

**ROTHENBERGER GROUP**

**GLOBAL SUPPLIER RED BOOK**

**Standard Supplier Guidance**

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## 1. The ROTHENBERGER Group – Company & Vision

The company ROTHENBERGER was founded in 1949 by the engineer Edwin Rothenberger in Frankfurt. Since then, the name ROTHENBERGER has been associated with innovative and technologically sophisticated products. Since our foundation, it has been our aim to be the benchmark in our industry and to always offer our customers the best possible solution for their tasks.

The name ROTHENBERGER stands for this claim. Yesterday, today and tomorrow. In Germany, Europe and all over the world.

Innovation and quality have always been the backbone of our success. In 1967, for example, we revolutionized modern installation technology with the development of the ROTHENBERGER R-System tools for fittingless pipe installation. Today, we are proud to be a leading manufacturer of premium pipe tools for plumbing, heating, air conditioning, refrigeration, gas and other environmental technology products.

The ROTHENBERGER Group combines the pipe tool brands ROTHENBERGER, SUPER-EGO and VIRAX and the specialists in neighboring applications: RICO for sewer inspection, RUKO for precision metal cutting, SIEVERT for heating tools, BAK for plastic welding equipment as well as extruders, KROLL for suction-pressure flushing vehicles and ROTHENBERGER Industrial for demanding DIY enthusiasts.

Every year, we sell more than 30 million products, which are developed, produced and distributed by around 1.700 employees worldwide.

We connect people with water and energy, safely and sustainably.

Our stable ownership structure, strong financial power and high employee motivation guarantee the dynamic growth of the ROTHENBERGER Group. For our suppliers, this means a long-term approach, predictability and calculability.

- Products from 10 classic product groups, today divided into the application areas of installation, service & maintenance, refrigeration & air conditioning and plastic welding, offer our customers technologically outstanding products for all areas of application, e.g.: Fitting tools & steel pipe processing
- Pressing technology and composite pipe processing
- Pipe and installation tools
- Testing, measuring and freezing technology
- Soldering and welding technology
- Plastic welding technology
- Pipe and sewer cleaning
- Core drilling technology
- Refrigeration and air conditioning technology.

Trained product consultants are available to our customers on site for all of these topics. Our more than 50 ROTHENBERGER Group companies worldwide, which are coordinated and managed from the Group headquarters in Germany, ensure that we can continue to recognize our customers' wishes in the future and quickly implement them in the required products. For the benefit of our customers, our suppliers, our long-term growth and our joint success.

## 2. Our product and quality standards

ROTHENBERGER Group aims to always set the industrial benchmark for the relevant product category with its products.

However, the benchmark for us and our quality is set solely by our customers: only *their* judgment of our products and services is ultimately decisive!

Our quality standards therefore include the following points:

- All ROTHENBERGER products stand out from the rest of the competition and the industry thanks to their excellent functionality, ease of use and noticeably better quality.
- ROTHENBERGER quality always meets the highest standards and exceeds the expectations of our professional customers in terms of:
  - Ergonomics,
  - durability,
  - functionality,
  - state of the art and
  - compliance with environmental and safety regulations.

Our consistent quality management is applied on an ongoing basis.

However, our understanding of quality goes far beyond the actual product. In addition to product quality, it also includes the following areas

- Customer service, repair and spare parts service
- Advice, information and demonstrations on site at the customer's premises
- Optimized, environmentally friendly and resource-saving manufacturing processes
- Appearance and recognition value of the ROTHENBERGER brand
- Delivery quality and reliability.

It goes without saying that in order to achieve this understanding of quality, all parties involved in product development, production and sales must be involved, especially our suppliers on the one hand and our customers on the other.

Today, we devote a significant part of our sales and service activities to understanding our customers' wishes and requirements, translating them into requirement profiles and ultimately translating them into product specifications that meet our high quality standards.

Our customers' wishes also guide us in the continuous further development and optimization of our existing products.

But it is not only the customer who is important to us as a source of ideas; suppliers are also always ready to listen to their suggestions and ideas!

Only when we combine our suppliers' ideas with our understanding of the market can truly outstanding products be created.

For this reason, we work with our suppliers on a daily basis in a variety of ways. Examples include

- Open examination of suggestions for improvements to products, processes or components of our products
- Involvement of our suppliers in the early phases of a new development
- Comprehensive practical and field tests of product ideas/prototypes from our suppliers
- Optimization of manufacturability & serviceability of products/components
- Joint design-to-cost projects for existing articles and components
- Partnership-based optimization of manufacturing processes, e.g. via in-sourcing/out-sourcing, extended workbench, external assembly, etc.
- Joint quality audits on site

- Joint optimization of the supply chain (inventories, replenishment and lead times, consignment stock, etc.)

Our aim is to combine our knowledge of customer and market requirements with the supplier's product and production expertise in this way.

This requires a strong and reliable partnership between the supplier and ROTHENBERGER Group, and it opens up long-term prospects for suppliers who impress with their innovative strength and product and production expertise.

ROTHENBERGER Group never simply looks for the "cheapest supplier", but always for the partner with whom performance, quality, expertise, innovative strength and price are in the best relationship!

Only in this way - and this is our conviction - can products of sustainable quality and outstanding application properties be created at a realistic price-performance ratio.

And only on this basis can we convince our customers on a long-term and permanent basis and constantly expand our customer base.

For the mutual benefit of the customer, supplier and ROTHENBERGER, for our joint growth and a secure future based on partnership in an increasingly demanding world.

### **3. Ethical principles**

The high standards that ROTHENBERGER sets for its products are also reflected in the way we work every day and in our dealings with each other and with our customers and suppliers.

All employees and suppliers of ROTHENBERGER Group are required to make neutral and fact-based judgments in all matters concerning the Group and to always be guided by independence, honesty and integrity. No employee or supplier may abuse his or her business position for personal gain, nor may he or she promote behavior that is contrary to our Code of Conduct (**ROTHENBERGER Code of Business Conduct, Appendix 14.1**)

Managers and supervisors will take all necessary measures to ensure that every employee or supplier meets these requirements. Deviations from this are not tolerated.

In addition to exemplary conduct, all managers and employees entrusted with personnel management tasks, whether within ROTHENBERGER Group or on the supplier's side, have a special responsibility to observe and comply with the rules of conduct listed here, in particular with regard to:

#### **3.1. Compliance with the law**

In all business decisions - at home and abroad - the relevant laws must be strictly observed. Under no circumstances may employees or suppliers participate, directly or indirectly, in illegal activities, practices that hinder competition or corrupt practices.

#### **3.2. Donations**

Within the framework of local circumstances, all managers must ensure that no employee or supplier directly or indirectly makes or authorizes a payment or gift to a customer or a third party if the purpose is to obtain a business decision for a Group company.

#### **3.3. Suppliers**

Suppliers are to be selected solely on the basis of competitiveness and performance. They are entitled to fair treatment and correct assessment. Any attempt by a supplier to influence Group employees by offering benefits that go beyond the normal scope of hospitality or courtesies must be strictly punished, whereby a complete ban on orders may also be considered, depending on the individual case.

#### **3.4. Internal controls**

Within their area of responsibility, all managers are required to ensure an appropriate system of internal control. They must ensure in an appropriate manner that assets are protected, transactions are conducted and properly recorded in accordance with Group guidelines and other internal regulations, financial records are correctly maintained, and violations of this Code are detected and corrected.

#### **3.5. Political activities**

ROTHENBERGER Group welcomes the participation of employees in the political activities of their community or country. However, this participation must take place on their own time and at their own expense. Under no circumstances should the company or any of its subsidiaries become involved in political campaigns or affairs.

#### **3.6. Conflicts of interest**

Conflicts of interest resulting from the employment relationship, whether within ROTHENBERGER Group or on the supplier's side, must be avoided at all costs. If such a conflict arises, the employee or supplier must immediately inform their line manager, purchasing manager or the responsible HR manager.

### **3.7. Shareholdings and private economic interests**

No Group employee may conduct business in the company name with companies in which he or she, immediate family members or life partners have an interest. We expect our suppliers to uphold this principle. Accordingly, it is not permitted for employees to exploit their private economic interests of any kind to the detriment of ROTHENBERGER Group.

### **3.8. Private use of business partners**

In order to prevent a conflict of interest between the company and the private sphere, business partners belonging to the company who are closely related to the respective area of responsibility may not be used for private purposes.

### **3.9. Acceptance of gifts/benefits and advantages**

Employees, their immediate family members or life partners may not accept any (monetary) gifts or other benefits from people or companies with whom they have a business relationship. Minor gifts and favors must remain within the bounds of what is customary. All employees are requested to inform their line manager of any gifts received that are more than merely symbolic.

### **3.10. Confidential information**

Group employees and suppliers may not disclose information about business developments of a confidential nature that they have obtained in the course of their work. They may not take advantage of such information for themselves or for their friends or relatives.

### **3.11. Private/business expenses**

For applications in which business and private matters are so intermingled that it is difficult to make a clear distinction, the costs of gifts and hospitality should be borne privately.

### **3.12. Use of company property**

Group-owned facilities and equipment as well as employees' working time may only be used for non-Group interests with the prior approval of the line manager.

### **3.13. Secondary employment**

It must be contractually guaranteed that secondary activities of company employees are not exploited to the detriment of the company.

## 4. Product development process

Good products are no coincidence at ROTHENBERGER. Rather, they are the result of a proven process of collecting ideas, extensive testing (often in field tests with the involvement of selected end users) and clean technical implementation in line with our customers' requirements.

If we take a closer look at the product development process, we can distinguish between 6 phases:

### 4.1. Phase 1: Collection and selection of product ideas

Ideas for new products come from a wide variety of sources, including our customers and suppliers, our Research & Development, Business Development, Sales and Purchasing departments. These ideas are first collected and examined for technical feasibility, market potential, resource requirements and financial aspects.

As soon as these investigations confirm the potential of a product, it is transferred to phase 2.

### 4.2. Phase 2: Creation of a realization concept

In phase 2, a tangible product concept is created from the sometimes still rough functional idea. Order numbers are assigned, budgets are allocated and the project is launched. The formation of a team and the associated distribution of tasks (project plan) mark the official start of the project. At the same time, product management defines the technical requirements for the product depending on the customer's wishes.

If possible and sensible at this stage, development partners and potential suppliers are sought and involved in this early phase. In the further course of phase 2, a decision is made as to whether the product should be manufactured in-house or sourced externally, and the detailed calculation of the costs for development, production and sales begins.

As soon as this calculation is available, the entire project is explained to the management and approval for further development is given at the General Project Steering (GPS) meeting.

### 4.3. Phase 3: Development phase

Now the actual design phase begins. CAD models and, if necessary, the construction of near-series prototypes are initiated. In coordination with Research & Development, Purchasing, Product Management and QA, specifications are defined and contact with potential suppliers is intensified.

Quotations from suppliers are obtained and carefully examined in accordance with the technical specifications and standards. The production of initial test series is initiated for parts that are manufactured in-house.

Once all parts are available, the first samples are produced under near-series conditions and tested in practice. The final approval of the prototype is given later by the management.

### 4.4. Phase 4: Series production

No new ROTHENBERGER product should go into series production without extensive practical testing!

For this reason, an initial pre-series of the new machines or tools is produced in phase 4, which is subjected to intensive practical testing by selected test customers - in the workshop, on the construction site, in heat, cold and rain.

These test series, which can take up to six months, provide important information on possible further potential for improvement, which is immediately incorporated into the products.

Only when the product has really proven itself in practice is it released for the construction of the so-called pilot series and approved in accordance with CE, TÜV, DVGW and/or trade association requirements.

At the same time, the details regarding packaging, operating instructions, repair instructions and accessories are defined. Furthermore, in preparation for the series phase, machines are subjected to the toughest endurance tests, wear parts are defined, possible repair cases are simulated, and spare parts lists are created.

#### **4.5. Phase 5: Preparing for the start of series production**

While all preparations are being made in production for the start of series production, marketing begins to get the market in the mood for the new product. To this end, product information, advertising material, giveaways and/or displays are created, advertising films and, if necessary, a special website are prepared.

The ROTHENBERGER Group sales force is trained on the new product and the employees in our after-sales department are familiar with the new machine. Product management prepares the international price lists, and the sales departments of the individual national companies fine-tune the final details of sales planning.

#### **4.6. Phase 6: Series start**

Now it's finally time to hit the market: retailers have been sensitized and trained for weeks, and end customers have been approached through various marketing campaigns. The first deliveries to retailers are being made and the marketing measures are reaching their climax - e.g. in the form of targeted in-house exhibitions at retailers or product presentations at a trade fair.

Depending on the type of product, product management also offers product training courses for our customers in cooperation with our ROTHENBERGER Group training center so that they can get to know the product and test it thoroughly.

And finally, the best confirmation of all the efforts described above: the increasing number of orders from our dealers and customers in all parts of the world!

#### **4.7. Phase 7: Customer and end-user feedback**

We focus on construction site professionals by integrating their feedback to refine and enhance product performance. By engaging directly with users through surveys and on-site visits, we gather insights from those utilizing the product in dynamic, real-world environments.

These insights help us make practical improvements, ensuring the product meets the demanding needs of construction sites, enhancing efficiency and reliability across projects. Our commitment to adapting the ROTHENBERGER product based on user experience ensures it remains an indispensable tool, empowering construction teams to tackle upcoming challenges with confidence and precision.

#### **4.8. Phase 8: Cost and supply chain optimization**

Focused on supply chain optimization, we scrutinize every aspect of production and distribution to identify efficiency opportunities and streamline processes. By collaborating closely with suppliers, we identify cost reduction potentials in terms of raw materials, components as well as production and logistic processes including improved inventory management.

The goal is to offer competitive conditions and products while maintaining high product quality. By continuously refining cost structures and supply chain operations, we enhance operational efficiency, delivering value both to the business and our end users, ensuring they receive reliable products without unnecessary price increases.

By working closely with suppliers, we negotiate favorable terms and explore bulk purchasing strategies, ensuring cost-effective access to quality materials and components. Together, we identify opportunities to streamline supply chain processes, enhance logistical efficiency and reduce waste.

Our joint efforts focus on leveraging supplier expertise to refine inventory management and improve delivery timelines. This cooperative approach not only optimizes costs but also builds a robust supply chain capable of responding to market demands. Ultimately, this phase ensures we can offer reliable products at competitive prices, delivering significant value to both our business and our customers.

## 5. Compliance with regulations, norms and standards

ROTHENBERGER products are safe products!

This is ensured by our strict internal specifications, which we have confirmed in many cases by independent testing institutes such as TÜV.

It goes without saying that all our tools also comply with the applicable rules and regulations such as CE standards, DIN-EN regulations or recommendations of the employers' liability insurance associations.

Just as we pay attention to safety and compliance with standards for the products, we manufacture ourselves, we naturally also ensure that all purchased parts comply with our specifications and the relevant standards.

The ROTHENBERGER product range comprises several thousand items that are sold worldwide. In principle, all articles are offered in countries of the European Union, which is why a CE certificate must be provided free of charge and kept up to date by the supplier for all articles for which this is required under applicable law.

For articles that are also sold in countries outside the EU, additional certificates may be required (ISO, CCC or similar). Such additional requirements will be coordinated by ROTHENBERGER Group with the supplier on a case-by-case basis.

In addition to the safety of our products for the user, the safety and compatibility of our products with environmental requirements is becoming increasingly important. The European Regulation (EC) 1907/2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH), which we welcome as a helpful means of reducing the use of environmentally harmful substances to the absolute minimum results in additional obligations and tasks for manufacturers, users and importers of substances, substances and precursors and products. REACH affects all sectors, including the tool industry.

It is crucial for ROTHENBERGER Group that all players in the supply chain are informed about their obligations and take the necessary measures in good time to avoid gaps in the supply chain.

ROTHENBERGER Group expects its suppliers to be familiar with the requirements of the REACH Regulation and to be able to confirm compliance with these regulations at any time upon request.

For this purpose, the supplier will receive the REACH questionnaire attached in **Appendix 14.2** as required for corresponding confirmation to ROTHENBERGER Group.

## 6. Packaging standards of ROTHENBERGER Group

ROTHENBERGER products are used and appreciated all over the world!

The more international our distribution network becomes, the more important it is to comply with certain standards regarding the design and execution of individual product packaging.

For this reason, ROTHENBERGER Group has adopted certain standards for this area (**ROTHENBERGER “ROPACK” Manual, see Appendix 14.3**), which include the following points in particular:

- Packaging design/layouts/corporate identity;
- Quality of the packaging;
- packaging dimensions and
- Palletization.

It goes without saying that the quality of ROTHENBERGER products must be visible and tangible for potential customers at the point of sale. Furthermore, a high recognition value of ROTHENBERGER products must be ensured in all distribution channels. A uniform packaging design that considers the ROTHENBERGER corporate identity is therefore essential.

However, packaging not only has a visual function, but also a protective one. For this reason, ROTHENBERGER has defined various common cardboard qualities as the standard for product packaging. This ensures that the integrity of the items is always guaranteed, even when they are transported to remote areas of the world.

At a time when resources are becoming increasingly scarce, a third point is also gaining in importance: the optimum design of carton dimensions so that pallets can be optimally filled and loading spaces can be used without wasting space. Our standard dimensions in accordance with the ROPACK Manual ensure that Euro pallets can be loaded without wasting space.

For this reason, our ROPACK Manual must always be observed when designing packaging.

Of course, experienced ROTHENBERGER Group specialists in the field of packaging and design are also available to our suppliers at any time to clarify details.

## **7. ROTHENBERGER quality standards & spare parts supply**

ROTHENBERGER products are high quality products.

For us, this not only means that a ROTHENBERGER tool is of high quality and durable in terms of its design, function and ergonomics, but also that a consistently high production standard can be maintained, which reliably excludes premature tool failure due to any production errors.

To ensure this, our quality controls are applied to the manufacturing and assembly process as well as to the quality control of the supplied articles, components and parts.

It is our fundamental conviction that it is better to “produce” quality from the outset than to sort out defective goods afterwards by means of elaborate checks.

In line with this conviction, our quality department plays an important role in the selection of suppliers. As a matter of principle, cooperation is only started or continued with suppliers who can guarantee a consistently high-quality standard with correspondingly low error rates.

Our standard contract (see chapter 12) therefore regulates in detail in its appendix 4, which test routines must be observed by our suppliers, which documentation must be provided and how to proceed in the event of faults occurring.

It is only natural that even the best products can one day suffer damage due to wear, overuse or incorrect operation. However, ROTHENBERGER Group does not leave its customers to fend for themselves in such cases.

At ROTHENBERGER's main locations, there are a total of over 30 Service After Sales locations worldwide for such cases, which act as repair centers for tools etc. and repair them professionally and with original spare parts even after years of use. This sets ROTHENBERGER apart from some of its competitors, some of whose cheaper products often turn out to be “disposable” in the event of damage.

To ensure this long-term supply of spare parts, which is so important for our customers, ROTHENBERGER Group also expects its suppliers to be able to guarantee the supply of spare parts for at least 5 years after the last delivery. Our standard contract (see chapter 12) explicitly stipulates this requirement.

The ability of suppliers to meet this requirement is an important distinguishing feature in the selection of suppliers and the allocation of orders.

## 8. ROTHENBERGER Group supplier self-disclosure

ROTHENBERGER products are premium products of the highest quality and outstanding customer benefits.

We are convinced that only careful and sustainable supplier selection can lead to this level of quality.

ROTHENBERGER attaches great importance to knowing its suppliers and establishing a basis of trust with them with the aim of long-term and successful cooperation. In fact, we have been working with some of our suppliers for decades!

New supplier relationships are established only due to specific demand if the existing supplier base is not suitable.

New suppliers are always selected prudently and with great care. At the beginning, usually as part of the inquiry process, there is the supplier self-assessment (**Appendix 14.4**) to obtain a general overview. The supplier self-assessment provides ROTHENBERGER with information about the size, performance and existing know-how of the supplier and thus enables the purchasing department to assign suitable suppliers to the respective tenders.

In addition, the supplier can be audited by ROTHENBERGER Quality Assurance at its production site independently of the purchasing department. The approval of both the purchasing and quality departments requires a supplier to be included in the ROTHENBERGER supplier base. Both departments have a right of veto, which means that economic and quality requirements are always guaranteed.

The evaluation covers the performance of the suppliers about the following parameters:

- **Quality:** what is the supplier's error rate (% or ppm)? Is the quality constant or does it fluctuate greatly? How are identified errors systematically eliminated? Does the supplier have the incorporation of changes under control in terms of documentation?
- **Innovation and technology:** which technologies has the supplier mastered? Is the supplier constantly working to increase the number of production technologies mastered or does it belong more to the category of suppliers who produce cheaply from a largely depreciated machine park? Does the supplier provide suggestions for product or manufacturing processes? Is he capable and able to constructively participate in product optimization workshops?
- **Logistics:** How long are the replenishment times? Are delivery deadlines met? Does the packaging meet the requirements? Do the goods reach our warehouse undamaged? How flexible is the supplier in the event of short-term additional requirements or postponements?
- **Prices and conditions:** Does the supplier deliver according to our standard purchasing terms and conditions? Is the supplier prepared to offer stable prices over a longer period of time? Does the supplier continuously work on measures to reduce costs while maintaining the defined quality standards?
- **Service and flexibility:** How competent and how easily accessible are the supplier's contact persons? What are the typical response times to inquiries? How are communication and cooperation generally organized? What about the availability of spare parts and other services?

The assessments of all these points are made available to the suppliers in detail at the annual meeting and, if necessary, steps and measures are agreed to eliminate any weaknesses.

The aim is to find solutions together with the supplier to successfully continue an existing partnership.

## 9. ROTHENBERGER delivery guidelines

The ROTHENBERGER Group quality promise encompasses more than just outstanding products.

Rapid delivery to our customers and constant product availability are just as much a part of it for us.

This requires our logistics processes to function smoothly and reliably and unnecessary waiting times to be avoided. This applies to the storage of our suppliers' products in our central warehouses as well as to the dispatch of goods from these warehouses to our customers all over the world.

To ensure that these logistics processes run smoothly, ROTHENBERGER Group has defined standards and fixed regulations for deliveries to its sites (**ROTHENBERGER delivery guidelines, Appendix 14.5**)

These include the maximum size of delivered transport units, the securing of loads on load carriers and various requirements for unmixed deliveries and the necessary accompanying documents.

The delivery guideline describes in detail all the parameters to be observed, which ROTHENBERGER Group obliges its suppliers to comply with for the common benefit.

Deviations from these delivery guidelines are only possible in special cases and only after prior consultation and approval with the ROTHENBERGER Group logistics management.

Deviations that have not been agreed/not approved will at least lead to considerable additional manual work in the warehouse, in the worst case to a complete blockage of the conveyor systems. Unauthorized deviations from the guideline will therefore be penalized with a lump sum of 50 euros per shipment.

## 10. Processing of payment transactions

ROTHENBERGER has remained an owner-managed family business to this day. And all the steps have been taken to ensure that this will not change in the future. This guarantees stability and reliability for employees, suppliers and customers.

In contrast to the hectic pace of a listed company driven by quarterly reports, the ROTHENBERGER Group can therefore afford to focus on long-term goals - we think in terms of years, not quarters. A solid equity base and independence from external financing also make ROTHENBERGER a solid, reliable and always solvent customer, even in turbulent times.

Our structure as a group of companies with many companies belonging to the ROTHENBERGER Group has made it necessary to define several standards, particularly in contracts and payment transactions, according to which we conduct our business. This increases transparency when making comparisons within the Group and ensures a fair assessment of suppliers and offers, which are therefore always based on the same conditions.

With regard to invoicing, our internal standards as well as the applicable laws and EU directives stipulate certain minimum information (if a company is entitled to deduct input tax):

1. the full name and address of the supplier and the recipient;
2. the tax number issued to the supplier or the VAT identification number issued to him by the tax authority;
3. the date of issue of the invoice;
4. a consecutive invoice number that is assigned once by the invoice issuer to identify the invoice;
5. the quantity and nature of the goods supplied or the scope and nature of the other service;
6. the date of supply or service. If the date of payment receipt or part of the payment receipt does not coincide with the date of issue of the invoice, this date must be indicated on the invoice.
7. the total net amounts must be stated separately according to tax rates, tax exemptions and deductions agreed in advance. The corresponding tax amounts must also be stated separately. If a tax exemption applies, this must be indicated.

All this information must be included on every invoice. If a purchase number is available this must be stated on every invoice as well.

Invoices should be sent to [rechnung@rothenberger.com](mailto:rechnung@rothenberger.com) in a structured electronic “Zugferd” format (as an e-invoice) if possible. The obligation to send e-invoices will begin on **01.01.2027** for German suppliers who invoice supplies or services to ROTHENBERGER companies based in Germany and whose total sales exceeds 800,000 EUR in 2026.

## **11. Delivery, Payment and Bonus - Terms & Conditions**

### **Delivery terms, general guideline**

Point of receipt: All prices include free delivery, packaged and ensured at our factory's receiving dock. (Respective Incoterm: DDP Delivered Duty Paid).

### **Payment Terms**

The following payment terms and conditions are prioritized by the ROTHENBERGER Group:

- Immediate payment on delivery with 5% cash discount.
- We have 2 dates of reference, e.g. the 2nd and the 16th of each month. All products received until these dates, including the invoice, will be paid 30 days after the respective reference date with 3% discount. Every percent less discount leads to an extension of the payment period by 30 days.

[explanation and examples:

30 days payment with 3% cash discount;

60 days payment with 2% cash discount;

90 days payment with 1% cash discount,

120 days payment without discount

Example 1: Cash discount 3%, goods received on January 10<sup>th</sup>, payment on February 16<sup>th</sup>

Example 2: Cash discount 2%, goods received on January 20<sup>th</sup>, payment on April 2<sup>nd</sup>]

The terms and conditions are subject to local legislation. If any local legislation excludes some of these conditions, the condition that comes closest to the meaning shall apply instead. The terms and conditions have to be individually agreed upon by both parties.

### **Standard Bonus Agreement ROTHENBERGER Group**

In addition, bonus agreements are expected to be concluded with all regular suppliers. Our aim is to initiate successful long-term relationships with valued suppliers. Our commitment is to provide access to our worldwide sales network to our suppliers to enable our partners to join our market knowledge with great growth potential. The contribution of our suppliers is their commitment to our Standard Bonus Agreement of ROTHENBERGER Group (**Appendix 14.6**)

## 12. ROTHENBERGER standard contracts

ROTHENBERGER has adopted internal standards to ensure transparency and fairness in the treatment of business partners (and in particular suppliers).

With regard to suppliers, this requires equal treatment of all, which is reflected in the consistent application of our standardized framework agreement. This is typically adopted for all long-term supply relationships and generally above a certain annual purchasing volume.

In the case of one-off or low-value procurements where the conclusion of a framework agreement has no meaningful cost-benefit relationship, we process the transactions in accordance with our General Terms and Conditions of Purchase (GTCP). These can be found in section 6.1 below.

Our framework agreement consists of the actual “framework agreement”, in which the basic rules of cooperation (e.g. confidentiality, payment terms, adherence to deadlines, etc.) are defined. In principle, these apply independently of individual products or projects for the entire duration of the cooperation between the companies.

This framework agreement shall be supplemented by several or all the contract annexes listed below (**Appendix 14.7**) depending on the requirements and nature of the goods to be procured:

Master Agreement:

- Annex 1: Price-quantity agreement
- Annex 2: Specification
- Annex 3: General Terms and Conditions of Purchase
- Annex 4: Quality Assurance Agreement
- Annex 5: Exclusivity Agreement
- Annex 6: Delivery guidelines

The advantage of this contract structure is that - in the event of changes to prices or specifications, for example - only the relevant annexes need to be exchanged or renewed, without having to renegotiate and sign the entire contract each time.

The inclusion of suppliers in the ROTHENBERGER consignment warehouse is a special expression of solidarity and long-term partnership. Supplying our company via a consignment warehouse opens up special advantages for the supplier - in addition to the long-term supply perspective - in terms of the flexibility of its production batch size control and automated payment via a credit note procedure. Cooperation via a consignment warehouse is governed by the **consignment warehouse agreement**, which must be drawn up separately (**Appendix 14.8**)

For initial contacts with suppliers, a **non-disclosure agreement** (**Appendix 14.9**) ensures the necessary discretion and confidentiality.

## 13. ESG

At ROTHENBERGER Group, we are committed to sustainability, social responsibility, and sound governance (ESG). Our dedication to these principles reflects our role as a global leader in the development and production of innovative professional tools. We believe that businesses can and must play a vital role in creating a more sustainable and equitable future.

Environmental sustainability is a cornerstone of our strategy, with a particular focus on climate protection. Reducing CO<sub>2</sub> emissions throughout our supply chain and operations is essential to combat climate change and align with international climate goals. Similarly, promoting fair working conditions, diversity, and respect for human rights is not only fundamental to ensuring a sustainable and socially responsible supply chain but also to our business and that of all our partners.

Equally important is the quality and safety of our products. Our professional products are used daily around the world, and their safety, reliability, and performance are non-negotiable. This commitment extends to ensuring that all materials and processes involved in production meet our required high standards of quality and safety.

As part of this shared vision, we intend to regularly engage with our suppliers on ESG-related topics through inquiries, collaboration, and shared initiatives. This approach allows us to better understand your practices, identify opportunities for improvement, and work together to enhance areas such as environmental impact, employee welfare, and product excellence. Together, we can create a positive impact that benefits both the present and future generations. The sustainability form is in **Appendix 14.10**.

Thank you for your partnership and for joining us in advancing these vital principles.

**14. APPENDIXES**

- 14.1. ROTHENBERGER Code of Business Conduct
- 14.2. Questionnaire REACH
- 14.3. ROPACK Manual
- 14.4. Supplier self assesment
- 14.5. Delivery guidelines
- 14.6. Standard Bonus Agreement
- 14.7. Standard contracts (RV incl. all annexes)
- 14.8. Consignment warehouse agreement
- 14.9. Non-disclosure agreement
- 14.10. Sustainability form

