



**SUPPLIERS - SUSTAINABILITY REQUIREMENTS (SSR)
FOR SUPPLIERS OF EOS GmbH ELECTRO OPTICAL SYSTEMS (EOS)**

1	General information
1.1	This SSR is based on the German Supply Chain Duty of Care Act (Lieferkettensorgfaltspflichtengesetz) and formulates the requirements for EOS Suppliers (and business partners) that they must comply with in their business transactions with EOS (initiation to order execution) and in their business dealings with their own employees, suppliers and other stakeholders.
1.2	This SSR and the EOS Business Partner Code of Conduct of EOS (a copy of which will be provided on request) are binding for all EOS Suppliers.
1.3	The Supplier shall ensure that the human rights, environmental and other (minimum) requirements and obligations set out in this LCP, including the provisions in section 5, are appropriately addressed along its supply chain. It shall oblige its Suppliers to comply with this SSR by means of suitable contractual provisions and to contractually pass on the requirements in the supply chain.
2.	Compliance with laws and regulations
	The Supplier must comply with national laws and regulations. In the event of contradictions, statutory standards shall take precedence over sub-statutory standards. In the event of conflicting laws at the same level, no breach of contract shall result from compliance with one of the standards and the resulting breach of another. The Supplier undertakes to work towards ensuring that no legal violations are committed by its direct and indirect Suppliers in connection with the contractual relationship with EOS by carefully selecting them and carrying out reasonable checks on them.
3.	Human and labor rights
3.1	The Supplier undertakes to uphold and respect human rights as set out in the United Nations Global Compact, the International Bill of Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work of June 18, 1998, and the United Nations Guiding Principles on Business and Human Rights of June 16, 2011.
3.2	The Supplier undertakes to comply with the following human rights-related requirements and to actively minimize the risk of a violation of one of the following prohibitions through actions and omissions along its supply chain:
	<ol style="list-style-type: none"> (1) Prohibition of employment of a child under the age at which compulsory schooling ends according to the law of the place of employment, whereby the age of employment may not be less than 15 years. (2) Prohibition of the worst forms of child labor for children under the age of 18 (e.g. all forms of slavery or practices similar to slavery, child trafficking, debt bondage and servitude, forced or compulsory labor, procuring or offering a child for prostitution, work harmful to health) (3) Prohibition of the employment of persons in forced labor; this includes any work or service that is required of a person under threat of punishment and for which he or she has not voluntarily made himself or herself available, for example as a result of debt bondage or human trafficking. (4) Prohibition of all forms of slavery, slavery-like practices, servitude or other forms of domination or oppression in the workplace, such as extreme economic or sexual exploitation and humiliation. (5) Prohibition of disregarding the occupational health and safety obligations applicable under the law of the place of employment if this results in the risk of accidents at work or work-related health hazards. (6) Prohibition of disregarding freedom of association (e.g. founding, joining, membership of a trade union). (7) Prohibition of unequal treatment in employment, for example on the basis of national and ethnic origin, social origin, health status, disability, sexual orientation, age, gender, political opinion, religion or belief, unless this is justified by the requirements of the employment. This also includes the payment of unequal pay for work of equal value. (8) Prohibition of withholding an appropriate wage; the appropriate wage is at least the minimum wage stipulated by the applicable law and is determined by the law of the place of employment. (9) Prohibition of causing harmful soil change, water pollution, air pollution, harmful noise emissions or excessive water consumption. (10) Prohibition of unlawful eviction and the prohibition of unlawful deprivation of land, forests and waters in the acquisition, development or other use of land, forests and waters, the use of which secures the livelihood of a person.



	<p>(11) Prohibition of hiring or using private or public security forces to protect the company's project if, for example, life or limb is injured during the deployment of the security forces due to a lack of instruction or control on the part of the company.</p> <p>(12) Prohibition of an act or omission in breach of duty that is directly capable of impairing a protected legal position in a particularly serious manner and the unlawfulness of which is obvious on a reasonable assessment of all the circumstances in question.</p> <p>(13) The Supplier undertakes to comply with the minimum standards set out in the ILO core labor standards (www.ilo.org).</p>
3.3.	The Supplier undertakes to address the human rights-related requirements along its supply chain appropriately as follows:
	<p>(1) The Supplier shall establish processes and appropriate due diligence measures to actively protect human rights in order to identify, prevent, minimize and eliminate potential and actual negative impacts on human rights within its supply chain.</p> <p>(2) The Supplier trains its employees that compliance with human rights is mandatory. The Supplier creates clear regulations and framework conditions to systematically ensure the assumption of social responsibility and the protection of human rights.</p> <p>(3) If an increased risk is identified at the Supplier, the Supplier undertakes to participate in the prevention programme defined by EOS in order to minimize or avoid these risks.</p> <p>(4) If the Supplier is found to be in breach, the Supplier undertakes to participate in the remedial action program drawn up jointly by EOS and the Supplier (see Section 6).</p>
4.	Environmental and climate protection
4.1	The Supplier undertakes to maintain and respect basic environmental standards and to minimize any environmental risk emanating from it or its supply chain.
4.2	The Supplier undertakes to comply with the following prohibitions and requirements. It must actively minimize the risk of violations of these by actions and omissions along its supply chain:
	<p>(1) Ban on the manufacture of products containing mercury.</p> <p>(2) Prohibition of the use of mercury and mercury compounds in manufacturing processes within the meaning of Article 5(2) and Annex B Part I of the Minamata Convention from the phase-out date specified in the Convention for the respective products and processes.</p> <p>(3) Prohibition of the treatment of mercury waste contrary to the provisions of Article 11(3) of the Minamata Convention.</p> <p>(4) Ban on the production and use of chemicals in accordance with Article 3 paragraph 1 letter a and Annex A of the Stockholm Convention of May 23, 2001 on persistent organic pollutants.</p> <p>(5) Prohibition of non-environmentally sound handling, collection, storage and disposal of waste.</p> <p>(6) Prohibition of exports of hazardous waste as defined in Art. 1 para. 1 and other waste as defined in Art. 1 para. 2 of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal.</p> <p>(7) Prohibition of exports of hazardous waste from countries listed in Annex VII of the Basel Convention to countries not listed in Annex VII.</p> <p>(8) Prohibition of imports of hazardous waste and other waste from a non-Party to the Basel Convention (Article 4(5) of the Basel Convention).</p>
4.3	The Supplier undertakes to address environmental requirements along its supply chain as follows:
	<p>(1) The Supplier shall establish effective processes and systematic and appropriate due diligence measures to actively protect the environment with the aim of identifying, preventing, minimizing and eliminating potential and actual negative impacts on the environment within its supply chain.</p> <p>(2) The Supplier shall train its employees to ensure that compliance with environmental standards is mandatory. In addition, the Supplier shall create clear regulations and framework conditions to systematically ensure environmental protection.</p> <p>(3) If an increased risk is identified at the Supplier, the Supplier undertakes to participate in the prevention programme defined by EOS in order to minimize or avoid these risks.</p> <p>(4) If the Supplier is found to be in breach, the Supplier undertakes to participate in the remedial action program drawn up jointly by EOS and the Supplier (see Section 6).</p>



5.	Transparency and control
5.1	The Supplier is obliged to be able to provide information about the processes, systems, regulations and measures established in its company with regard to human rights and environmental due diligence obligations and, at the request of EOS, to provide information about these.
5.2	EOS is entitled to inspect, audit or have inspected or audited by a third party commissioned by EOS the processes established by the Supplier for human rights and environmental due diligence, including the due diligence measures taken by the Supplier in connection with human rights and environmental standards, as well as the timely implementation of a prevention program or corrective action plan.
5.3	The Supplier undertakes to report non-compliance with this SSR to EOS by using the EOS whistleblower system.
6.	Remedial measures at the originator
6.1	If the Supplier is found to be in breach, the Supplier undertakes to participate in the remedial action program drawn up jointly by EOS and the Supplier.
	(1) The Supplier undertakes to jointly develop and implement a plan to remedy the defect. (2) The Supplier accepts a temporary suspension of the business relationship during efforts to minimize risk, provided that a temporary suspension is considered necessary by EOS.
6.2	The Supplier accepts the termination of a business relationship if
	(1) the violation of a protected legal position or an environmental obligation is considered to be very serious, (2) the implementation of the measures developed in the concept does not remedy the situation after the time specified in the concept has expired, (3) EOS has no other milder means at its disposal and an increase in EOS's influence does not appear promising.