

Code of Conduct for Scholz Recycling GmbH

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Preamble

Scholz Recycling GmbH is a globally active company and is committed to meeting high ethical, environmental, quality, sustainability and equity standards. As Scholz Recycling GmbH, we strive to live up to our very high environmental and social responsibilities in order to satisfy the requirements of our various stakeholders.

We have described this in the statement below and published it under the designation

Code of Conduct for Scholz Recycling GmbH

merged.

We want to be a reliable partner with integrity for our customers, suppliers, business partners, colleagues and the public. We can only gain the trust required for this if we behave with integrity and sincerity. Every employee contributes to the common success with his or her actions. It is therefore crucial that every individual takes responsibility - that means managing directors, managers and every single employee.

The following Code of Conduct serves as a benchmark and orientation at the same time. They are intended to support us in acting ethically and sustainably in the sense of our legal, economic, ecological and social responsibility. Alongside other internal guidelines and regulations, the Code of Conduct forms the framework for everyday operations.

Non-compliance with the Code of Conduct can lead to considerable damage, both for Scholz Recycling GmbH and its employees as well as for our business partners and other stakeholders.

Familiarise yourself with the contents and do not hesitate to get in touch if you have any doubts or questions.

Together we can fulfil our social responsibility and ensure success for the company.

Yongming Qin
- Managing Director -

**Our responsibility as a member of society / our responsibility as a business
partner**

I. General principles

- Every employee must be aware of his or her social responsibility, in particular the welfare of people and the environment, and ensure that our company contributes to sustainable development.
- We undertake to comply with the applicable laws and other relevant provisions of the countries in which we operate in all business actions and decisions.

II. Human and labour rights

- We respect and support the observance of internationally recognised human rights. All employees must work voluntarily. Any forced or compulsory labour as well as any form of modern slavery and human trafficking will not be tolerated. Child labour performed by children under the age of 15 or work performed by children under the age of local compulsory education is not permitted.
- Any form of discrimination, harassment and bullying is rejected. We do not tolerate any form of discrimination based on gender, race, disability, age, sexual identity or religion. Equality in recruitment and employment is an important concern. We ensure a working environment that is free from harassment. Ensuring that employees are not subject to physically or psychologically inhumane treatment, corporal punishment or threats. We live diversity, actively promote inclusion and create an environment that fosters the individuality of each person in the interest of the company.
- We provide a working environment in which known or suspected misconduct or violations can be reported without fear of retaliation.
- We stand up for fair working conditions and, to this end, comply with the legal regulations on working hours, privacy protection and remuneration. We know the wage levels for living wages in the countries in which we operate and are committed to paying them. All employees also receive at least the legally required social benefits in this context.
- Protection of rights to land, forests and waters: We position ourselves against the unlawful eviction and deprivation of land, forests and waters in the acquisition of land, in the development of land and other uses of waters, forests or land areas.
- Protection of minorities, vulnerable persons and indigenous peoples: We pay attention to decent living conditions of local communities, minorities and vulnerable persons and communities.

III. Market behaviour

- In our dealings with business partners and government institutions, we strictly separate business and personal interests. Actions and (purchasing) decisions are made free of extraneous considerations and personal interests. Any kind of corruption and manipulation is not accepted.
- We respect fair and free competition. Therefore, we comply with the applicable laws that protect and promote competition, in particular the applicable antitrust laws. In particular, no anti-competitive arrangements and agreements are made with competitors, suppliers, customers or other third parties.
- Maintaining good business relationships is important to us. Gifts, hospitality and invitations are customary and permitted in the context of business relationships. However, only reasonable gifts may be given. Exceeding the usual - and legally permissible - customs is not approved. Benefits that create the impression of influence or the expectation of a quid pro quo are to be consistently rejected. Gifts and invitations must always be treated transparently. The granting of benefits is also subject to appropriateness. Even the mere appearance of undue influence must be avoided. The internal guidelines for the acceptance and granting of benefits must always be observed. If there is any doubt regarding the acceptance or granting of benefits, the respective superior must be consulted.
- Dealing with public officials and elected representatives requires compliance with strict regulations. Gifts, gratuities or the like to officials, politicians, members of parliament, etc. are strictly prohibited. Influencing may not take place at any time and is never approved.
- Due to our international activities, it is imperative that we comply with foreign trade, tax and customs law. We live up to our social responsibility in the area of taxes, customs and export control and implement the national and international regulations.
- We ensure compliance with the applicable import and export regulations. This also includes compliance with sanctions lists and anti-terror lists.
- We are committed to complying with the legal provisions against money laundering. We carefully verify the identity of customers, suppliers and business partners before any business is conducted. It is our declared goal to only maintain business relationships with reputable partners whose business activities are in accordance with legal regulations and whose operating resources are of legitimate origin. The financing of terrorism is prohibited.
- We are committed to respecting company and business secrets. The company's own know-how and confidential information must be protected.

- Intellectual property: We respect and protect the intellectual property of our company and that of our business partners. The confidential handling of relevant information is a matter of course for our employees.
- Confidential information/documents may not be disclosed to third parties without authorisation or made accessible in any other way. Data worthy of protection must be properly collected, processed, secured and deleted. Personal data must always be processed in accordance with the applicable data protection laws (EU-DSGVO, BDSG).
- We comply with the legal framework for proper accounting and financial reporting. Our financial records are truthful, accurate and complete. We aim to provide transparency and build trust with our stakeholders by disclosing business activities.
- The unauthorised use of other people's intellectual property is avoided. We recognise the intellectual property of competitors, business partners and other third parties. It may only be used with the permission of the respective property right holder. In this context, we also do our part in identifying and eliminating counterfeit parts in circulation.
- The principles of conduct do not only apply to Scholz employees. Rather, the business partners are also included in this process. In the course of selecting business partners, compliance with various principles is checked. The Code of Conduct, which applies specifically to suppliers, external companies, freight forwarders and waste disposal companies, plays an important role here (available in the management handbook). Business partners are expected to comply with our Code of Conduct. They are also required to inform their employees about the contents. A violation of this Code may be reason and cause to terminate the business relationship including all related contracts. Compliance with the Code is part of the overall supplier development process.

IV. Health and safety at work

- Health and safety play a significant role at Scholz. We comply with the applicable requirements and safety standards and create a working environment in which the best possible performance can be achieved while maintaining physical and mental health. Our goal is to continuously improve working conditions and promote health, performance and satisfaction. Achieving this requires the cooperation of every individual. In order to avoid health hazards, it is necessary to comply with the applicable occupational safety regulations. Managers have an important role model function in this respect.
- In order to prevent occupational accidents and work-related illnesses, the use of the prescribed protective equipment is an elementary component.

- Regular and extensive instruction of carefully selected employees serves to increase safety in the workplace.
- Our accident management system requires that accidents at work as well as suspected safety and health risks are reported internally. The subsequent analysis of causes contributes to the continuous improvement of working conditions. In the case of accidents that have already occurred, the analysis aims in particular at preventing a recurrence. Depending on the duration of the absence, the accident is also reported to the responsible employers' liability insurance association as well as occupational health and safety authorities. By investigating near misses, the risk of occupational accidents occurring can be minimised. In addition to occupational accidents, other incidents are also recorded and evaluated as part of incident management.
- By offering suitable prevention and health promotion measures, we maintain and promote the health, performance and job satisfaction of our employees. The ergonomic design of workplaces is an important part of this. Continuous improvement also requires the contribution of employees and the cultivation of open communication.
- We have established emergency planning based on identified risks. The assessment of potential emergency situations leads us to implement plans and procedures to respond to emergencies, thereby reducing the consequences of the events. A corresponding emergency organisation (disaster preparedness) exists for any catastrophes that may occur.
- In the context of emergency preparedness, fire protection in particular plays an important role and has a high priority in our company. A fire in the company can not only cause high property damage, but also endanger human life. Therefore, fire prevention is of great importance. A sufficient number of extinguishing agents are kept in the factories and their functionality is checked regularly. The marking of escape and rescue routes is obligatory. Employees and all persons on the premises are regularly instructed on how to proceed in the event of a fire.
- The handling of chemical, biological or physical agents is analysed, evaluated and monitored. The purchase, transport, storage and use of such substances are organised in such a way that the health and safety of employees is guaranteed at all times. For the handling of hazardous substances, we maintain risk assessments and operating instructions in accordance with legal requirements and train our employees accordingly based on these. Inventories of all hazardous substances used are kept in the factories. When handling hazardous substances, our employees are required to comply with the specified protective measures.
- Machine safety is a high priority in the company. The machines we use are checked for safety hazards. The assessment of the identified hazards results in the implementation of protective

measures to minimise the risk of injury to employees as far as possible. In addition to being equipped with sufficient safety devices, the machines are also inspected and maintained at regular intervals.

V. Principles of social responsibility

- Scholz respects the freedom of assembly, the freedom of association and the right to collective bargaining. Furthermore, the right to form trade unions and employee representation is recognised. In the interest of all, an open and solution-oriented approach to employee representation is pursued. The aim is to create a trusting and constructive cooperation.
- Scholz makes donations to support non-profit institutions, regional projects or other charitable projects. No consideration is expected in return. Furthermore, sponsorships are also granted in order to strengthen public perception and create a positive image. The granting of donations and sponsorships is subject to an internal approval process.
- We do not use internal information that is not available to the public for trading in securities. We always treat insider information as confidential. Under applicable laws, the use of such information for personal gain is not permitted. It is also prohibited to pass on such information to friends, family members or other third parties. We adhere to this.
- External communication takes place in compliance with internal regulations. A uniform public appearance is the ongoing objective. We always want to communicate clearly and comprehensibly. It goes without saying that our employees may exercise their right to freedom of expression. However, when making public statements (at events or in the media of any kind), it must be pointed out that these are personal views.

VI. Employee development

- Our employees are the company's most important asset. Each of you has strengths and weaknesses and contributes to the overall result of the company. We motivate each other in order to develop the best possible performance of each individual. By supporting each other and working as a team, we aim to achieve our objectives.
- Well-trained, informed and motivated employees are the basis for the economic success of our company. We improve the performance potential of our employees through targeted training and instruction.
- We promote talents who contribute to the sustainable success of the corporate group through professional and social competence. We place a special focus on recruiting young talent.

- We expect motivated employees who are committed to personal and professional development. We also support self-initiated requests for further training.
- With our "Scholz Academy", we provide employees with further training opportunities on various topics. The learning platform offers various courses that can be booked by employees. Our aim is to constantly encourage our employees to expand and consolidate their knowledge and skills. With our offers, we want to promote lifelong learning.
- Women's rights - equal opportunities for women and men: Equal opportunities for women and men are ensured in all aspects of education and employment, as well as personal and professional development and promotion.

VII. Environmental protection

- Through our core competence, the recycling of scrap steel and non-ferrous metals, we make a significant contribution to conserving natural raw materials and reducing environmental pollution. We respect the environment and comply with the environmental protection laws of the countries in which we operate.
- Reduction of greenhouse gas emissions: We attach great importance to climate protection by reducing greenhouse gas emissions that arise from our operational activities. The basis for this is the determination of our greenhouse gas emissions on the basis of the GHG protocol.
- Sustainable management of natural resources: In our operational activities, we pay attention to the sustainable use of resources such as water, energy materials, clean air and raw materials.
- Sustainable energy use: The efficient use of energy for heating and drive purposes is taken into account in the planning and operation of machinery and equipment. Savings potentials are evaluated and included in decisions.
- Decarbonisation: Considerations for decarbonisation of operational activities are made during planning and operation and possible potentials are assessed.
- Renewable energies: Renewable energies are used to reduce dependence on international energy markets, to reduce greenhouse gas emissions and to decarbonise.
- Waste avoidance, reuse and recycling: The reduction of operational waste, the preparation for reuse, as well as the efficient recycling of waste is a matter of course for us as a recycling company. The

return of waste materials as secondary raw materials into the economic cycle is the focus of our operational activities.

- We identify chemicals or other substances that are classified as harmful to the environment and ensure that the necessary safety requirements are implemented during handling, transport and storage. Proper disposal of these substances is ensured.
- Biodiversity, animal welfare, land use and deforestation: In addition to protecting water, air and soil quality, Scholz supports initiatives for biodiversity, animal welfare and against land use and deforestation.
- Noise emissions: Noise emissions will be reduced as far as possible to reduce the impact on the environment.
- Environmental and health protection: Through our wide-ranging activities to protect the environment and resources, we also want to contribute to the protection of flora, fauna and the population from possible health impairments caused by our economic activities.

VIII. Responsible sourcing of raw materials

- Scholz's suppliers are subject to a business partner check against terror and sanctions lists before entering into a business relationship.
- Within the scope of the EU Conflict Minerals Regulation for the relevant raw materials (3TG), business is conducted with the necessary due diligence.
- Risks related to the direct and indirect financing of armed conflicts, forced labour, serious human rights violations, child labour and slavery are to be avoided through the application of due diligence.

IX. Compliance with the Code of Conduct

- The contents of this Code of Conduct apply to all employees and must be observed by all employees without exception. All employees must familiarise themselves with the Code of Conduct. The principles and rules of conduct outlined are part of everyone's everyday work. Managers have a special role model function. They set a good example, give orientation to the employees and take the principles of conduct into account at all times. If there are any questions or uncertainties in connection with the Code of Conduct, the supervisor can be contacted at any time.
- A violation of laws, guidelines or other regulations can lead to damage for the company as well as for individual employees. In addition to damage to image and reputation, penalties and fines may

also be imposed. In order to identify breaches of regulations at an early stage, it is important for us to be able to address issues openly and without fear of negative consequences. Even suspicions of possible violations can be confidentially addressed to the managers. It is also possible to report a whistleblower to a trusted external body, where it can be processed anonymously.

- This Code of Conduct is to be understood as a guideline, which is supplemented in various areas and topics by further action aids and contents from the management manual.