



CODE OF CONDUCT FOR SUPPLIERS

Purpose and scope of this Code

PENN GmbH is committed to **responsible, sustainable and legally compliant business practices**. This Code sets out obligatory minimum standards for all business partners and reflects our values and the requirements of international frameworks (**UN Global Compact, ILO core labor standards, OECD Guidelines**). It also serves as the basis for SAQ 5.0 self-disclosures and the fulfillment of statutory due diligence obligations along the supply chain.

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01

Scope of application

This Code is aimed at all employees, managers and person acting on behalf of our suppliers - worldwide and regardless of size or legal form. **Clear expectations along the entire supply chain** are the only way to ensure uniform standards and responsibilities.

02

Responsibility & implementation

A sustainable supply network begins with **clear responsibilities and transparent processes**. Our business partners should create structures that enable the consistent implementation and monitoring of this code.

- Appointment of a sustainability or compliance officer
- Regular training on the content of this Code
- Low-threshold complaint mechanisms with whistle-blower protection
- Internal control and correction processes
- Introduction or maintenance of a management system (e.g. ISO 9001, 14001, 45001, SA8000, RSCI); annual evaluation of effectiveness

03

Human rights & working conditions

Human rights form the foundation of every partnership. PENN GmbH expects all suppliers to fully respect and promote these rights - within their own company and with their business partners.

- Prohibition of child labor; special protection of young workers
- Prohibition of forced labor, modern slavery and human trafficking
- Fair wages and social benefits; reasonable working hours and rest periods
- Freedom of association and the right to collective bargaining
- Non-discriminatory workplace; protection against harassment and violence
- Promotion of diversity, equality & inclusion
- Strengthening the rights of women, minorities & indigenous peoples
- Respect for land, forest and water rights; no forced evictions
- Ethical recruitment and human rights-compliant deployment of security forces

04

Occupational health & safety

Reliable occupational health and safety standards protect the **safety of employees**, prevent downtime and strengthen the resilience of our supply chain.

- Systematic risk assessments and preventive measures
- Emergency preparedness, first aid, fire protection
- Machine safety & handling hazardous substances
- Regular training; promotion of mental health
- Implementation or certification in accordance with ISO 45001 (or equivalent)

05

Environmental & animal protection

Sustainable business means taking **responsibility for our environment**. Our partners should actively make their contribution to climate, species and resource protection.

- Sustainable resource and chemicals management
- Energy efficiency, use of renewable energies, decarbonization targets
- Validated greenhouse gas reduction targets (Scope 1-3, ideal SBTi)
- Protection of water, air and soil quality; avoidance of noise emissions
- Reuse and recycling (circular economy)
- Protection of biodiversity, land use & deforestation; respect for animal welfare

06

Integrity, data protection & fair competition

Trust and long-term partnerships can only be built on the basis of integrity and fairness. We therefore expect our partners to behave in a legally compliant, ethical and transparent manner.

- Zero tolerance for corruption, bribery, money laundering, conflicts of interest
- Data protection & cyber security in accordance with applicable law
- Protection of trade secrets and intellectual property; no plagiarism
- Transparent, comprehensible information and decision-making channels
- Compliance with export controls and economic sanctions
- Conduct that complies with antitrust law; promotion of fair competition

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Responsibility in the supply chain

Supply chain responsibility also means monitoring the indirect effects of business activities. We expect our suppliers to actively pass on and monitor **sustainability requirements**.

- Binding dissemination of this Code to Tier 1 suppliers
- Contractual safeguarding of standards in relevant business relationships
- Regular risk analyses & self-disclosures (e.g. SAQ)
- Participation in audits & remedial measures
- Transparent disclosure of material sustainability information

08

Whistleblower system

A **functioning whistleblower system** protects people, the environment and companies. Suppliers must offer secure reporting channels and consistently follow up on reports.

- Access for internal & external stakeholders
- Possibility of anonymous reporting
- Confidentiality & protection from retaliation
- Documented procedural steps and feedback to whistleblowers

09

Violations and consequences

Breaches of the rules jeopardize trust, reputation and legal certainty. That is why we demand **consistent clarification and sanctions**.

Suppliers must investigate violations immediately, take corrective action and report on progress. PENN reserves the right to terminate the business relationship in the event of serious or repeated violations.

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Acknowledgement

Recognition of this Code of Conduct for Suppliers (status: June 2025) creates transparency and legal certainty for all parties. It is an integral part of our cooperation.

Accepted by:

Name

Date

Signature

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