

## **Obligation to comply with Supply Chain Due Diligence Act**

### **1. PREAMBLE**

All SUPPLIERS of WALDEMAR LINK are expected to ensure compliance with the requirements of the German Supply Chain Due Diligence Act (*Lieferkettensorgfaltspflichtengesetz*, **LkSG**) in their own business area and vis-à-vis their direct and indirect suppliers. This shall apply in particular, but is not restricted to, the human rights requirements set out in § 2 para. 1 LkSG and the environmental requirements set out in § 2 para. 3 LkSG.

### **2. ASSURANCE AND RISK-BASED REQUIREMENTS**

The SUPPLIER hereby assures WALDEMAR LINK that it shall perform human rights and environmental due diligence (**due diligence obligations**) as set out in § 3 LkSG when executing the order. WALDEMAR LINK reserves the right to issue risk-based requirements to this end.

### **3. TRANSFER OF OBLIGATION**

The SUPPLIER further assures WALDEMAR LINK that it shall contractually require its own suppliers to comply with the due diligence obligations. The SUPPLIER undertakes to impose a contractual requirement on its own suppliers to comply with the due diligence obligations arising from this clause of the Special Terms and Conditions of Purchase (LkSG).

### **4. REQUIREMENTS FOR SUPPLIERS**

WALDEMAR LINK may require the SUPPLIER to source specified products from selected (inspected) suppliers only, or require the SUPPLIER to produce evidence (e.g. chain of custody certification) that specified products are sourced from certified regions, or that raw materials come from certified smelters.

### **5. TRAINING**

WALDEMAR LINK may provide training in the LkSG directly or using third parties. SUPPLIER undertakes to release employees responsible for purchasing and for suppliers to attend a training session lasting no more than half a day and to require them to attend.

### **6. VERIFICATION**

WALDEMAR LINK has the right to verify the SUPPLIER's compliance with its due diligence obligations through site inspections, subcontracted audits and utilization of recognised certification systems or auditing systems. The SUPPLIER shall provide organizational support for such measures.

The SUPPLIER is obligated to provide WALDEMAR LINK on demand within four weeks all supporting documents required to substantiate its compliance with the obligations arising from this clause of the Special Terms and Conditions of Purchase (LkSG). WALDEMAR LINK may require that up-to-date copies of such supporting documents be produced on an annual basis.

### **7. REPORTING OF NOTIFICATIONS OF RISKS**

The SUPPLIER is obligated to report notifications of human rights violations and environmental risks immediately in accordance with § 2 paras. 1 to 4 LkSG.

### **8. CORRECTIVE ACTIONS AND TERMINATION**

In the event that the SUPPLIER fails to comply with its obligations arising from this clause, WALDEMAR LINK may require the SUPPLIER to implement corrective actions within an appropriate period. WALDEMAR LINK may terminate the supply agreement without notice if the SUPPLIER fails to take corrective action within the stated period.

9. **DAMAGES**

WALDEMAR LINK has the right to require the SUPPLIER to provide compensation for damage caused by its failure to comply with any of the obligations arising from this clause.

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