



**Standards for business partners of the
Heimbach Group**

Heimbach Standards for business partners

The Heimbach Group is a globally active manufacturer of technical textiles:

Our portfolio includes fabrics for all sections of the paper machine: forming fabrics, press felts, belts and dryer fabrics.

Our technical textiles are used in a wide range of industries: process and conveyor belts for the food industry, fabrics for battery production, press pads for the wood processing industry and much more.

Heimbach has its headquarters in Düren (Germany) and also produces at other locations in Europe and Asia. Sales and service are globally positioned.

We procure the products and services required for production from our business partners worldwide.



Gender note:

For reasons of better readability, the language forms male, female and diverse (m/f/d) are not used simultaneously. All references to persons apply equally to all genders.

Heimbach GmbH / Heimbach Group with all its companies is hereinafter referred to as Heimbach.

Preamble

The Heimbach Group and its subsidiaries are committed to conducting and developing their business in a responsible, sustainable and honest manner, treating all people with dignity and respect and complying with applicable laws, regulations and contracts.

In doing so, sustainability is a globally recognised concept that aims to achieve sustainable economic growth without harming our planet or depleting its resources, in an effort to improve the quality of life for present and future generations. Sustainability makes a significant contribution to the success of a company and ensures its future development.

Sustainability is an essential aspect of the Heimbach mission statement and an important component of our strategy. Integrity is the foundation of every business relationship.

Marco Esper, CEO



It is therefore essential that the Heimbach Group works with business partners who meet certain basic requirements and are willing to support and promote a sustainable supply chain.

As a member of the United Nations Global Compact, Heimbach is one of the companies that strive to implement universally recognised principles in the areas of human rights, treatment of employees, environmental protection and anti-corruption when designing business processes and strategies.

With the Communication on Progress (COP)

<https://unglobalcompact.org/participation/report/cop/early-adopter-programme> we publish reliable company data and thus present measurable performance and progress on all sustainability topics to our stakeholders (employees, customers, investors, buyers, suppliers and the general public) in a structured and systematic way.

As a premium member of Ecovadis, Heimbach undergoes the comprehensive Ecovadis assessment in the areas of ethics, labour & human rights, environment and sustainable procurement year after year. We invite our business partners to accompany our development at Heimbach and are happy to answer your audit questions.

The Heimbach Group has documented its business policy and standards in the Heimbach Code of Conduct. Our Code of Conduct is based on the ten principles of the UN Global Compact with the objective of further developing our business practices for the benefit of society and the economy.

In addition, Heimbach has established guidelines that specify the implementation of our compliance management. These deal with essential areas of law in which ethically and legally impeccable conduct by Heimbach employees is of the utmost importance to the company.

The Heimbach Code of Conduct, the Compliance Guideline, the Anti-Corruption Guideline and the Whistleblower Policy are published in the download area of our homepage.

<https://www.heimbach.com/de/heimbach-gruppe/download>

Heimbach expects from you as a business partner that your company supports us on this path, complies with the principles and standards listed below and equally assumes responsibility!

The principles of the UN Global Compact (<https://www.unglobalcompact.org/>) are based on the international declarations of the UN and the ILO (International Labour Organisation). These principles are decisive for the assessment of our business partners:

10 Principles

Basic requirements for business partners according to the UN Global Compact:

Human rights

1. we support and respect the protection of internationally proclaimed human rights.
2. we ensure that they are not complicit in human rights abuses.

Labour

3. we uphold freedom of association and the effective recognition of the right to collective bargaining.
4. we advocate for the elimination of all forms of forced and compulsory labour.
5. we advocate for the effective abolition of child labour.
6. we advocate the elimination of discrimination in respect of employment and occupation.

Environment

7. we support a precautionary approach to environmental challenges.
8. we take initiatives to promote greater environmental responsibility.
9. we encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

10. we work against corruption in all its forms, including extortion and bribery.

Your duties

These principles are also the basis for the further development of the cooperation between the Heimbach Group and you as a business partner, i.e. our purchasing department will ask you, if necessary, within the framework of random audits (usually via online questionnaires) to check compliance with the principles or to describe them in detail.

The audits will also review how sustainability performance is maintained in this important, shared value chain.

Standards for business partners

Based on the 10 principles of the UN Global Compact, our compliance guidelines and the company-specific requirements of Ecovadis, the following standards have been developed. These standards further specify the expectations Heimbach has of its business partners:

Ethics

In order to exercise social responsibility, business partners are expected to act ethically and with integrity. The ethical requirements include the following aspects:

Integrity in business

We expect our business partners to prohibit, not practice and not tolerate corruption, extortion, embezzlement and breach of trust in any form. Business partners are expected not to offer or accept bribes or other unlawful payments. Business partners are expected not to offer gifts or other benefits to Heimbach employees for personal gain or in anticipation of a quid pro quo.

Fairness in competition

Business partners are expected to behave fairly in competition and to respect the antitrust laws and competition law applicable to their business.

Protection of confidential information & intellectual property rights

Business partners are expected to use confidential information in an appropriate manner and protect it accordingly. Business partners shall ensure that data worthy of protection and the valid intellectual property rights of their own employees and business partners are properly secured.

Creation of notification possibilities about unlawful behaviour

Business partners are expected to set up communication channels for their employees to report possible unlawful behaviour. Each report should be treated confidentially. Business partners are expected to investigate and, if necessary, take action based on the reports. No reprisals shall be taken against a person reporting in good faith.

Conflict materials

Business partners are expected to ensure that no products are supplied to Heimbach that contain materials whose raw materials or derivatives originate from a conflict region where they contribute directly or indirectly to the financing or support of armed groups.

Interaction with employees

Business partners are expected to respect human rights in their businesses and to treat their employees fairly and with respect.

This includes the following aspects:

Omission of child labour

We reject child labour in our supply chain. Business partners are expected to refrain from any kind of child labour in their companies. The definition of child labour is based on the principles of the United Nations Global Compact and the core labour standards of the ILO (International Labour Organisation).

Free choice of workplace

Business partners are expected not to allow forced labour, in any form, in their companies. Employees must perform their work voluntarily and be able to leave work or employment.

Diversity and inclusion

It is expected that equal treatment of all employees is an essential principle of the business partners' corporate policy. Discriminatory behaviour typically relates - consciously or unconsciously - to personal characteristics such as race, national origin, gender, age, physical characteristics, social origin, disability, trade union membership, religion, marital status, pregnancy, sexual orientation, gender identity and expression. Business partners are expected to ensure that their employees are not harassed in any way. Heimbach encourages business partners to create an inclusive and supportive work environment and to consider diversity when selecting their employees or subcontractors. The personal dignity, privacy and personal rights of each individual must be respected.

Fair treatment

Business partners are expected to treat their employees fairly, free from sexual harassment, sexual abuse, corporal punishment or torture, mental or physical coercion or verbal abuse, and without threat of such treatment.

Working hours, wages and other benefits

Business partners are expected to comply with the respective applicable regulations on working hours. Furthermore, it is expected that the employees of the business partners receive remuneration that is in accordance with the applicable laws.

Business partners are expected to provide their employees with fair and competitive remuneration and other benefits that enable employees and their families to enjoy a decent standard of living. Business partners are expected to pay their employees on time. It is recommended that business partners provide adequate training and development opportunities for their employees.

Freedom of association

Business partners are expected to maintain open and constructive communication with their workers and workers' representatives. In accordance with local laws, business partners shall respect the right of workers to associate freely, join trade unions, appoint worker representation, form a works council and engage in collective bargaining. Business partners are expected not to discriminate against employees who engage in worker representation.

Health protection, safety, environmental protection and quality

Business partners are expected to provide a safe and healthy working environment in their companies, as well as safe and healthy work accommodations, if applicable. They are also expected to act in an ecologically responsible and resource-conserving manner. Business partners are expected to ensure quality in their business processes. This includes the following aspects:

Quality requirements

Business partners are expected to meet generally accepted or contractually agreed quality requirements in order to provide products and services that meet Heimbach's needs, perform as promised and are safe for their intended use.

Health, safety, environmental and quality regulations

Business partners are expected to comply with all applicable regulations regarding quality, health, safety and environmental protection. All required permits, licences and registrations shall be obtained and maintained. Business partners shall comply with their operational obligations and reporting requirements.

Product safety

Product safety data sheets with all necessary safety-relevant information shall be made available to Heimbach and other parties by the business partners, if required, for all hazardous substances used.

Occupational health and safety

Business partners are expected to protect their employees from any chemical, biological and physical hazards, physically demanding activities in the workplace and risks arising from the use of infrastructure provided in the workplace. Business partners shall provide adequate controls, safe work practices, preventive maintenance and the necessary technical protective measures to reduce health and safety risks in the workplace. If hazards cannot be adequately controlled by these measures, business partners should provide their employees with appropriate protective equipment.

Safety information on hazardous substances - including components in intermediate products - shall be made available to employees for training and protection. Minimum requirements for a safe and healthy working environment include the availability of drinking water, adequate lighting, appropriate room temperature, good ventilation, sanitary facilities and, where appropriate, safe and healthy company accommodation.

Process safety

Business partners are expected to implement safety programmes to manage and maintain their work processes according to applicable safety standards. Business partners shall address product-related issues and their potential consequences at each stage of the manufacturing process. For hazardous facilities, business partners shall conduct specific risk analyses and take measures to prevent incidents, such as chemical spills and/or explosions.

Emergency preparedness, risk information and training

Business partners are expected to provide safety information on identified workplace risks and train their employees accordingly to ensure their adequate protection. Business partners shall identify and assess probable and possible emergency situations in the workplace. Their impact shall be minimised through the provision of emergency plans and associated reporting procedures.

Waste and emissions

Business partners are expected to establish systems that ensure safety in the handling, transport, storage and recycling of waste, waste gas and waste water. All such activities, which may have a potential negative impact on human health or the environment, shall be adequately managed, measured and controlled before the release of such substances. Business partners should establish systems to prevent accidental spills and releases of polluting substances.

Resource and climate protection

Business partners are expected to use natural resources (e.g. water, energy sources, raw materials) sparingly. Negative impacts on the environment and climate are to be minimised or eliminated at the point of origin or through procedures such as modifications in the production process, material substitution, conservation and recycling. Business partners shall engage in the development and use of climate-friendly products and processes to reduce electricity consumption and greenhouse gases.

Protective measures

Business partners are expected to ensure adequate safeguards within their supply chains. They are also expected to maintain the processes and standards that have been developed to ensure the integrity of deliveries to Heimbach - from the point of origin through all intermediate stations to the point of destination.

Business partners are expected to implement all necessary and appropriate measures within their area of responsibility to ensure that neither Heimbach products nor their processable components or raw materials or corresponding know-how fall into the hands of counterfeiters or third parties or even leave the legal supply chain.

Management systems

Business partners are expected to implement management systems, following ISO standards, that support compliance with applicable laws in their companies and promote continuous improvement in relation to the expectations set out in behavioural code. This includes the following aspects:

Legal and other requirements

Business partners shall comply with all laws, regulations, sanctions, contractual agreements and generally accepted standards that are valid and applicable to them.

Communication of sustainability criteria in the supply chain

Business partners shall communicate the principles set out in behavioural code throughout their supply chain.

Commitment and responsibility

Business partners are required to meet the expectations set out in behavioural code by providing appropriate resources for this purpose in their companies.

Risk management

Business partners are expected to implement processes to identify, determine and monitor risks in all areas addressed in behavioural code and any applicable legal requirements.

Documentation

Business partners are expected to prepare appropriate documentation to demonstrate that they share the principles and values set out in behavioural code. If the parties agree, Heimbach may inspect this documentation.

Trainings

Business partners shall organise training to provide their managers and employees with an adequate understanding of the contents of the Code of Conduct as well as applicable laws, regulations and generally accepted standards.

Continuous improvement

Business partners are expected to continuously improve their sustainability performance through appropriate measures.

Responsibility

All this illustrates that Heimbach takes responsibility for the implementation of social, environmental and ethical standards in the company and that Heimbach companies should implement the principles of sustainable development in their daily operations.

Heimbach expects its business partners and their subcontractors to agree to the principles in behavioural code. These are part of Heimbach's business partner selection and evaluation process. We also expect our business partners to implement these standards upstream in the supply chain.

Heimbach therefore makes behavioural code available to its business partners with the aim of strengthening the common understanding of how sustainability should be implemented in everyday business. We are happy to engage in dialogue to this end.

As described above, Heimbach reserves the right to conduct audits or assessments to ensure that you comply with laws, rules and standards and will take appropriate action regarding the business relationship if there is cause for concern.

Heimbach further reserves the right to terminate any relationship if international principles are violated, no action is taken to remedy such violations or systematic violations are evident.

If you have any concerns about unlawful conduct or misconduct, please contact compliance@heimbach.com

It is important to us to ensure the principles of sustainable development, also with regard to the Supply Chain Sourcing Obligations Act (D & EU) in our supply chain.

YOU are part of this supply chain - Heimbach counts on your commitment!



Declaration - Confirmation of the agreement

Please complete and email to Heimbach-Purchasing einkauf@heimbach.com within 14 working days.

Name:
Function:

Company name:
Address:

Country:

Phone/mobile:
Email:

As a business partner of Heimbach GmbH, we hereby confirm to act according to the above standards and furthermore to support and implement the Heimbach Compliance Guidelines as well as the UN Global Compact Principles.

If you have any concerns or comments about this statement, please leave your comments here:

Place, date:

Signature:

Company stamp:

**Heimbach GmbH
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