

DEUTZ Supplier Code of Conduct

June 2019



INTRODUCTION

Innovation has been a hallmark of DEUTZ for more than 150 years, and developing groundbreaking technology is our passion.

DEUTZ AG and our affiliated companies (hereinafter 'DEUTZ') assume responsibility for our decisions and our actions, and for our products and services – in relation to our employees, our customers and lenders, the environment, and the society in which we live.

For each and every one of us, assuming responsibility means carefully assessing the consequences of our actions, conserving resources, and complying with laws and policies. Compliance is not a buzzword for us, it is a guideline for our daily actions.

We can only assume this responsibility together with our business partners. That is why we expect our suppliers to accept this responsibility and to require their suppliers to do the same.

The DEUTZ Supplier Code of Conduct below specifies the minimum requirements that must be met in order to meet our standards.

1. Society and employees

- DEUTZ is committed to respecting human rights and expects the same from its business partners. Our suppliers must treat all people with fairness, respect, and dignity, and not tolerate any inhumane treatment.
- We expect our suppliers to not engage in and to prohibit any form of forced or child labor in their company. National legislation and international agreements on the minimum age of employees must be adhered to.
- Employees have the right to appropriate pay and fair working conditions. We expect our suppliers to comply with all applicable national laws and industry-specific regulations.
- Our suppliers must promote equal opportunities and equal treatment, and prohibit any discrimination or disadvantage on the grounds of nationality, skin color, ethnicity, political affiliation, religion, sexual orientation, disability, or any other reason.
- Our suppliers shall respect their employees' freedom of association and right to collective bargaining.
- Our suppliers must not acquire goods and materials used in the manufacture of products for DEUTZ by illegal or unethical means. DEUTZ is committed to the OECD Due Diligence Guidance for Responsible Mineral Supply Chains. We expect our suppliers to avoid sourcing minerals from conflict-afflicted areas and to provide us with sufficient information regarding conflict minerals in the supply chain.

2. Safe and healthy workplace

- Our suppliers shall comply with all applicable health and safety regulations and local laws.
- They shall provide a working environment that promotes accident prevention and minimizes health risks.
- We expect health and safety standards to be checked regularly and any shortcomings or risks to be corrected.

3. Environmental protection

- Our suppliers shall comply with the applicable health, safety, and environmental laws and regulations of the countries in which they operate. They shall also meet the internationally recognized environmental protection standards.
- They shall ensure the safe and environmentally compatible development, manufacture, transport, and disposal of their products. We expect them to use resources efficiently and rely on eco-friendly technology.
- We expect our suppliers to establish and implement an appropriate environmental management system.

- Our suppliers shall commit to the ongoing monitoring and improvement of environmental protection.

4. Compliance and integrity

- We require our suppliers to comply with the applicable laws, rules, and regulations of the countries in which they operate. This applies in particular, but not exclusively, to competition and antitrust law, export controls, money-laundering prevention, and international sanctions.
- DEUTZ has a zero-tolerance approach to corruption and expects its suppliers to have the same. No benefits may be promised or granted to DEUTZ employees with the aim of obtaining commercial advantage.
- DEUTZ suppliers shall not make any illegal payments to public officials or authorities in any form whatsoever. It goes without saying that we require suppliers to comply with the rules of fair competition, especially with regard to tenders.
- Our suppliers' decisions with regard to the business relationship with DEUTZ are based on objective criteria. Any conflict of interest regarding private matters or other economic or other activities, including those of relatives or other related persons or organizations, shall be avoided from the outset.

COMPLIANCE WITH THE DEUTZ SUPPLIER CODE OF CONDUCT

A code of conduct is only effective if it is implemented and enforced. DEUTZ expects its suppliers to adhere to the minimum standards of this Supplier Code of Conduct, and to monitor compliance through an appropriate system and suitable measures.

Our suppliers must ensure that their employees are familiar with the Supplier Code of Conduct, that they understand it, and that they act accordingly. DEUTZ expects its suppliers to encourage their business partners to comply with our Supplier Code of Conduct.

DEUTZ reserves the right to make its own inquiries and to carry out audits and assessments to ensure that our suppliers are compliant with laws, regulations, and standards. In the event that a supplier fails to comply with the Supplier Code of Conduct and/or to take action where there has been a breach of laws or standards, DEUTZ reserves the right to terminate its cooperation with the supplier and to pursue any claims.