the implementation of the measures contained in the concept does not remedy the situation after the time limit has expired and there are no milder means available, RATIONAL may terminate the business relationship and cancel all contracts. A statutory right to extraordinary termination without setting a period of grace, in particular in the event of wilful infringements which are to be regarded as very serious, remains unaffected, as does the right to compensation.

Compliance

The supplier undertakes to make its employees aware of the content of this Code of Conduct and the obligations arising from it. The supplier shall take appropriate organisational measures to ensure compliance with the Code of Conduct. In particular, the supplier shall introduce and maintain appropriate controls and plausibility checks.

The supplier must appoint a responsible contact person for RATIONAL. RATIONAL has appointed a Human Rights Officer to monitor risk management with regard to the obligations arising from the principles and guidelines set out in this Supplier Code of Conduct and with regard to the RATIONAL Code of Conduct. The RATIONAL Human Rights Officer can be contacted at any time by the supplier, its employees and its suppliers via the RATIONAL complaints management system.