


<b>SCHOLZ</b>   Recycling. Resources. Responsibility. Member of CHIHO Environmental Group 	<b>Management manual</b>	MP_2.06_C_FB 2 Revision: 10 Date: 15.01.2025 Page: 1 of 16
	<b>Guideline Code of Conduct</b>	



**Code of Conduct  
for Scholz Recycling GmbH**

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## Preamble

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

We have described this in the following statement and labelled it

## Code of Conduct



brought together.

We want to be a reliable and honest partner for our customers, suppliers, business partners, colleagues and the public. We can only gain the trust required for this if we act with integrity and honesty. Every employee's actions contribute to our joint success. It is therefore crucial that each individual takes responsibility - that means the managing directors, managers and each individual employee.

The following Code of Conduct serves as both a benchmark and a guide. They are intended to help us act ethically and sustainably in line with our legal, economic, ecological and social responsibilities. Alongside other internal guidelines and regulations, the Code of Conduct forms the framework for day-to-day operations.

We are committed to respecting human rights and protecting the environment. Our Code is based on national and international guidelines and conventions, such as the principles of the UN Global Compact, the International Chamber of Commerce's Charter for Sustainable Development, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and the relevant conventions of the International Labour Organization (ILO). The Code of Conduct is based on the following legal requirements, among others: LkSG, Basel Convention, Waste Shipment Regulation, General Data Protection Regulation, Conflict Minerals Regulation, money laundering laws, EU sanctions and embargoes, etc.



Based on this Code of Conduct, a Code of Conduct for Suppliers was derived, which also transfers the essential obligations to the suppliers. Within the supply chain, Scholz Recycling GmbH exercises its information rights and takes any corrective measures, which are controlled/monitored accordingly. By regularly carrying out risk analyses in its own business area and at direct suppliers, any risks are identified and prioritised in accordance with the principle of appropriateness. Appropriate preventive measures are taken in this context.

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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 contact us if you have any doubts or questions.

Together, we can fulfil our social responsibility and ensure the company's success.

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## 1. Target

The main objective of this policy is to create and maintain an environment characterised by respect, safety, inclusivity and productivity. This is achieved by setting clear standards of behaviour and expectations regarding the conduct and interactions of our employees and directors.

## 2. Scope of application

The guideline applies to Scholz Recycling GmbH

## 3. Description of the



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

### 3.1 General principles

- Every employee must be aware of their social responsibility, in particular the well-being of people and the environment, and ensure that our company makes a contribution to sustainable development.
- We undertake to comply with the applicable laws and other relevant provisions of the countries in which we operate in all our business activities and decisions.

### 3.2 Human and labour rights



- We respect and support compliance with internationally recognised human rights. All employees must work voluntarily. All forced and compulsory labour (including forced child labour) and any form of modern slavery/slavery-like practices and human trafficking are not 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.
- We reject all forms of discrimination, harassment and bullying. We do not tolerate any form of discrimination based on gender, race, disability, age, sexual identity or religion. Equal rights in recruitment and employment are an important concern. We ensure a working environment that is free from harassment. We ensure that employees are not subjected to physically or psychologically inhumane treatment, physical punishment or threats. We embrace diversity, actively promote inclusion and create an environment that fosters an inclusive culture, leadership and individuality in the interests of the company.
- The use of private or public security forces to protect the company is not used if the deployment leads to violations of applicable human rights, civil liberties or labour rights.

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- We provide a working environment in which known or suspected misconduct or offences can be reported without fear of retaliation.
- Fair wages: We are committed to fair working conditions and comply with the statutory 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. In this context, all employees also receive at least the legally prescribed social benefits. Accordingly, we also expect this from our suppliers in order to maintain fair working conditions.
- Protection of land, forest and water rights: We take a stand against unlawful forced eviction and the unlawful seizure of land, forests and bodies of water when acquiring land, building on land and other uses of bodies of water, forests or land areas.
- Protection of minorities, vulnerable people and indigenous peoples: We ensure that local communities, minorities and vulnerable people and communities enjoy humane living conditions.

### 3.3 Market behaviour

- In our dealings with business partners and state institutions, we keep business and personal interests strictly separate. Actions and (purchasing) decisions are made free of extraneous considerations and personal interests. We do not accept any kind of corruption or manipulation.
- We respect fair and free competition. We therefore comply with the applicable laws that protect and promote competition, in particular the applicable antitrust laws. In particular, we do not enter into any anti-competitive agreements or arrangements 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 appropriate gifts may be given. Exceeding customary - and legally permissible - practices will not be tolerated. Gifts that create the impression of influence or the expectation of a quid pro quo must be consistently rejected. Gifts and invitations must always be handled transparently. The granting of benefits is also subject to appropriateness. Even the mere appearance of undue influence must be avoided. The internal guidelines for accepting and granting benefits must always be observed. If there are any doubts regarding the acceptance or granting of benefits, the relevant line manager must be consulted.



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- Dealing with public officials and elected representatives requires compliance with strict regulations. Gifts, gratuities or the like to civil servants, politicians, members of parliament, etc. are strictly prohibited. Influence must not be exerted at any time and will never be condoned.
- Due to our international activities, it is imperative that foreign trade, tax and customs laws are complied with. We fulfil our social responsibility in the areas of taxes, customs and export control and implement 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 check the identity of customers, suppliers and business partners before entering into business transactions. It is our declared aim to only maintain business relationships with reputable partners whose business activities are in accordance with legal regulations and whose resources are of legitimate origin. The financing of terrorism is prohibited.
- We are committed to respecting trade and business secrets. The company's own expertise 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.

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- Confidential information/documents must not be passed on 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 GDPR, BDSG).
- We adhere to the legal framework for proper accounting and financial reporting. Our financial records are truthful, accurate and complete. We want to ensure transparency and create trust among our stakeholders by publicising our business activities.
- The unauthorised use of third-party intellectual property is avoided. We recognise the intellectual property of competitors, business partners and other third parties. It may only be used with the authorisation of the respective owner of the intellectual property rights. In this context, we also play our part in recognising and eliminating counterfeit parts in circulation.
- The Code of Conduct does not only apply to SCHOLZ employees. Business partners are also included in this process. Compliance with various principles is checked as part of the business partner selection process. The Code of Conduct, which applies specifically to suppliers, external companies, haulage firms and waste disposal companies, plays an important role here (available in the management handbook). Business partners should adhere to our Code of Conduct. They are also required to inform their employees about the contents of the Code. A breach of this code can be reason and cause to terminate the business relationship, including all associated contracts. Compliance with the Code is an integral part of the general supplier development process.



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### 3.4 Health and safety at work

- Health and safety play an important role at SCHOLZ. We adhere to the applicable requirements and safety standards and create a working environment in which the best possible performance can be achieved and physical and mental health can be maintained at the same time. Our aim is to constantly improve working conditions and promote health, performance and satisfaction. Achieving this requires the co-operation of each individual. In order to avoid health hazards, it is necessary to comply with the applicable occupational health and safety regulations. Managers have an important role model function here.
- Using the prescribed personal protective equipment is a fundamental part of preventing accidents at work and work-related illnesses.
- The regular and comprehensive training of carefully selected employees serves to increase safety in the workplace.
- Our accident management system stipulates that accidents at work that have occurred, as well as suspected safety and health risks, must be reported internally. The subsequent root cause analysis contributes to the continuous improvement of working conditions. In the case of accidents that have already occurred, the analysis is aimed in particular at preventing a recurrence. Depending on the duration of the absence, the accident is also reported to the relevant employers' liability insurance association and health and safety authority. By investigating near-accidents, the risk of work accidents occurring can be minimised. In addition to accidents at work, other incidents are also recorded and analysed 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 maintenance of open communication.
- We have established an emergency plan based on identified risks. The assessment of potential emergency situations leads us to implement plans and procedures for responding to emergencies in order to reduce the consequences of events. A corresponding emergency organisation (disaster preparedness) is in place for any disasters that may occur.
- Fire protection plays a particularly important role in emergency preparedness and is a high priority in our company. A fire in the company can not only cause extensive damage to



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property, but can also endanger human life. Fire prevention is therefore an important priority. A sufficient number of extinguishing agents are kept in the plants and their functionality is regularly checked. The labelling of escape and rescue routes is mandatory. Employees and all persons on the premises are regularly instructed on what to do in the event of a fire.

- The handling of chemical, biological or physical substances 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. We maintain risk assessments and operating instructions for the handling of hazardous substances in accordance with legal requirements and train our employees accordingly. Lists of all hazardous substances used are kept in the plants. When handling hazardous substances, our employees must comply with the specified protective measures.
- Machine safety is a high priority in the company. The machines we use are checked for safety risks. 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 adequate safety devices, the machines are also inspected and serviced at regular intervals.

### 3.5 Principles of social responsibility

- Freedom of assembly, freedom of association and the right to collective bargaining are respected by SCHOLZ. Furthermore, the right to form trade unions and employee representative bodies is recognised. In the interests of all, an open and solution-orientated approach to employee representation is pursued. The aim is to create a trusting and constructive co-operation.
- SCHOLZ makes donations to support non-profit organisations, regional projects or other charitable projects. No consideration is expected in return. Sponsorship money is also awarded in order to strengthen public perception and create a positive image. The granting of donations and sponsorship 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 confidentially. In accordance with applicable laws, the use of such information for personal gain is not permitted. Disclosure to friends, family members or other third parties is also prohibited. We adhere to this.
- External communication takes place in compliance with internal regulations. A standardised public image is the ongoing objective. We want to communicate clearly and comprehensibly

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at all times. Our employees may of course exercise their right to freedom of expression. However, when making statements in public (at events or in the media of any kind), it must be emphasised that these are personal opinions.

### 3.6 Employee development



- Our employees are the company's most important asset. Each of them has strengths and weaknesses and contributes to the overall success of the company. We motivate each other in order to maximise the performance of each individual. We want to achieve our goals by supporting each other and working as a team.
- 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 talented individuals who contribute to the sustainable success of the Group through their professional and social skills. We place particular emphasis on recruiting young talent.
- We expect motivated employees who are committed to personal and professional development. We also support their own 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. We want to promote lifelong learning with our programmes.
- Women's rights - equal opportunities for women and men: Equal opportunities for women and men are guaranteed in all aspects of training and employment, as well as personal and professional development and promotion.

### 3.7 Environmental and climate protection

- Through our core competence, the recycling of scrap steel and non-ferrous metals, we make a significant contribution to conserving natural resources and reducing environmental pollution. We respect the environment and comply with the environmental protection laws and regulations of the countries in which we operate.

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- We are committed to complying with and fulfilling the requirements of climate and resource protection. We want to make a positive contribution to climate protection and promote a sustainable future. Our decisions and actions are based on the principles of ecological, social and economic sustainability.
- We raise employees' awareness of climate-friendly behaviour in the workplace. This includes in particular the economical use of resources. Every employee is encouraged to actively contribute to reducing environmental pollution. Everyone has the opportunity to make suggestions for greater sustainability.
- Reduction of greenhouse gas emissions: We attach great importance to climate protection by reducing greenhouse gas emissions caused by 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, clean air and raw materials.
- Sustainable energy utilisation: The efficient use of energy for heating and drive purposes is taken into account in the planning and operation of machines and systems. Potential savings are evaluated and incorporated into decisions.
- Decarbonisation: Considerations regarding the decarbonisation of operational activities are made during planning and operation and possible potentials are evaluated.
- Renewable energies: Renewable energies are used to reduce dependence on the international energy markets, to reduce greenhouse gas emissions and to decarbonise.
- Waste avoidance, reuse and recycling: The reduction of operational waste, the processing for reuse and the efficient recycling of waste is a matter of course for us as a recycling company. Returning waste materials to the economic cycle as secondary raw materials is the focus of our operational activities.
- With regard to the transboundary shipment of waste, we apply the provisions of the Basel Convention and EU Regulation No. 1013/2006. Among other things, we adhere to the regulations on bans on the export and import of hazardous waste.

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- 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.
- We ensure compliance with the requirements of Minamata and the Stockholm Convention with regard to mercury and POPs (= "persistent organic pollutants"). We adhere to the ban on the production, use or treatment of mercury or products containing mercury. We also comply with the ban on the production, use, environmentally unsound handling, collection, storage and disposal of persistent organic pollutants.
- We are committed to preventing harmful changes to the soil, water or air pollution, harmful noise emissions or excessive water consumption.
- 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 are reduced as far as possible in order to minimise the impact on the environment.
- Environmental and health protection: Through our far-reaching activities to protect the environment and resources, we also want to contribute to the protection of flora, fauna and the population from potential health hazards caused by our economic activities.

### 3.8 Responsible procurement of raw materials

- Before entering into a business relationship, SCHOLZ suppliers are subject to a business partner check against terror and sanctions lists.
- Within the scope of the EU Conflict Minerals Regulation for the relevant raw materials (3TG), business transactions are conducted with the necessary due diligence (Conflict Minerals EU Regulation 2017/821). We therefore ensure the fulfilment of due diligence obligations in the supply chain for Union importers of tin, tantalum, tungsten, their ores and gold, which may originate from conflict and high-risk areas.
- Risks relating to the direct and indirect financing of armed conflicts, forced labour, serious human rights violations, child labour and slavery should be avoided by exercising due diligence.

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### 3.9 Compliance with the Code of Conduct

- The contents of this Code of Conduct apply to all employees and must be complied with by all employees without exception. Everyone must familiarise themselves with the Code of Conduct. The principles and rules of behaviour outlined are part of everyone's everyday working life. Managers have a special role model function. They set a good example, provide guidance to employees and observe the principles of behaviour at all times. If there are any questions or uncertainties in connection with the Code of Conduct, the line manager can be approached at any time.
- We ensure that we fulfil the reporting and documentation obligations under the Supply Chain Duty of Care Act, comply with the applicable principles and document the regulations and requirements in a report and disclose this accordingly.
- A violation of laws, guidelines or other regulations can lead to damage for both the company and individual employees. In addition to damage to the company's image and reputation, penalties and fines may also be imposed. In order to recognise breaches of regulations at an early stage, it is important to us to be able to address issues openly and without fear of negative consequences. Even suspicions of possible violations can be confidently addressed to managers.

It is also possible to report information about violations that have been obtained in connection with professional activities or in advance of professional activities to reporting centres in accordance with the Whistleblower Protection Act. The whistleblower has the right to choose whether to use the internal reporting centre or an external reporting centre.

Similarly, the Reporting Centre is also intended for reporting violations within the supply chain in accordance with the Supply Chain Due Diligence Act.



The internal reporting office is handled via the Legal Tegrity portal and enables employees of Scholz Recycling GmbH to report national violations of the law (by name, but also anonymously) and to make a significant contribution to their clarification (Section 13 (2) HinSchG). In addition, the system enables external third parties (e.g. customers, business partners...) to submit corresponding reports along the supply chain based on § 8 + 9 of the Supply Chain Due Diligence Act (LkSG). The reporting office can be contacted as follows

In writing: [Online reporting channel](#)

By telephone:

via the telephone channel of our online reporting portal

From Germany: +49 800 3800 999 (Mon. - Fri.: 09:00 - 17:00)

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From abroad: +49 69 99998839 (Mon. - Fri.: 09:00 - 17:00)

External reporting centres are available at state or federal authorities, e.g. the Federal Office of Justice, and can also be used accordingly.

In addition to receiving the report, the tasks of the internal reporting office include initiating suitable follow-up measures, in particular carrying out internal investigations and confidential cooperation with the whistleblower. The whistleblower receives confirmation of receipt of the report within seven days and receives feedback on the action taken and planned follow-up measures within three months. Reports can also be submitted anonymously.

The whistleblower enjoys extensive protection and can report grievances without fear of disadvantages/retaliation. For further information, please refer to the process SP\_5.9\_A\_Reporting violations (available in the management manual via the "Quentic" software).



- This Code of Conduct is to be understood as a guideline, which is supplemented in various areas and topics by further guidelines and content from the management handbook.

#### **4. Applicable documents**

Not relevant

#### **5. Distributor**

- Process owner
- Process employee

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### Entry into force

This directive comes into force with immediate effect.

Place, date: Essingen, 17.01.2025



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CEO  
Scholz Recycling GmbH