

Supplier Code of Conduct

1 Preamble

The Central Institute of Mental Health (CIMH) is strongly committed to ensuring that the medical technology and other products used and the services offered are manufactured in such a way that the human rights and human dignity of employees and the environment are respected. For this reason, CIMH works exclusively with suppliers who have committed themselves to the same principles.

The CIMH values its relationships with all its suppliers and is therefore fair, open and transparent in its dealings with them. In return, they are expected to share the commitment to ethical, safe and responsible business practices. The CIMH also expects its suppliers to be guided by the principles set out in this Supplier Code of Conduct when working with the CIMH and its subsidiaries. It describes principles that are fundamental to cooperation with business partners and contains expectations of a human rights and environmental nature in relation to the respective supply chains.

The CIMH and its subsidiaries attach great importance to social and environmental sustainability; it is expected that all products supplied will be manufactured and/or produced in accordance with this Supplier Code of Conduct. It is binding for the cooperation of the business partners and applies for the entire duration of the contract. The business partners undertake to comply with this Code of Conduct even if it goes beyond the requirements of applicable law and sets out further obligations.

The CIMH expects all business partners not to violate the human rights and environmental obligations set out in the following paragraphs. The supplier undertakes to ensure this in its own business area.

It is also expected that there will be no violations of human rights or environmental obligations in the suppliers' upstream supply chains; accordingly, suppliers must communicate the principles set out in this Supplier Code of Conduct to their business partners as binding regulations.

If a supplier fears that he cannot fulfill one of the requirements listed below without possibly violating a human rights or environmental obligation, he must inform the CIMH immediately.

If a human rights or environmental obligation has been violated at a supplier, or if such a violation is imminent, the supplier is obliged to report this to the CIMH and to immediately initiate appropriate remedial measures to prevent the violation or to end a violation that has already occurred or to minimize its extent. If this is not possible due to the nature of the breach, the supplier must submit a concept to THE CIMH as to when and what measures will be taken.

With this Supplier Code of Conduct, suppliers are also called upon to refrain from interfering with the aforementioned legal positions in a similarly serious manner to those listed here.

If a supplier fails to fulfill one of its obligations, the CIMH is entitled, without prejudice to its other rights, to suspend the business relationship with the supplier until it has fulfilled its obligation, or to terminate the existing (continuing) obligation for good cause or to withdraw from it, provided that

- the violation is related to a very serious violation of a human rights or environmental obligation

- a concept developed to end this violation does not remedy the situation or does not remedy it in time
- and the the CIMH has no other means at its disposal to end the violation.

The CIMH expressly reserves the right to adapt this Supplier Code of Conduct at any time, should this be necessary on the basis of the regularly conducted risk analysis.

2 Human rights-related obligations

In applying this Supplier Code of Conduct, we expect our suppliers to comply with the following principles:

2.1 *Prohibition of child labor*

All conceivable forms of child labor are prohibited, section 2 (2) Nos. 1 and 2 LkSG. National and international standards for the protection of minors must be complied with by business partners. In concrete terms, this means that no children under the age at which compulsory schooling ends according to the law of the place of employment are employed. In any case, the age of employment must not be less than 15 years (or 14 years if this is expressly permitted by national law in accordance with ILO Convention 138). Young people who have not yet reached the age of 18 may also not be employed at night.

The business partners also undertake to refrain from the following activities:

- all forms of slavery and all practices similar to slavery, such as the sale of children and child trafficking, debt bondage and serfdom as well as forced or compulsory labor, including the forced or compulsory recruitment of children for use in armed conflicts (Section 2 (2) No. 2a LkSG),
- recruiting, procuring or offering a child for prostitution, for the production of pornography or for pornographic performances (Section 2 (2) No. 2b LkSG),
- recruiting, procuring or offering a child for illicit activities, in particular for the production of and trafficking in drugs (Section 2 (2) No. 2c LkSG) and
- work which, by its nature or due to the circumstances in which it is carried out, is likely to be harmful to the health, safety or morals of children (Section 2 (2) No. 2d LkSG).

2.2 *Prohibition of forced labor and slavery*

In accordance with Section 2 (2) Nos. 3 and 4 LkSG, the business partners undertake not to participate in any form of slavery, forced labor, debt bondage, compulsory labor, human trafficking or involuntary labor, including state-imposed forced labor. This includes any work or service that is required of a person under threat of punishment and for which he or she has not volunteered.

Business partners shall also observe the prohibition of modern slavery, slave-like practices, servitude or other forms of domination or oppression in the workplace environment, such as extreme economic or sexual exploitation and humiliation.

2.3 *Occupational health and safety*

In accordance with Section 2 (2) No. 5 LkSG, the business partners must ensure a safe working environment and take adequate protective measures against the risk of accidents at and during work as well as work-related health hazards, in particular through

- obviously inadequate safety standards in the provision and maintenance of the workplace, the workplace and the work equipment,

- the lack of suitable protective measures to prevent exposure to chemical, physical or biological substances,
- the lack of measures to prevent excessive physical and mental fatigue, in particular through unsuitable work organization with regard to working hours and rest breaks, or
- inadequate training and instruction of employees.

The business partners must also ensure that the work facilities and workplaces comply with the applicable laws and regulations and that the requirements of fire protection and emergency care are observed. Any violation of fundamental human rights in the workplace and in company facilities is prohibited.

Business partners must also provide regular training on health and safety in the workplace.

2.4 Freedom of association

The business partners shall at all times grant the right to organize in accordance with the relevant laws within the meaning of Section 2 (2) No. 6 LkSG. All our suppliers are obliged to respect the right of their employees to form or join trade unions and not to use the formation, joining or membership of a trade union as a reason for unjustified discrimination or retaliation. In addition, business partners shall respect the right of trade unions to operate freely and in accordance with the law of the place of employment; this includes the right to strike and the right to collective bargaining.

2.5 Prohibition of discrimination/prohibition of unequal treatment

The business partners undertake to treat all workers and employees with respect, dignity and, above all, equality within the meaning of Section 2 (2) No. 7 LkSG; no one may be treated unequally on the basis of their national and ethnic origin, social background, health status, disability, sexual orientation, age or gender, political opinion, religion or belief, unless this is justified by the requirements of the employment. The business partner must refrain from any form of discrimination and actively take action against any discrimination that takes place, for example by establishing disciplinary measures in writing. Unequal treatment also includes, in particular, the payment of unequal remuneration for work of equal value or even the refusal to pay an appropriate wage. The appropriateness of a wage is measured according to the minimum wage set by applicable law at the place of employment. The business partners also undertake to ensure gender-sensitive equal opportunities and equal treatment in recruitment and employment.

2.6 Appropriate remuneration and working hours

The business partners undertake within the meaning of Section 2 (2) No. 8 LkSG to comply with the statutory minimum wage and to pay it regularly, punctually and in full. Deductions are only permitted under the conditions prescribed by law or stipulated in collective agreements. Deductions from wages as disciplinary measures are not permitted. Furthermore, the business partners undertake to comply with all relevant laws and regulations on working hours, in particular with regard to overtime, breaks and rest periods. It must also be ensured that employees are not subjected to inhumane treatment at their workplace, in particular sexual harassment, physical punishment and verbal abuse.

2.7 Preservation of natural resources and protection of basic human needs

The business partners undertake within the meaning of Section 2 (2) No. 9 LkSG to counteract any harmful soil change, water pollution, air pollution, harmful noise emissions or excessive water consumption that

- significantly impairs the natural basis for the preservation and production of food,
- denies a person access to safe drinking water,
- impedes or destroys a person's access to sanitary facilities or

- harms the health of a person.

2.8 *Respect for land rights*

The business partners shall refrain from any form of unlawful eviction within the meaning of Section 2 (2) No. 10 LkSG and support the prohibition of unlawful seizure of land, forests and waters in the acquisition, development or other use of land, forests and waters whose use secures the livelihood of a person.

2.9 *Use of security personnel*

In accordance with Section 2 (2) No. 11 LkSG, the business partners also undertake not to commission and deploy any private or public security forces if, due to a lack of instruction or control on the part of the company, the deployment of the security forces

- the prohibition of torture and cruel, inhuman or degrading treatment is violated,
- injury to life or limb, or
- the freedom of association and unionization is impaired.

3 Environmental obligations

3.1 *Avoidance of environmental pollution*

Throughout the entire supply chain, efforts are made to avoid or reduce the environmental impact caused by energy consumption, emissions of greenhouse gases and air pollutants, water consumption, soil and water pollution and waste. This applies both to the goods themselves and to their packaging.

3.2 *Hazardous substances and product safety, in particular the handling of mercury*

The business partners undertake to label hazardous materials, chemicals and substances in accordance with Section 2 (3) Nos. 1-3 LkSG at all times and to ensure their safe handling, movement, storage, recycling, reuse and disposal. All applicable laws and regulations relating to the aforementioned materials and substances must be complied with; regular training must be provided.

The Minamata Convention on Mercury sets out a number of international provisions for cooperation and measures to reduce the use of mercury and mercury compounds in order to reduce the emission of mercury (compounds) into the environment. The EU has implemented this in Regulation 2017/852.

In accordance with the Minamata Convention of 10.10.2013, the following are prohibited, among other things

- the manufacture, import and export of mercury-added products,
- the use of mercury and mercury compounds in manufacturing processes within the meaning of Art. 5 para. 2 and Annex B Part I from the respective phase-out date, and
- the treatment of mercury waste contrary to Art. 11 para. 3.

3.3 *Handling persistent organic pollutants (POPs)*

Pursuant to Section 2 (3) No. 4 LkSG, the business partners must comply with the ban on the production and use of chemicals in accordance with Article 3 para. 1 letter a and Annex A of the Stockholm Convention of May 23, 2001 on Persistent Organic Pollutants (BGBl. 2002 II p. 803, 804) (POPs Convention), last amended by the decision of May 6, 2005 (BGBl. 2009 II p. 1060, 1061), as amended by Regulation (EU) 2019/1021 of the European Parliament and of the Council of June 20, 2019 on persistent organic pollutants (OJ L 169, 26.05.2019, p. 45). Persistent organic pollutants are characterized by their longevity and can spread through

the food chain worldwide and accumulate in organisms, which in turn can lead to health problems and pollute the environment.

Appropriate measures must be taken to ensure that waste containing persistent organic pollutants is handled, collected, transported and stored in an environmentally sound manner. Such waste may only be disposed of in such a way that the pollutants are destroyed or irreversibly transformed or – if not otherwise feasible – disposed of in an environmentally sound manner.

3.4 Handling hazardous waste

The aim of the Basel Convention of 22.03.1989 is to reduce the amount of hazardous waste produced and to ensure that it is disposed of in an environmentally sound manner close to where it is produced. To this end, the transportation of hazardous waste across national borders in particular is controlled in order to prevent illegal transportation.

In accordance with Section 2 (3) No. 5 LkSG, business partners must comply with the ban on the non-environmentally sound handling, collection, storage and disposal of waste in accordance with the regulations that apply in the applicable legal system in accordance with the provisions of Art. 6 para. 1 d) No. 1 and ii of the POPs Convention. Furthermore, the ban on the export of hazardous waste pursuant to Section 2 (3) No. 6 LkSG must be observed if

- the importing state is not a party to the Basel Convention,
- the importing country has not given its written consent to the specific import or has even prohibited this import, or
- it can be assumed that the waste will not be treated in an environmentally sound manner in the importing country or elsewhere.

Pursuant to Section 2 (3) Nos. 7 and 8 LkSG, the ban on the export of hazardous waste from countries listed in Annex VII of the Basel Convention to countries not listed in Annex VII also applies (Art. 4A of the Basel Convention, Art. 36 of Regulation (EC) No. 1013/2006), as does the ban on the import of hazardous waste from a non-Party to the Basel Convention (Art. 4 para. 5).

3.5 Climate protection

Appropriate measures must be taken at all stages of the supply chain to reduce the carbon footprint and thus contribute to achieving the targets agreed at the UN Climate Change Conference. All direct and indirect suppliers should contribute to minimizing energy consumption and greenhouse gas emissions through avoidance and reduction strategies. They must also ensure that no deforestation or other areas worthy of special protection takes place for the production of raw materials or that reforestation is sought after legally compliant deforestation.

3.6 Animal welfare

All applicable laws and regulations on animal protection and animal welfare must be complied with. In addition, suitable measures must be taken to adapt the husbandry systems of farm animals to the needs of the animals in the best possible way. In particular, it must be ensured that the animals are not subjected to pain or other suffering either during transportation or during the slaughter process. Live transports must be kept as short as possible.

4 Establishment of a management and control system

The CIMH expects all suppliers to introduce a management system in order to achieve continuous improvements and to ensure compliance with the applicable laws and this Supplier Code of Conduct.

The supplier is therefore obliged to establish suitable mechanisms in the form of a complaints system through which employees can draw attention to violations of human rights and environmental obligations. The company management must review and evaluate the quality and efficiency of the management systems and programs at least once a year and on an ad hoc basis.

The complaints system must be easily accessible and guarantee confidentiality; anonymous complaints must also be possible. In particular, all employees must be informed of the existence of the grievance system and that they will not face any sanctions in the event of a grievance. The supplier must also ensure that its own direct and indirect suppliers also establish complaints mechanisms.

If damage occurs as a result of a breach of the specified obligations in the supplier's business area, the supplier must make good the damage, in particular to those employees whose rights have been violated. The supplier must also oblige its suppliers to compensate for such damage.

5 Reporting violations

Our suppliers are obliged to publicize our anonymous complaints procedure for reporting violations of human rights and environmental concerns both among their own employees and to their suppliers in an appropriate manner and to encourage all potentially affected persons to report violations of this Supplier Code of Conduct [<https://www.zi-mannheim.de/service/verstoesse-gegen-das-lieferkettengesetz-melden.html>].

Date

Signature