



Code of Conduct

for Business Partners

LEONI

Foreword



Acting responsibly and lawfully is one of the basic requirements for our corporate success. For this reason we have defined LEONI's requirements for our business partners in this Code of Conduct for Business Partners. It is derived from LEONI's goal of good and ethical corporate governance and the associated values for which LEONI stands.

In addition to the LEONI Code of Conduct and the UK Modern Slavery Act Statement this is based on legal regulations such as the German Act on Corporate Due Diligence Obligations for the Prevention of Human Rights Violations in Supply Chains (Lieferkettensorgfaltspflichtengesetz – LkSG) as well as internationally recognized standards such as the International Bill of Human Rights, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises as well as the ILO core labor standards and the principles of the UN Global Compact.

At LEONI, for example, respect for human rights, the creation of fair working conditions, and the promotion of environmental and climate protection are of the utmost

importance. We live a zero-tolerance strategy and oppose against all forms of corruption and bribery.

The fundamental component of responsible corporate governance shall apply equally throughout LEONI's supply chain. The following minimum requirements and expectations of the business partners therefore aim to prevent, minimize and, where possible, end negative impacts on human rights worldwide.

With regard to environmental protection, LEONI takes as its goal the conservation of natural resources and the prevention, remediation and, if unavoidable or unrecoverable, compensation of environmental damage resulting from economic activity. To achieve this goal, LEONI also imposes these requirements on its business partners.

The Code of Conduct for Business Partners applies worldwide and is addressed to all business partners of the LEONI Group.

Our Code of Conduct for Business Partners defines the minimum requirements

you must observe and fulfill as a business partner of LEONI, as well as our clear expectations. We require you as our business partner to address these appropriately to your downstream partners in the business partner network as well.

A cooperative relationship with our business partner network is of utmost importance to us. We are certain that we can only improve our sustainability performance through continuous business partner development and consistent business partner management. Given the complexity and dynamism of our n-tier business partner network, we rely on joint activities with all our immediate business partners to create more transparency and achieve greater effectiveness. Your involvement as a business partner is critical to success and is the foundation of our business relationship.

Content

1	Ethical Responsibility and Responsible Business Practices	4	2	Social Responsibility	6	3	Environmental Responsibility	9
1.1	Corruption Prevention	4	2.1	Prohibition of Child Labor	6	4	Use of Conflict Minerals	11
1.2	Conflicts of Interest	4	2.2	Prohibition of Forced Labor	6	5	Implementation of Corporate Due Diligence	12
1.3	Fair Market Behavior	4	2.3	Right to Health and Safe Working Conditions	6	5.1	Implementation in the Supply Chain	12
1.4	Financial Responsibility	4	2.4	Remuneration	7	5.2	Trainings	12
1.5	Handling of Information	4	2.5	Working Times	7	5.3	Audit and Information Rights	12
1.6	Disclosure of Information	4	2.6	Freedom of Assembly and Association; Right to Collective Bargaining	7	5.4	Reporting Human Rights Violations	12
1.7	Intellectual Property	5	2.7	Protection against Discrimination and Harassment; Equal Opportunities, Diversity and Inclusion	7	5.5	Handling of Violations	13
1.8	Animal Welfare	5	2.8	Prohibition of Unlawful Eviction and the Confiscation of Resources which Secure Livelihoods	8			
			2.9	Respect for Data Protection	8			
			2.10	Security Resources and Human Rights Protection	8			
			2.11	Rights of Local Communities and Indigenous People	8			
			2.12	Human Rights and the Environment	8			

1



Ethical Responsibility and Responsible Business Practices

Respect for human rights is a cornerstone of LEONI's business activities. In addition to environmental protection and human rights, LEONI expects its business partners to comply with legal requirements, in particular antitrust and competition law, prohibition of corruption, prevention of money laundering, export control and data protection.

1.1 Corruption Prevention

LEONI is committed to fighting all forms of corruption and therefore expects its business partners to comply with all anti-corruption laws and not to undertake or tolerate any corrupt acts in business transactions.

1.2 Conflicts of Interest

LEONI's business partners shall ensure that their employees make business decisions exclusively on the basis of appropriate considerations. LEONI expects from its business partners that employees or third parties who are subject to a conflict of interest are not involved in corresponding business decisions and endeavor to avoid even the appearance of extraneous considerations.

1.3 Fair Market Behavior

Business partners respect fair competition and comply with competition and antitrust laws. Collusion with competitors and other activities that obstruct a free and fair market are prohibited.

1.4 Financial Responsibility

Reporting to employees, customers, business partners, the public and regulatory authorities has to be truthful. Business records and records, including financial statements, quality reports, time records or expense reports, shall be complete, accurate and truthful. These shall be prepared in a timely manner and in accordance with applicable law and generally accepted accounting principles.

1.5 Handling of Information

The exchange and handling of sensitive information is an integral part of any cooperation with business partners. LEONI expects partners to exercise particular care here, and to use appropriate technical and organisational measures to protect such information in accordance with applicable national and international regulations and industry expectations

(regarding confidentiality, availability and integrity). In particular, safeguards must be provided for confidential and personal information to ensure it is processed only as intended, and to prevent access by unauthorised third parties.

1.6 Disclosure of Information

Business partners ensure that information related to business activities is disclosed in accordance with applicable national and international regulations and industry expectations. They also make any necessary changes consistent with applicable regulatory developments. The business partners undertake to provide information at the request of LEONI regarding the economic, quality, environmental information security and occupational safety situation of the company. To ensure the stability and functionality of the business partners, the request for this information may be repeated regularly by LEONI.

The business partners undertake to immediately address critical points that could negatively influence the quality of the goods and services.

1 Ethical Responsibility and Responsible Business Practices

1.7 Intellectual Property

Business partners shall protect LEONI's intellectual property which includes, but is not limited to, rights to patents, trademarks, domain names, reproduction rights, design rights, database extraction rights and rights to specialized technical knowledge. They shall follow the rules and procedures in this area in their relationships with third parties.

1.8 Animal Welfare

LEONI respects animal welfare and relies on certified supply chains to ensure that animals are treated appropriately. Business partners who process animal products are obliged to ensure compliance with animal welfare in accordance with nationally and internationally applicable regulations along the entire supply chain. Business partners are encouraged to use non-animal testing methods, unless animal testing is mandatory by law.



2



Social Responsibility

LEONI attaches particular importance to the observance of human rights and good working conditions for its employees, both in its own operations and in those of its business partners. Business partners must comply with the following principles on human rights and working conditions.

2.1 Prohibition of Child Labor

Child labor is prohibited. LEONI strictly rejects any form of child labor and is committed to the effective abolition of child labor and expects the same from its business partners. A child's development must not be hindered by the performance of work that prevents him or her from receiving an education. The dignity of the child must be respected and his or her health and safety protected. In accordance with the relevant ILO conventions, LEONI's business partners comply with the minimum age of employment and strictly reject child labor, in particular the worst forms of child labor such as hazardous work that may affect the health, safety or morals of children.

LEONI's business partners shall comply with the following requirements:

- Prohibition of the worst forms of child labor¹,
- the minimum age for employment must be in accordance with the national laws of LEONI sites and be at least 15 years²,
- persons under 18 years of age are not allowed to perform work which, by its nature or the circumstances in which it is performed, would endanger their safety, health or morals, for example overtime or night shifts³.

2.2 Prohibition of Forced Labor

Forced labor and all forms of modern slavery and human trafficking are prohibited. Employment relationships arise exclusively on a voluntary basis and can be terminated in compliance with agreed deadlines. In accordance with the ILO core labor standards⁴, LEONI rejects any form of forced or unlawful compulsory labor and expects

its business partners to comply with this prohibition. LEONI's business partners have to implement appropriate control mechanisms in their own supply chains, e.g. when using employment agencies or temporary employment agencies. Under no circumstances shall it be tolerated that ID cards, passports or work permits are confiscated from employees or non-employees, that wages are not paid regularly or at intervals too long to be considered a living wage, and that physical and/or undue psychological pressure is exerted on employees and/or their families.

2.3 Right to Health and Safe Working Conditions

LEONI expects its business partners to ensure health and safety in the workplace beyond the scope of applicable laws and to support the continuous improvement of working conditions with the aim of having no occupational accidents and illnesses. In addition, the business partners shall comply with socially acceptable working conditions. Particular consideration must be given to persons in need of protection, such as pregnant women, persons with physical impairments and young workers.

¹ILO Convention No. 182, ²ILO Convention No. 138, ³ILO Convention No. 138, ⁴ILO Conventions No. 29, 105 and the Protocol of 2014 to the Forced Labor Convention.

2 Social Responsibility



The introduction of a management system for safety and health at work according to ISO 45001 is recommended.

Business partners shall comply with the applicable occupational health and safety regulations and provide the necessary protective equipment depending on the safety risk.

In addition, business partners are required to train their employees on the relevant safety risks related to their work and the environment in which they work.

2.4 Remuneration

The business partners must pay an appropriate remuneration that at least

corresponds to the legally stipulated minimum wage and, in addition, enables the employees to earn at least a living wage. They have to pay at least the minimum wage or the prevailing wage, whichever is higher, and adhere to all applicable wage and compensation regulations globally, including those relating to minimum wages, overtime hours and legally mandated benefits. In the case of cross-border deployment of personnel, LEONI business partners are obligated to comply with all applicable legal provisions, in particular with regard to minimum wages.

2.5 Working Times

LEONI expects its business partners to adhere to the principle that working hours comply with local laws and the respective industry standards. Business partners shall ensure a high standard of safe and healthy working conditions and guarantee work breaks, appropriate limitation of working hours and regular paid leave in accordance with applicable local law. The applicable international standards on working hours, which

include at least the standards of the relevant ILO conventions at the place of work, shall be complied with by the business partners.

2.6 Freedom of Assembly and Association; Right to Collective Bargaining

Business partners must respect the freedom of association and the right to collective bargaining. Employees shall have the right to form interest groups to represent common purposes and objectives. Employees shall not be given preferential treatment or be discriminated against if they belong to or do not wish to belong to a trade union or employee representative body. The right of employees to choose to join a union and to bargain collectively, as permitted by local laws and regulations, shall not be interfered with or restricted. In situations or countries where the right to freedom of association and collective bargaining is restricted by law, parallel means of enabling freedom of association and collective bargaining must be considered and facilitated.

2.7 Protection against Discrimination and Harassment; Equal Opportunities, Diversity and Inclusion

It is essential for LEONI to avoid and prevent any form of discrimination or harassment. LEONI employees are always treated with dignity and respect.

The business partners are committed to non-discrimination and promote equal opportunities and equal treatment of its employees. No one shall be discriminated against, given preferential treatment or harassed on the basis of characteristics such as national and ethnic origin, social origin, health status, gender, skin color, political opinion, religion or belief, disability, age, sexual orientation, marital status or union membership, veteran status or other characteristics protected by local laws. Employees shall be protected from individual arbitrary personnel actions.

Empowering women to participate fully in economic life in all sectors is essential to strengthening the national economy, achieving internationally agreed development and sustainability goals, and improving the quality of life for women,

2 Social Responsibility

men, families and communities. LEONI therefore also expects its business partners to show a commitment to strengthening women's rights.

LEONI's business partners shall also promote diversity, integration as well as inclusion in order to contribute to more equal treatment and the prevention of discrimination. In addition business partners are encouraged to promote equal opportunities through ethical recruitment already before hiring.

2.8 Prohibition of Unlawful Eviction and the Confiscation of Resources which Secure Livelihoods

In the context of human rights to freedom from slavery and forced labor, business partners commit to avoid any unlawful expropriation or forced eviction and deprivation of livelihood resources when acquiring, developing or otherwise using land, forests and waters. Access to water and sanitary facilities must be ensured.

2.9 Respect for Data Protection

LEONI respects and upholds the rights of data protection and data security

and also expects its business partners to use and process personal data only to the extent permitted by law and the permission of the data subjects. They must ensure protection against loss, modification and unauthorized use or disclosure by means of appropriate technical and organizational measures.

2.10 Security Resources and Human Rights Protection

If external security officers are hired to enhance and support efforts to implement adequate security and protection at any of locations of the business partners, it will be assured by them that they have received adequate training and instruction in respect of human rights, in particular with regard to the right to freedom of association and the right to collective bargaining and strikes.

2.11 Rights of Local Communities and Indigenous People

LEONI respects the diversity of local communities and indigenous people and recognizes the unique and important interests they have in the land, water and

environment, as well as in their history, culture and traditional way of life, and expects the same from its business partners.

2.12 Human Rights and the Environment

The business partners shall minimize the impacts of its products and production on the environment and its employees.

LEONI does not tolerate environmental impacts that affect the preservation and production of food, access to water and sanitation, or that harm human health. This mindset is also required from the business partners. Therefore LEONI expects them to prevent such impairments. The introduction and maintenance of an environmental management system according to ISO 14001 is required.

3



Environmental Responsibility

At LEONI, thinking and acting in an environmentally conscious manner are among the forward-looking factors for successful development.

The protection of natural ecosystems, in particular the protection of endangered habitats of wild animals, and the sustainable use of natural resources is of great importance to LEONI. Business partners must ensure that their business activities do not contribute to or benefit from the illegal conversion of natural ecosystems. This also applies to illegal deforestation. In addition, business partners must also take appropriate precautionary measures for their supply chain. Business partners shall take special care to protect biodiversity in relation to legal deforestation and conversion of other natural ecosystems and strive to eliminate legal deforestation and ecosystem conversion in its value chain. Business partners shall take appropriate and verifiable measures to promote biological diversity.

LEONI is committed to complying with the Paris Climate Agreement and bases

its emission reduction targets on the “Science-Based Targets”. Business partners are expected to implement activities aimed at reducing their environmental impact, primarily, but not limited to:

- reducing greenhouse gas emissions generated in their own operations as well as throughout their value chain,
- collecting, calculating and evaluating relevant greenhouse gas data according to international standards, and making the data available on demand,
- increasing energy efficiency and the use of renewable energies,
- improving air quality and emissions management,
- supporting waste reduction, including through reuse and recycling and the provision of sustainable materials,
- improving water quality and consumption management,

- preventing deforestation and conversion of natural ecosystems,
- the prevention of noise emissions,
- avoiding harmful soil degradation and
- the responsible handling of chemicals used in operations and products.

3 Environmental Responsibility

LEONI makes material efficiency and resource conservation its goal. Since LEONI relies on detailed emissions data from its upstream products to reduce the CO₂ footprint of its products and increase the proportion of recycled materials, LEONI's business partners are required to record and submit this data. In the future, this product information will be recorded in a software that will enable LEONI's developers to consciously choose more environmentally friendly materials within the framework of certain design rules, and thus to design the most sustainable lead sets possible.

For LEONI, responsible use of raw materials means setting minimum ecological and social requirements for business partners, reducing the material requirements of products and processes as well as avoiding and recycling waste, and also demanding this of its business partners.



4



Use of Conflict Minerals

Business partners shall ensure strict compliance with regulations on the use of raw materials originating from conflict and high risk areas (CAHRAs). They shall make reasonable efforts to avoid the use in their products of raw materials originating from CAHRAs that contribute to human rights violations, corruption, funding of armed groups or similar negative impacts.

Relevant minerals include, but are not limited to, tantalum, tin, tungsten, cobalt and the ores from which they are extracted, as well as gold and MICA. CAHRAs include the Democratic Republic of Congo, Angola, Burundi, Central African Republic, Rwanda, South Sudan, Tanzania, Uganda, and Zambia.



5



Implementation of Corporate Due Diligence

5.1 Implementation in the Supply Chain

LEONI expects its business partners to comply with the principles of this Code of Conduct as well as the legal standards and to adequately address and ensure compliance with these principles to business partners along their supply chain as well as to agree to a possible review of compliance with these principles by LEONI. The supply chain basically refers to all products and services of a company and thus to all steps that are necessary to manufacture the products and provide the services.

5.2 Trainings

Business partners will provide appropriate training on the principles contained in this Code of Conduct for Business Partners in order to provide their managers and employees with an appropriate level of knowledge and understanding of the content of this Code of Conduct, applicable laws and regulations, and recognized standards.

5.3 Audit and Information Rights

LEONI reserves the right to exercise its auditing rights within the scope of

legal regulations. Specifically, LEONI is obliged to agree with its business partners on appropriate contractual control mechanisms as well as their risk-based implementation in order to verify compliance with the principles of this Code of Conduct. Therefore, LEONI reserves the right to conduct audits or assessments to ensure that business partners comply with the laws, rules and standards and will take appropriate measures regarding the business relationship if there is cause for concern.

5.4 Reporting Human Rights Violations

In order to protect employees, business partners, third parties and LEONI, misconduct must be identified at an early stage and reported immediately. This therefore requires everyone's attention and the willingness to point out possible violations in case of concrete indications.

The business partners shall establish a process for reporting misconduct within their sphere of influence, so that in case of violations of the principles from this Code of Conduct, LEONI can be informed. Business partner employees shall be pro-

vided with access to a grievance process to report possible violations of the principles of this Code of Conduct for Business Partners, including the ability to anonymously report human rights violations related to the LEONI business relationship.

In addition to the reporting system of business partners, employees of business partners can also use LEONI's whistleblower system to report their grievances. Suspected cases can be reported anonymously at <https://leoni.integrityplatform.org> or also by e-mail (compliance@leoni.com), letter or in person.

LEONI business partners shall ensure that their employees are sufficiently informed about these whistleblowing options, in particular the availability of the LEONI complaint mechanism. They further undertake to ensure that any person who in good faith raises an issue regarding a possible violation will not be subject to retaliation and will have their confidentiality protected to the maximum extent possible, in accordance with the law and company policy and the requirements

5 Implementation of Corporate Due Diligence



necessary to conduct an effective investigation. However, grievance mechanisms are not intended to undermine the role of legitimate unions in addressing labor-related disputes or to preclude access to judicial or other non-judicial grievance mechanisms.

5.5 Handling of Violations

In case of deviations from this Code of Conduct which do not make a continuation of a trusting business relationship completely unreasonable, LEONI and the business partner will endeavor to implement sustainable measures for improvement or remedy through joint cooperation within a reasonable timeframe. As part of this process, the business partner is expected to

- respond immediately to inquiries regarding compliance with this Code of Conduct,
- actively support the need for clarification and shows active cooperation and willingness to improve when a potential

risk arises, e.g. in case of insufficient implementation of corrective actions in case of a known human rights incident,

- support self-assessments and provides documentation to help create an understanding of whether certain processes need to be realigned or strengthened,
- provide auditors with access to required documents and areas if an audit is required as a result of an incident and
- make competent and responsible employees or non-employees available for confidential interviews as part of regular audits and incident-related inspections.

Any serious breach or repeated breaches of the principles of the LEONI Code of Conduct for Business Partners shall render the continuation of the business relationship untenable for LEONI. In such

case, LEONI reserves the right to terminate the business relationship in whole or in part if (i) no action is taken to remedy the breach within a reasonable period of time after a written request to the business partner to remedy the breach; or (ii) a breach is obvious and other equally suitable means are not available or not successful.

LEONI AG

Corporate Compliance
Marienstrasse 7
90402 Nuremberg
Germany
Phone +49 911 2023-0
E-Mail compliance@leoni.com
www.leoni.com

LEONI acts as a role model and promotes compliance
with the Code of Conduct for Business Partners.

LEONI