# PAW Supplier Code

**Issued: 19/09/2025**

Dear Sir or Madam,

In our daily business activities, we combine economic success, social responsibility and environmental protection, thus enabling our customers to meet the current and future needs of society.

We combine our own strengths with the expertise of our suppliers in order to satisfy the requirements and wishes of our customers worldwide. At the same time, we take care to ensure that the health and safety of all employees is guaranteed, the high quality of our products is assured, the environment and its resources are preserved and ethical principles are fully observed. PAW advocates the employment of workers under conditions which ensure that they are treated with respect and dignity and that organisations carry out their business in a legally, ecologically and ethically irreproachable manner throughout the entire supply chain. We expect the same sense of responsibility from our suppliers, service providers and partners, referred to as business partners in the following.

This Code applies to every organisation that develops, manufactures, provides and/or markets goods or services for PAW. This code of conduct describes the principles and requirements that PAW imposes on its business partners and has the aim of achieving compliance with customary social and environmental standards as well as legal requirements of the relevant country. Should locally valid laws pose stricter requirements, these should, of course, take precedence over the regulations in this Supplier Code and be complied with accordingly.

PAW and its employees worldwide commit to adhere to and implement all these principles. Furthermore, we will ensure compliance with these minimum standards when developing relationships with our business partners around the world.

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## 1. Preface

The PAW Supplier Code was prepared under the premise that international trade and the global division of labour represent essential instruments for a social economic growth along the suppliers. It includes a number of principles and values that reflect PAW's convictions and the company's expectations of its business partners.

The Supplier Code is based on international agreements, such as the Universal Declaration of Human Rights, the guidelines "Children's Rights and Business Principles", the United Nations guidelines "Economy and Human Rights", OECD directives as well as the UN Global Compact and the agreements and recommendations of the International Labour Organisation (ILO), which are decisive for the improvement of working conditions within the supply chain.

Our business partners are obliged to comply with the requirements set forth in this Supplier Code and to meet their responsibilities with regard to respecting human rights within their sphere of influence.

To reinforce the principles of socially responsible economic activity, PAW maintains a constructive and open dialogue with its business partners and stakeholders. In addition, PAW considers establishing stable working relationships between employees and company management an essential prerequisite for sustainable and social economic activity.

The requirements set forth below can be met with certified management systems. When selecting suppliers, business partners possessing valid certificates relating to the relevant standards shall be preferred.

PAW has decided to record the sustainability performance of its business partners via a cloud-based platform. Specifically, every business partner shall agree to have their status relating thereto assessed or audited by PAW or a third party contracted to do so.

## 2. Application and implementation

Our business partners shall commit to undertake all reasonable efforts to achieve the requirements and objectives specified in this Supplier Code. Even when it is not possible to guarantee full compliance with the Supplier Code by all business partners at all times, our business partners shall commit to take suitable measures to meet the principles of the Supplier Code, in particular in regions or areas where the risks of non-compliance with the Supplier Code are higher. Our business partners shall strongly promote the early identification, monitoring and elimination of negative factors in their supply chains and remain open to the involvement of those stakeholders who are genuinely interested in meeting social standards. Our business partners shall always strive to maintain business relationships with other business partners only where they have taken suitable measures to satisfy themselves of their compliant conduct. They shall not simply ignore identified breaches of the rules, but take suitable measures to attempt to prevent these in future.

# 3. PAW's requirements

## 3.1. Quality and product safety

PAW maintains a quality management system according to the EN ISO 9001:2015 standard. We therefore advise our business partners to also introduce and maintain a suitable quality management system which is at least based on the ISO 9001:2015 standard. PAW expects its business partners to comply with universally recognised or contractually agreed quality requirements to ensure the requirements of our customers worldwide are met. This also means that all products and services shall meet the contractually agreed criteria for quality and safety on delivery and can be safely employed in their respective intended use. Our business partners shall provide control and continuity of their working processes and thus ensure corresponding process reliability. They shall implement a continuing improvement program and thus contribute to permanent quality improvement. Safety datasheets and other product information shall be made available without having to be requested, in particular after modifications. For this, please use the following email address: info@paw.eu

## 3.2. Protection of the environment and ecological sustainability

Business partners shall meet all applicable and valid environmental laws and regulations, and encourage environmental awareness in their employees' conduct. Our business partners shall promote environmental compatibility in raw material extraction, development and manufacturing, transport, use and disposal or recycling of their goods, materials, products and services provided within the framework of a works contract. This involves e.g. defining and monitoring environmental goals and figures. Our business partners shall use natural resources, energy, water and raw materials efficiently and sparingly, use energy efficient and environmentally responsible technologies and minimise the amount of waste and emissions into the air, water and ground. The use of renewable energy should be recommended. Our business partners shall avoid the use of substances and materials hazardous to health and the environment, contribute to recycling of materials and meet the requirements of European directives such as RoHS and REACH. In doing so, our business partners shall ensure that relevant substances are registered, declared and approved as necessary, according to statutory regulations. Our business partners shall observe all relevant laws and regulations regarding handling, storage and disposal of hazardous substances and handle chemicals in an environmentally compatible manner. Our business partners shall make every reasonable effort to keep the impact on the environment of their goods, materials, products and services provided within the framework of a works contract to a minimum and thereby ensure the continuing avoidance and reduction of pollution. Our business partners shall prevent the contamination of precipitation runoff. They must ensure that no illegal drains are present at their premises and that no escaping fluids can enter the sewage system. Should such an environmental incident occur nonetheless, immediate countermeasures shall be initiated. We therefore advise our business partners to introduce and maintain a suitable environmental management system which is at least based on the ISO 14001 standard.

## 3.3. Human and employment rights

We expect our business partners to respect human rights in their organisation, to treat their employees fairly and respectfully at all times and to apply the same standards in their supply chain. For us, this includes the following requirements:

### 3.3.1. No forced labour

Our business partners shall not resort to any form whatsoever of servitude, forced or compulsory labour, bonded labour, human trafficking or involuntary labour. When directly or indirectly using or employing migrant workers, our business partners shall be particularly conscientious. Our business partners shall grant their employees the right to leave their place of work and to terminate their working relationship with their employer, subject to a reasonable notice period. Our business partners shall ensure that their employees are not subjected to any inhumane and/or demeaning treatment, corporal punishment, mental and/or physical duress or verbal abuse. All disciplinary measures shall be recorded in writing and verbally explained to employees in clear and comprehensible language.

### 3.3.2. Freedom of association and collective negotiations

In accordance with local or national legislation, our business partners shall respect their employees' right to association, to join or form a trade union, to appoint employee representatives or to form a works council and to participate in collective bargaining. Furthermore, they shall respect the right of employees to collective negotiations and shall not prevent employee representatives from having access to employees at their place of work or to interacting with them. In countries where these rights are restricted by law, our business partners shall promote lawful alternative options for employee representation.

It shall be possible for employees to communicate with management openly and without fear of discrimination, reprisals, intimidation or harassment and to put forward ideas as well as concerns with regard to working conditions and management practices.

### 3.3.3. Ban on discrimination and harassment

Our business partners are prohibited from discriminating against, excluding or favouring any person on the grounds of gender, age, religion, race, caste, birth, social background, physical or mental disability, ethnic or national origin, skin colour, membership of employee organisations, including trade unions, political membership or views, sexual orientation, family commitments, marital status, or any other situation which could lead to discrimination. In particular, employees must not be subjected to disadvantages or disciplinary measures on the above grounds. Employees shall always be selected, employed and supported based on their qualifications and skills.

Our business partners ensure a working environment for their employees that is free from harassment. They shall rather ensure a social, fair and respectful environment, so that employees are not exposed to atypical physical or mental treatment, punishment or threats.

### 3.3.4. No child labour

Any form of child labour is prohibited. The minimum age for entering into employment according to the relevant local statutory regulations shall be observed. Where there are no statutory regulations, our business partners shall be considered to be acting correctly as long as they neither directly nor indirectly employ children younger than the statutory minimum age for the completion of compulsory schooling, which must not be less than 15 years, unless the exceptions approved in articles 6 and 7 of the ILO Convention apply. Within the framework of their employment procedure, our business partners shall establish reliable mechanisms for age determination, which may under no circumstances result in humiliating or undignified treatment of employees. Special care shall be taken when dismissing children, as they might then enter more dangerous working conditions such as prostitution or drug dealing.

### 3.3.5. Protection of young employees

Our business partners shall ensure that young people under the age of 18 do not carry out overtime or night-time working and are protected from working conditions which put their health, safety, morals or development at risk. Where young people are employed, business partners shall ensure that

- the type of work does not negatively impact the health, safety and/or development of young employees, and
- the working hours of young employees do not restrict their ability to take part in vocational training programmes recognised by the relevant authority or to benefit from these lessons.

Through effective and repeated risk assessments, our business partners shall establish the required mechanisms for the prevention, identification and limitation of harm to young employees.

### 3.3.6. Reasonable working hours

Our business partners shall ensure that employees do not have to work more than 48 hours per week. PAW accepts the exceptions stipulated by the ILO, which allow a maximum of 12 hours of overtime occasionally or in emergencies, e.g. for urgent repairs, and also expects compliance in this matter from its business partners. This applies in particular where no other statutory regulations exist. Applicable individual national legal regulations, industry standards or collective contracts shall be interpreted within this international framework stipulated by the ILO.

The use of overtime should remain an exception and must not represent a significantly increased probability of occupational risks. Business partners shall further grant their employees the right to breaks during each working day, as well as the right to at least one free day every seven days, provided there are no exemptions stipulated in collective contracts.

### 3.3.7. Lawful remuneration and other benefits

Our business partners shall ensure appropriate remuneration, both for their employees and for temporary and contract workers. "Appropriate" here implies that the remuneration and other benefits for a normal working week are sufficient to enable employees and their families to enjoy a reasonable standard of living. In addition, our business partners shall ensure the social benefits guaranteed by law. Our business partners are obliged to pay no less than the statutory minimum wage or, if this is higher, the wage according to industry standards approved on the basis of collective bargaining. Where there are no statutory or tariff regulations, remuneration shall be based on remuneration and benefits customary in the industry and locally. Remuneration shall be made on time, regularly and fully in a legal tender. Partial payment in the form of payment in kind is permissible in accordance with the stipulations of the ILO. The level of wages and salaries shall reflect employees' qualifications and level of education and is based on standard working hours. Deductions are only permissible under legally prescribed conditions or those stipulated by collective agreements. Any use of temporary employment, the posting of workers abroad and outsourcing of work shall be done in compliance with local legal regulations.

## 3.4. Health and safety at work, including fire protection / working and social conditions

Our business partners shall respect the right of employees to safe and healthy working and living conditions. Vulnerable individuals, such as young employees, young mothers and pregnant women, as well as people with disabilities, are afforded special protection. The following requirements are of particular importance to PAW:

### 3.4.1. Health and safety at work, including fire protection

Our business partners shall observe the national health and safety regulations or, if these legal requirements are inadequate or poorly implemented, international standards regarding health and safety at work, including fire protection. Active cooperation between company management and employees and their representatives is paramount for ensuring a safe and healthy working environment. This can be achieved e.g. by forming health and safety committees, if possible with the participation of employees or their representatives. Our business partners shall ensure that processes for the continuing identification, assessment, avoidance and control of potential risks to the health and safety of employees are established. Our business partners shall take effective measures towards preventing potential accidents, injuries and illnesses of employees, which are related to the work process or may occur during it. Our business partners shall take corrective measures towards eliminating risks and inform their employees using appropriate language. Our business partners shall also undertake all necessary and reasonable efforts to improve the safeguarding of employees in case of accidents, e.g. through compulsory insurance schemes. All employees shall be trained or instructed periodically and recurrently, at least once a year, in the fields of health and safety, including fire protection, and regular emergency and evacuation exercises shall be offered. In this way, our business partners ensure that employees are adequately qualified for situational awareness in hazardous circumstances.

Within their sphere of influence, our business partners shall take all suitable measures to ensure the safety of machines, systems and other equipment and buildings and to protect them from any predictable emergency situations. In doing so, our business partners shall ensure that employees are instructed and adequately qualified, in particular when operating machines and systems. Our business partners shall further provide all employees with effective personal protective equipment (PPE) at all times and free of charge and shall monitor the wearing of this protective equipment regularly through suitable processes. Only trained employees shall be tasked with handling hazardous materials.

Our business partners shall keep statistics on accidents at work, analyse their causes and initiate corrective measures autonomously and proactively. Our business partners shall install suitable fire protection equipment such as alarm and extinguisher systems and fire detectors. Escape routes shall be clearly marked, an adequate number of emergency exits shall be provided and mustering areas for evacuation shall be unmistakably identified with signs. Our business partners shall have first aid material available and thereby ensure medical first aid in case of accidents. A robust alarm chain of emergency personnel for the further care of accident victims shall be established, taking into account country-specific guidelines.

### 3.4.2. Working and social conditions

Our business partners shall respect employees' right to leave the premises in order to escape from immediate danger without having to ask the company for permission. Our business partners shall enable adequate occupational medical care where it is locally and legally required. Our business partners shall ensure access to drinking water, safe and clean eating and resting areas, and clean and safe areas for the preparation and storage of food. In addition, access to hygienic sanitary and toilet facilities shall be ensured. Employee accommodation provided by our business partners shall be safe, secure and clean, and provide adequate space for a reasonable standard of living. In addition, our business partners shall ensure adequate lighting and supply of fresh air in their business buildings and accommodation.

## 3.5. Compliance, integrity and conformity with the law

The compliance with national legal requirements with regard to corruption, bribery, fraud, money laundering and other prohibited business practices is our business partners' primary obligation. In countries where national laws and regulations contradict this Supplier Code or stipulate a different standard of protection, our business partners shall seek ways and means of complying with those principles that afford both employees and the environment the most comprehensive protection.

### 3.5.1. Fair competition and trade controls

Our business partners shall comply with all applicable national and international rules of competition law, trade controls and restrictions, such as embargoes or sanctions, and shall conduct themselves freely and fairly in competition. Our business partners shall take part neither in collusion with competitors, nor shall our business partners improperly exploit any market dominating position they may have. Customs duty shall be fulfilled.

### 3.5.2. No bribery or corruption

Our business partners shall act against any form of corruption or bribery. Our business partners and their employees shall conduct themselves in a manner that does not lead to any personal dependency, obligation and/or influence. Our business partners and their employees or subcontractors shall strictly refuse all bribes or payoffs or other gratuities or benefits and at the same time shall ensure that such bribes, payoffs, gratuities or benefits are not made to third parties (e. g. officials or customers). Invitations or presents to PAW employees or related persons shall only be allowed if they are of insignificant financial value, purely symbolic in nature, do not influence the recipient's decision and are in accordance with practices common at a business level. PAW does not tolerate corrupt practices and will take action if there are grounds for suspicion.

### 3.5.3. Money laundering

Our business partners shall not be involved in money laundering activities and shall comply with the relevant legal obligations for the prevention of money laundering. Our business partners shall take no measures that might contravene domestic or foreign money laundering regulations. They shall be vigilant and investigate suspicious behaviour of their own employees, customers, business partners and third parties. If there are indications that could justify such suspicion, they shall immediately inform the money laundering officer or the relevant regulatory authority.

### 3.5.4. Protection of intellectual property and data protection

Confidential information shall be used in an appropriate manner and protected from unauthorised access. Our business partners shall handle business correspondence confidentially and shall safeguard their customers' and suppliers' intellectual property rights. Our business partners shall, in an appropriate manner (e. g. via the employment contract), also oblige their employees to treat sensitive information and data confidentially, whereby every act of processing personal data shall comply with the respective relevant legal requirements for data protection.

### 3.5.5. Unlawful employment

Our business partners shall observe the regulations of the law on posting workers abroad, if legally required, and shall comply with the respective local version of legal requirements for combating unlawful employment, specifically in its manifestations of:

- undeclared work
- unlawful employee lending
- illegal employment of foreign nationals
- benefit fraud

### 3.6. No casual employment

Our business partners shall ensure that the activity of their employees is performed on the basis of a recognised and documented employment relationship. This applies to any type of employment, including apprenticeships and traineeships and the employment of temporary and contract employees, as well as school pupils and students doing work experience or internships. Employment relationships shall always be in accordance with the national legal requirements, customs or practices and international labour standards. Prior to entering into employment, employees shall be provided with comprehensible information about their rights, obligations and working conditions, including working hours, remuneration and means of payment.

Our business partners shall not retain identification or immigration documents of employees, unless such retention of work permits is legally required. They must not destroy, hide or confiscate identification documents, passports or work permits, nor refuse employees access to their documents.

## 4. Handling of conflict commodities

Our business partners shall do everything in their power to prevent the procurement and use of raw materials such as tin, tantalum, tungsten, gold and cobalt and to fulfil their duties of care when the production or extraction and trade with such raw materials serve directly or indirectly to finance the supply of weaponry or militarisation and associated serious violations of human rights, violations of international humanitarian law or the realisation of international criminal offences, including child and forced labour. Our business partners are hereby requested to identify such wrongful acts and to take appropriate measures if they have any grounds for suspicion. In particular, our business partners in Europe shall comply with Regulation No 2017/821 on conflict minerals and those in the United States with Section 1502 of the Dodd Frank Act.

## 5. Transparency of supply chains

PAW places great emphasis on the continuous transparency of its supply chain, all the way back to the extraction of raw materials. Information regarding upstream steps in the value chain must be made available to PAW on request. In particular in the case of complaints from the supply chain, PAW is requested to initiate an analysis of potential risks as well as corrective measures and expects the full support and cooperation of its business partners in creating the necessary transparency, unless legal or contractual obligations expressly state otherwise.

## 6. Surveillance and sanctions

PAW expects the compliance with and the implementation of the regulations of this Supplier Code through appropriate measures. This includes e.g. communicating the requirements of this Supplier Code to all employees, associated companies and subcontractors. PAW recommends the introduction of appropriate management systems to ensure that the principles set forth here can be followed. It is PAW's responsibility to promote this. PAW therefore reserves the right to verify compliance with the Supplier Code after an appropriate advance notice period, either directly or with the help of an independent organisation. The business partner will be made aware of the result. Should any non-compliance be identified, the business partner will be required to take suitable corrective measures within an appropriate time frame. The right to terminate the business relationship in case of violations of this Supplier Code is unconditional. Such violations shall be taken as significant and justified grounds for extraordinary termination.

## 7. Notification in case of misconduct / complaints management

It is in the interests of all involved that misconduct within the supply chain is identified at an early stage. This is the only way for causes of misconduct to be identified and reviewed in a timely manner, for damage to be averted as far as possible for all and for corrective measures to be taken swiftly. This is only possible with the willingness and cooperation of our business partners to notify us of any concrete violations or indications of rule breaches.

In such cases, please contact:

**PAW GmbH & Co. KG**
**Böcklerstrasse 11**
**31789 Hameln**
**Deutschland**
**Compliance Officer: Andreas Campe**
**Tel.: +49 5531 702 95572**
**E-Mail:** Corporate-Compliance@stiebel-eltron.com
**Web:** www.paw.eu

PAW encourages its business partners to establish a transparent process which lets their employees, suppliers, service providers, subcontractors and all other individuals put forward queries and concerns, especially regarding matters of ethics, without fear of reprisals.