



Our perception of sustainability within our supplier-management program

The Group, together with its affiliated companies (hereafter called Schunk), considers sustainability to be an essential component of our business processes. As a technology-based corporate group with a high degree of competence in the field of materials, we procure raw materials and goods and services from suppliers around the world in order to secure the long-term success of our customers by providing innovative products and services. The basis for this is a responsible corporate management oriented towards the creation of long-term value. For this reason, we aim to directly integrate our suppliers into our sustainability strategy.

In the pursuit of our procurement activities, we place a high value not only on procedural, economic and technical criteria but also on social and ecological considerations such as human rights, working conditions, the prevention of corruption and environmental protection. In the interplay between product/service, market, region and process, costs, quality, reliability innovation and sustainability are the major factors for us in the selection and evaluation of suppliers.

Schunk expects its suppliers to comply with their respective national laws as well as with this Schunk Supplier Code of Conduct in the pursuit of their activities. Furthermore, it is expected that they shall implement appropriate processes for facilitating and supporting the adherence to applicable laws within their enterprises and which promote continual improvement with regards to the principles and requirements of the Schunk Supplier Code of Conduct. Moreover, Schunk expects its suppliers to ensure that its affiliated companies also recognize and comply with the principles and requirements described herein. This code of conduct shall be applicable to business conducted with any and all enterprises of the Schunk worldwide.

Treatment of employees

Schunk expects its suppliers to observe the fundamental rights of workers as provided for by respectively applicable national legislation.

Child labor

Schunk expects its suppliers to prohibit and abstain from the use of any and all kinds of child labor within their enterprises.

Discrimination

Schunk expects its suppliers to promote equal opportunity and equal treatment and to abstain from discrimination in the hiring of employees as well as in the granting of promotions and/or support of personal development through training and advanced training measures. No employee is to be disadvantaged on the basis of sex, age, skin color, culture, ethnical background, sexual identity, disability, religious beliefs or personal ideology.

Forced labor

Schunk expects its suppliers to prohibit and disallow the use of forced labor in its enterprises.



Freedom of association

Schunk expects its suppliers to observe the right of its employees to form labor unions for representing employees and conducting collective bargaining, pursuant to respective national legislation.

Compensation and working hours

Schunk expects its suppliers to adhere to applicable national legislation governing working hours. Furthermore, it is expected that the employees of suppliers receive compensation which is commensurate with respective national laws.

Workplace health and safety

Schunk expects suppliers to comply with applicable national legislation governing workplace health and safety. In addition, it is expected that suppliers set up and make use of an appropriate workplace-safety management program (e.g. pursuant to ISAO 45001). This is to encompass the containment of actual and potential health and safety risks, on the one hand, and the training of employees so as to prevent accidents and workplace-related illnesses as effectively as possible, on the other.

Environmental protection

Schunk expects its suppliers to observe all respective applicable environmental-protection laws, regulations and standards. Moreover, it is expected that suppliers set up and make use of an appropriate workplace-safety management program (e.g. pursuant to ISO 14001) in order to minimize pollution and risks to the environment and to improve environmental protection in daily operations.

Business ethics

Prohibition of corruption and bribery

Schunk expects its suppliers to not tolerate corruption. In particular they are to ensure that their employees, subcontractors or representatives do not offer, promise or grant any inducements to Schunk employees or persons closely related to them with the goal of being awarded a contract or otherwise gaining an advantage for future business relations.

Invitations and gifts

Schunk expects its suppliers to not abuse invitations and gifts for gaining influence. Invitations and gifts may only be given to Schunk employees or to persons closely related to them if the occasion and magnitude are appropriate, i.e. they are low in value and can be construed as an expression of locally normal business practice. Likewise, suppliers are not to demand inappropriate advantages from Schunk employees.

Avoidance of conflicts of interest

Schunk expects its suppliers to make decisions connected to business with Schunk based exclusively on objective economic criteria. Conflict of interest with private affairs or other business activities or other activities, including those of family members or other closely related persons, are to be avoided from the outset.



Free competition

Schunk expects its suppliers to practice fairness in competition and to comply with applicable anti-trust legislation. Suppliers are neither to enter into agreements with competitors which would constitute violations of anti-cartel laws nor to abuse any position of market domination which they may have.

Money laundering

Schunk expects its suppliers to fulfill any and all pertinent legal requirements for the prevention of money laundering and also expects its suppliers to refrain from all money-laundering activities themselves.

Supplier relations

The supplier undertakes to comply with all statutory regulations and ordinances, in particular with the Anti-Terror Ordinance, the REACH & RoHS Regulation and hereby states that with respect to metals, that the rules on "conflict minerals" such as the Dodd-Frank Wall Street Reform and Consumer Protection Act, Section 1502, or similar EU directives or regulations or national legislation be respected.

Schunk expects its suppliers to communicate all principles and demands described in this Supplier Code of Conduct to their sub-contractors and their own suppliers and to also take these into consideration when making such selections. Suppliers are to encourage their sub-contractors to fulfill the standards described herein with respect to human rights, working conditions, the prevention of corruption and environmental protection within the framework of meeting their contractual obligations.

Any and all violations of the principles and demands listed in the Schunk Supplier Code of Conduct shall be deemed to be a material breach of contract on the part of the supplier. In the event that suspicion should arise as to non-compliance with the principles and demands described herein (e.g. negative media reports), Schunk reserves the right to demand detailed further information pertaining to the issue.

Furthermore, Schunk shall be entitled to extraordinary and immediate termination of any and all existing agreements with a supplier in which the said supplier is proven to be in violation of the Schunk Supplier Code of Conduct or does not endeavor to conceive and implement corrective measures after having been given a reasonable period of notification by Schunk.