

Supplier Code of Ethics

Duderstadt, 12 December 2022

Global Procurement



Quality for life

Scope

The Supplier Code of Ethics applies to all business relationships between external business partners and the Ottobock Group. The Ottobock Group includes all companies in which Ottobock SE & Co. KGaA directly or indirectly holds a capital share of more than 50 %.

Notice of equal treatment

To improve readability, the simultaneous use of male, female and diverse forms of speech is avoided. All designations apply equally to all genders.

Foreword

With a tradition spanning 100 years, Ottobock is a global company that is aware of its entrepreneurial responsibility to customers, employees, investors, business partners, the public and the environment.

At Ottobock, we work for and with people. They are the focus of our business activities. Our goal is to improve the quality of life for our users with innovative technologies and fittings. Our single-minded determination to improve the quality of life has made us a global leader in technology for wearable human bionics, which enhance or replace parts of the human body.

Furthermore, as a member of [UN Global Compact](#) the United Nations, we are all the more committed to upholding human rights, protecting the environment, respecting employee rights, supporting fair competition and fighting against corruption.

Our Supplier Code of Ethics is based on these principles and frames our commitment to our business partners. In addition, Ottobock has outlined its human rights strategy in a declaration of principles for human rights, in which it addresses the expectations of its employees and business partners.

Complying with the declaration of principles as well as the Supplier Code of Ethics paves the way for successful long-term cooperation with Ottobock.

I. Ethical responsibility

1. Compliance with legal requirements

Ottobock's business partners confirm that, in connection with delivering products to and/or performing work for Ottobock, they shall comply with all relevant laws of the respective applicable jurisdictions.

2. Avoidance of conflicts of interest

Ottobock's business partners shall make their decisions solely on the basis of factual criteria and shall not be influenced by personal interests or relationships. In particular, they shall implement measures to avoid any conflicts of interest with regard to Ottobock. If any conflicts of interest relating to the business relationship with Ottobock should arise, these shall be disclosed.

3. The value system forbids corruption in any form

Ottobock forbids all forms of corruption and any illegal form of influencing public officials, business partners and employees – regardless of national borders and cultural differences. Our business partners confirm that they shall comply in particular with relevant anti-corruption laws and provisions. They shall refrain from presenting any direct or indirect financial gifts or other gifts to Ottobock employees or to their family members with the intention of achieving or preventing a business transaction or obtaining commercial advantage. Likewise, Ottobock employees are prohibited from granting benefits to business partners.

4. Fair competition is indispensable

Undistorted competition is not only one of our company's objectives, but is also in the interest of the overall community. It establishes a reliable framework for economic development. The rules of competition and antitrust law as well as trade control and sanction regulations form the legal foundation for equal opportunities and fair competition. All Ottobock business partners shall undertake to comply with the applicable legal foundation. In particular, our business partners shall undertake to comply with the ban of price fixing and capacity agreements, arrangements to share customers, territories or markets with competitors, issuing sham offers, refraining from competition and inappropriately advantaging or disadvantaging business partners.

5. Compliance with sanctions

Business partners shall undertake to comply with the law on sanctions and also ensure compliance from any affiliated companies in which they are a major shareholder. In particular, they shall ensure that the purchase or import of products in the course of their business relationship with Ottobock does not constitute a violation of sanction law. Upon reasonable request, they shall provide Ottobock with documents and/or information documenting compliance. For the purposes of this provision, sanction law is the law designated by the European Union, the United States, the United Nations or the country of origin of the products as an objective of economic or financial sanctions.

6. Prohibition of money laundering and terrorist financing

Ottobock's business partners shall not directly or indirectly promote money laundering or terrorist financing. In this context, they shall comply with the applicable legal requirements, in particular the principles of the EU legal framework on anti-money laundering and countering the financing of terrorism (Strasbourg, 20 May 2015) and the Financial Anti-Terrorism Act (Washington D.C., 17 October 2001).

7. Handling of sensitive data and intellectual property

The business partners shall undertake to protect all business and trade secrets of Ottobock, in particular to keep them safe from being accessed by third parties or being transferred to third parties. If the business partner learns that third parties have access to the data in question or data has been transmitted to third parties (data leak), or if the business partner has reason to suspect this, Ottobock shall be informed immediately and all information shall be provided that is needed to prevent further damage.

Our business partners shall also respect Ottobock's intellectual property, including all patents, trademarks and copyrights, technical and scientific knowledge and the expertise which Ottobock has developed over the years. Processes and transactions that are sensitive for Ottobock or our business partners shall be kept confidential. The direct or indirect use of business information that is not available to the general public for personal gain, the benefit of third parties or the detriment of our company is prohibited.

8. IT and information security

Each business partner shall be obliged to comply with the provision on data protection as well as the applicable statutory rules on information security. All components of information processing shall be secured in such a way that the confidentiality, integrity, availability and verifiability of the protected information is given, thus preventing any unauthorised internal or external use thereof.

II. Social responsibility

Our mission is that both our company and our business partners comply with human and environmental rights. Our business partners shall comply with the United Nations Universal Declaration of Human Rights, the eight fundamental conventions of the International Labour Organisation (ILO) and the following specific requirements. Furthermore, they shall act in a general manner that respects the human and labour rights of their employees.

In connection with delivering products to and/or performing work for Ottobock, its business partners shall comply with all relevant laws of the respective applicable jurisdictions for the protection of human rights.

1. Prohibition of forced labour and slavery

In accordance with the ILO Core Labour Standards, Ottobock and its business partners are committed to opposing the use of forced labour, compulsory labour and (modern) slavery as defined by the Act on Corporate Due Diligence Obligations in Supply Chains (hereinafter referred to as LkSG). This applies in particular to the prohibition of forced labour for political re-education, debt bondage, servitude or human trafficking, and sexual exploitation or degradation. All employees shall be granted the right to terminate their employment, subject to statutory notice periods.

2. Prohibition of child labour

Ottobock and its business partners deplore all forms of child labour as defined in relevant ILO Core Labour Standards and oppose all forms of child trafficking, child prostitution and other practices that violate the rights of children and endanger their freedom and development through harmful working conditions. Children are particularly worthy of protection and shall not be impaired in their development and education. Together with our business partners, we stand for the safety and health of children and shall protect their legal position by taking appropriate measures.

3. Equal opportunities and non-discrimination

To ensure equal opportunities and shape the social aspect of international presence, Ottobock's business partners shall undertake not to tolerate any form of discrimination against employees, in particular based on their age, gender, social origin, ethnic origin or skin colour, political opinion, religion or ideology, sexual identity, disability or social background.

4. Safety at work and maximum working hours

The requirements for our business partners with regard to safety at work and fair working hours are based, where relevant, on the Occupational Health and Safety Regulations (18 June 2017). Ottobock's business partners are responsible for providing a safe and healthy working environment. They shall strictly comply with all applicable workplace health and safety regulations. Furthermore, our business partners shall ensure that maximum working hours comply with International Labour Organisation Conventions and national legislation or prevailing industry standards. This means that business partners shall ensure that a normal working week, including overtime, does not normally exceed 60 hours, unless otherwise specified by applicable law or a collective agreement. Universally applicable safety standards ensure consistent attention to occupational safety with regard to location, workplace and the work equipment provided.

5. Fair compensation and adequate living wages

Business partners shall ensure that employees are paid according to industry standards, including compliance with applicable statutory minimum wages and/or collective agreements, whichever is higher. Statutory benefits shall be granted to employees. Ottobock's business partners shall also ensure that the employees are adequately remunerated by paying a minimum living wage that at least covers their employees' basic needs. Business partners shall take into account the cost of living and the relative standard of living of other social groups within a country. If business partners provide their employees with basic amenities, they shall provide a good standard of living. This shall include, for example, clean and safe accommodation, adequate lighting, heating and ventilation, and adequate personal space.

6. Freedom of association and right to collective bargaining

Ottobock's business partners shall respect their employees' right to freedom of association, to participate in collective bargaining, e.g. by joining trade unions, to appoint employee representatives and to join works councils in accordance with applicable local laws. Employees shall be able to communicate openly without fear of reprisals or harassment.

7. Legitimate use of private and public security forces

If our business partners use their own or external security service providers, they shall ensure that the security service providers respect human rights and do not act unlawfully. This shall include, in particular, the prohibition of torture and unlawful humiliating treatment, the right to integrity of life and limb, and upholding the freedom of forming coalitions and the freedom of association.

8. Respect for land rights

Ottobock and its business partners respect the right to property and condemn all forms of unlawful seizure of land that violates human rights. Whether it is forced eviction or seizing of land, forests and waters for personal gain, through which people or communities may lose their livelihoods. Especially in planned site developments, potential groups of people shall be taken into account and the protection of their rights shall be ensured.

9. Disciplinary measures and harassment

Business Partners shall prohibit corporal punishment, degrading treatment, harassment, abuse, coercion or intimidation in any form whatsoever. Business partners shall not tolerate and apply such practices and shall inform employees of the disciplinary procedures and measures in force. They shall also ensure that complaints procedures are in place and are communicated to all employees.

III. Ecological responsibility

The Ottobock Group actively lives up to its shared responsibility to sustainably protect natural resources and effectively use energy. We consider environmental aspects not only in the procurement of materials and raw materials used in our products, but in all our purchasing decisions, including all machinery, office equipment and supplies throughout their entire life cycle, from manufacture to disposal. For this reason, Ottobock also undertakes, for example, to purchase organic food and coffee where possible, as well as recyclable paper products and sustainably produced office equipment.

This responsibility is observed by implementing the following management systems at Ottobock: DIN EN ISO 14001:2015 (environment), DIN ISO 45001:2018 (occupational health and safety) and DIN EN ISO 50001:2018 (energy).

Ecological production is an essential element of sustained business success for us. We therefore intend to regularly engage with our close network of business partners to monitor and assess their environmental impacts. Continuously improving the environmental performance of our supply chain is our top priority. Therefore, technologies that reduce consumption in production processes shall be reviewed on an ongoing basis. We also expect our business partners to ensure that recycling of resources, the responsible handling of harmful substances and a conscious contribution to greater environmental protection are standard procedures. Business partners shall preferably have a certified environmental management system. Ottobock selects potential business partners based on their lower environmental impact. Business partners shall cooperate with Ottobock and provide background information for integrity and compliance checks. Furthermore, the following provisions shall apply:

1. Compliance with legal requirements

Ottobock complies with all national and international regulatory requirements for the protection of the environment, and also strives to continuously improve its products and procedures. Our business partners are also encouraged to implement relevant requirements and to contribute to the protection of environmental rights.

2. Management of non-renewable natural resources

Ottobock's business partners shall commit to the economical and responsible use of non-renewable natural resources and to minimise environmental impacts in their production processes and products. They shall contribute to reducing energy consumption and CO2 emissions.

3. Handling of hazardous substances

If hazardous chemicals or other materials are released during production, adequate safety measures shall be implemented at all times during handling, transport, storage, use, recycling or reuse and disposal of such substances.

We encourage our business partners to report breaches of the provisions of this Supplier Code of Ethics or other legal requirements. To do so, you can submit anonymous reports or complaints in both English and German via the [whistleblower system](#).

No disciplinary action shall be taken against any employee or other person who submits a complaint about violations of this Code of Ethics or the applicable laws.

Published by:

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