

# Sustainability guideline for suppliers and service providers

(Supplier Guideline)

## 1 Preamble

Linz Center of Mechatronics GmbH is committed to ecologically and socially responsible corporate governance and expects the same behavior from all its suppliers and service providers.

The Supplier Guideline is based on national laws and regulations, as well as international conventions such as the United Nations Universal Declaration of Human Rights, the Guidelines on Child Labour and Responsible Business Conduct, the United Nations Guiding Principles on Business and Human Rights, the International Labor Standards of the International Labor Organization, and the United Nations Global Compact.

The suppliers and service providers of Linz Center of Mechatronics GmbH commit to comply with the terms of this Supplier Guideline and to demand compliance from their own sub-suppliers/service providers.

## 2 Working conditions

### 2.1 Exclusion of forced labor, free choice of employment

No forced labor, slave labor, or work comparable in this way may be used. All work must be voluntary and without threat of punishment. Employees must be able to terminate employment relationship at any time. There must be no unacceptable treatment of workers, such as psychological harshness, sexual and personal harassment and humiliation, or human trafficking.

### 2.2 Prohibition of child labor

Child labor shall not be used in any phase of production or service. The legal minimum age must be observed when employing minors. The age shall not be less than the age at which compulsory education ends under the law of the place of employment and in any case not less than 15 years.

### 2.3 Wages and social benefits

Workers shall be paid in line with the market and in accordance with their performance, whereby the respective statutory minimum wages shall be observed as the absolute lowest limit.

## **2.4 Fair working hours**

Working hours must comply with applicable laws or industry standards. Overtime is only permitted on a voluntary basis and if it does not exceed 12 hours per week. Employees shall be granted at least one day off after six consecutive working days.

## **2.5 Freedom of association and the right to collective bargaining**

The right of workers to form and join organizations of their choice, and to engage in collective bargaining, and strike shall be respected. In cases where freedom of association and the right to collective bargaining are restricted by law, alternative means of independent and free association of workers for the purpose of collective bargaining shall be provided. Employees shall not be discriminated based on forming, joining or being a member of such an organization.

## **2.6 Prohibition of discrimination**

Unequal treatment of employees in any form is prohibited unless it is justified by the requirements of the employment. This applies, for example, to discrimination based on gender, nationality, ethnicity, social origin, skin color, disability, health status, political conviction, ideology, religion, age, pregnancy, or sexual orientation. The personal dignity, privacy, and personal rights of everyone are respected.

## **2.7 Health protection and safety at work**

A safe and healthy working environment shall be provided. Necessary precautions shall be taken against accidents and damage to health, that may arise in work activities, by establishing and applying appropriate occupational safety systems. Excessive physical or mental fatigue shall be prevented by appropriate measures. In addition, employees are regularly informed and trained about applicable health and safety standards and safety measures.

# **3 Ecological sustainability**

## **3.1 Treatment and discharge of industrial wastewater**

Wastewater from operations, manufacturing processes, and sanitary facilities should be typed, monitored, inspected, and treated as necessary prior to discharge or disposal. In addition, measures should be implemented to reduce wastewater.

## **3.2 Air emissions**

General emissions from operations (air and noise) and greenhouse gas emissions should be typed, routinely monitored, reviewed, and treated as needed prior to release. Economic solutions shall be found to minimize any emissions.

## **3.3 Handling of waste and hazardous substances**

Waste and hazardous substances shall be identified, handled, reduced, and responsibly disposed of or recycled. The prohibitions on the export of hazardous wastes, as amended in the Basel Convention of March 22, 1989, shall be respected. Chemicals or other materials, that pose a hazard when released into the environment, shall be identified and handled in a manner that ensures safety during their handling, transportation, storage, use, recycling or reuse, and disposal.

### **3.4 Reduce consumption of raw materials and natural resources**

The use and consumption of resources during production and the generation of waste of any kind, including water and energy, shall be reduced, or avoided.

### **3.5 Dealing with energy consumption and energy efficiency**

Energy consumption shall be monitored and documented. Economic solutions shall be found to improve energy efficiency and minimize energy consumption.

## **4 Ethical business conduct and compliance**

### **4.1 Fair competition**

The standards of fair business, fair advertising and fair competition shall be observed. The applicable antitrust laws shall be applied, which, in dealing with competitors, prohibit agreements and other activities that influence prices or conditions. Agreements between customers and suppliers that are intended to restrict customers' freedom to determine their own prices and other conditions for resale are prohibited.

### **4.2 Confidentiality and data protection**

The supplier or service provider commits to meet the reasonable expectations of its client, suppliers, customers, consumers, and employees regarding the protection of private information. When collecting, storing, processing, transmitting, and disclosing personal information, the laws on data protection and information security and the official regulations must be followed.

### **4.3 Intellectual property**

Intellectual property rights must be respected. Technology and know-how transfers must be carried out in such a way that intellectual property rights and customer information are protected.

### **4.4 Integrity, bribery, and avoidance of conflicts of interest**

The highest standards of integrity shall be applied in all business activities. Any form of bribery, corruption, extortion, and embezzlement shall be strictly prohibited and prosecuted. Procedures shall be in place to monitor and enforce standards to ensure compliance with anti-corruption laws.

### **4.5 Whistleblowing and prohibition of retaliation.**

The supplier or service provider shall have a whistleblowing mechanism, including a policy to protect those who use it. Employees and subcontractors shall be informed of their whistleblowing rights. Confidentiality of the identity of the whistleblower and third parties, must be ensured. Only authorized employees may have access to the whistleblowing messages.

In cases where our supply chain cannot establish an adequate reporting mechanism, supply chain employees and subcontractors should be made aware that complaints and whistleblowing can be reported at [www.lcm.at/hinweis](http://www.lcm.at/hinweis). LCM guarantees anonymity, as well as that no reprisals will be taken by LCM against whistleblowers.