

CODE OF CONDUCT FOR SUPPLIERS

> INTRODUCTION

Acting with integrity and responsibility is an indispensable and elementary component of the corporate culture of the POLYTEC GROUP. In this context, we are committed to ecologically and socially responsible corporate management and expect the same behaviour from all our suppliers.

We also expect our employees to observe the principles of ecological, social and ethical behaviour and to integrate them into the corporate culture. Furthermore, we strive to continuously optimise our business activities and our products in terms of sustainability and ask our suppliers to contribute to this in the sense of a holistic approach.

This Code of Conduct for suppliers is based on national laws and regulations such as the Supply Chain Act (LkSG) and international conventions such as the United Nations Declaration of Human Rights, the Children's Rights and Business Principles, the United Nations Guiding Principles on Business and Human Rights, the international labour standards of

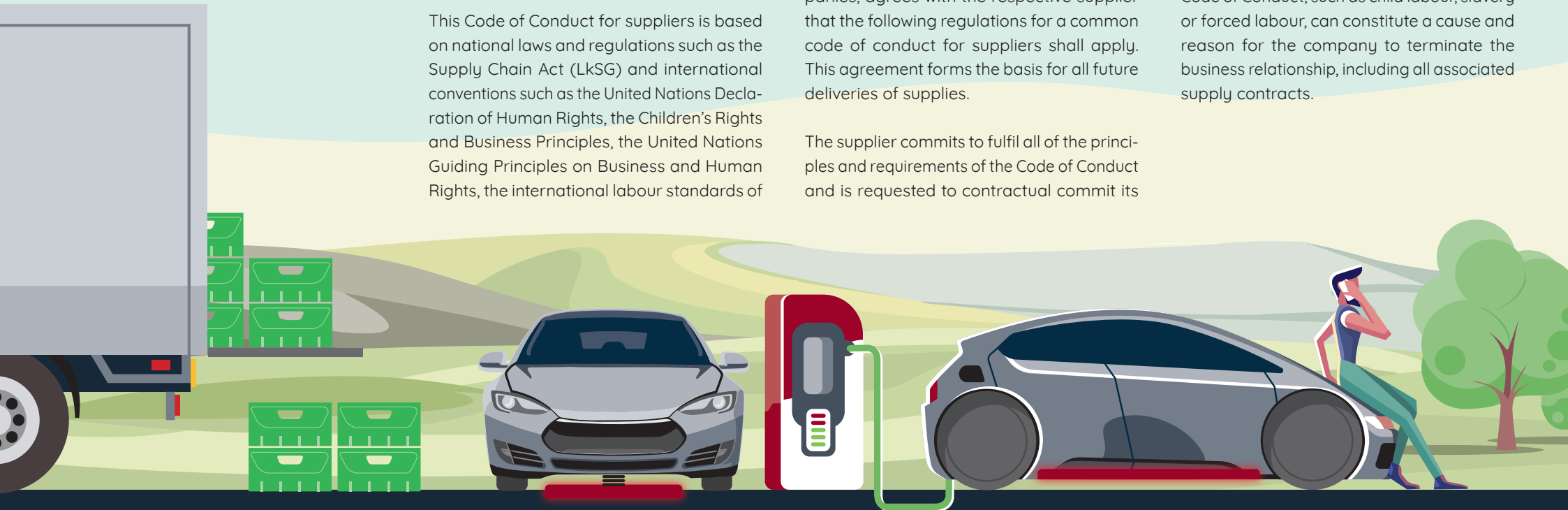
the International Labour Organization and the United Nations Global Compact. One of the most important concerns of this Code of Conduct is the prevention of child labour, all forms of slavery and forced labour.

For future cooperation, the POLYTEC GROUP, through its subsidiaries and associated companies, agrees with the respective supplier that the following regulations for a common code of conduct for suppliers shall apply. This agreement forms the basis for all future deliveries of supplies.

The supplier commits to fulfil all of the principles and requirements of the Code of Conduct and is requested to contractual commit its

subcontractors to adhere to the standards and rules specified in this document. The supplier shall provide evidence of this upon request. This agreement comes into force with the legally effective inclusion in the business relationship.

Any violation of essential provisions of this Code of Conduct, such as child labour, slavery or forced labour, can constitute a cause and reason for the company to terminate the business relationship, including all associated supply contracts.



REQUIREMENTS FOR SUPPLIERS

> SOCIAL RESPONSIBILITY

1. ELIMINATION OF FORCED LABOUR

No forced labour, slave labour or similar form of labour may be used. All work must be done by choice and without threat of punishment. Employees must be able to end their work or the employment relationship at any time. Furthermore, no worker may be subjected to unacceptable treatment such as psychological cruelty or sexual or other personal harassment and humiliation. It is prohibited to hire or use private or public security forces if persons are treated in a inhuman or degrading manner or a injured during their deployment or if the right to organize and freedom of association is impaired. The principles of ILO Conventions 29 and 105 as well as the prohibitions pursuant to § 2 As. 2 No. 3, 4 and 11 LkSG must be complied with.

2. PROHIBITION OF CHILD LABOUR

Child labour is forbidden at every phase of production. The suppliers are called upon to adhere to the ILO conventions' recommended minimum age for the employment of children. According to these recommendations, the age should not be lower than the age at which compulsory school attendance end, and should in no case be lower than 15. If children are discovered to be working, the supplier is to document the measures that are to be taken to remedy the situation and enable the children to attend school. The rights of young workers are to be protected. Employees under the age of 18 may not be employed for work that is harmful to the health, safety or morals of children. Special protective regulations, in particular § 2 para. 1, 2 LkSG, must be observed.

3. FAIR WORKING HOURS

The working hours must comply with applicable laws and industry standards. Overtime is only permitted if it is performed on a voluntary basis and does not exceed 12 hours per day, while employees must be granted at least one day off after six consecutive working days. The weekly working hours may not regularly exceed 48 hours, cf. the minimum standards of ILO conventions 1 and 14.

4. FREEDOM OF ASSOCIATION

The right of workers to form and join organisations of their own choosing and to engage in collective bargaining as well as to strike must be respected. In cases in which freedom of association and the right to collective bargaining are legally restricted, alternative possibilities for an independent association of employees for the purpose of collective bargaining are to be permitted. Employee representatives are to be protected from discrimination. Employees may not be discriminated against on the basis of founding, joining or membership in such an organisation. Employee representatives are to be granted free access to their colleagues' workplaces to ensure that they are able to exercise their rights in a lawful and peaceful manner, cf. the minimum standards of ILO Conventions 87, 98, 135, 154 and § 2 para. 2 no. 6 LkSG.



REQUIREMENTS FOR SUPPLIERS

> SOCIAL RESPONSIBILITY

5. PROHIBITION OF DISCRIMINATION

Discrimination and unequal treatment of employees in any form is not permitted unless it is justified by employment requirements. This applies, for example, to discrimination on the basis of gender, race, caste, national, ethnic or social origin, skin colour, disability, health status, political conviction, family background, ideology, religion, age, pregnancy or sexual orientation. The personal dignity, privacy and personal rights of every individual shall be respected, cf. the minimum standards of ILO Conventions 110, 111 and 159 and § 2 Para. 2 No. 7 LkSG.

6. HEALTH PROTECTION, OCCUPATIONAL SAFETY

The supplier is responsible for a safe and healthy working environment. Through the construction and use of suitable workplace safety systems, the necessary preventive measures are taken against accidents and injuries to health that could occur in connection with workplace activities. Appropriate measures must be taken to prevent excessive physical or mental fatigue. In addition, employees are regularly informed and trained on applicable health and safety norms and measures. The employees are provided access to adequate quantities of drinking water and to clean sanitary facilities, cf. the minimum standards of ILO Conventions 155 and 164 and Section 2 (2) No. 5 LkSG.

7. FAIR WAGES

The wage for regular working hours and overtime must comply with at least the statutory national minimum wage or the customary minimum wage for the industry, whichever is higher. In every case, the wage for overtime hours must be higher than the wage for regular hours. If the wage is not sufficient to cover the usual cost of living while allowing the worker to accumulate a minimum amount of savings, the supplier is obligated to increase the workers' pay to reach a sufficient level for this. All legally mandated benefits are to be provided to employees. Wage deductions as a punitive measure are not permitted. The supplier must ensure that the employees receive clear, detailed and regular written information about the composition of their fair pay, cf. essentially the minimum standards of ILO Conventions 26 and 131 as well as § 2 para. 2 no. 8 LkSG.

8. PRESERVATION THE NATURAL BASIS OF LIFE

The supplier may not, in violation of legitimate rights, acquire land, forests or waters whose use secures the livelihood of people. In particular, care must be taken to avoid causing harmful changes to soil, water or air pollution, harmful noise emission or excessive water consumption that significantly impairs the natural bases for the preservation and production of food, denies a person access to safe and clean drinking water, makes it difficult for a person to access sanitary facilities or harms their health. See essentially the minimum standards of Section 2 (2) nos. 9, 10 LkSG.



REQUIREMENTS FOR SUPPLIERS

> SOCIAL RESPONSIBILITY

9. COMPLAINTS MECHANISMS

The POLYTEC GROUP has implemented internal and external complaints mechanisms with a transnational reach, which provide employees and all company stakeholders with simple access to corresponding reporting systems and ensure rapid remedial action by the company.

Link to the internal whistleblowing portal:
<https://leaks.polytec-group.com>

Link to the external whistleblowing portal:
<https://polytec-group-beschwerde.portal.tacto.ai/de>

POLYTEC GROUP employees who lodge a complaint regarding violations of the [POLYTEC GROUP Code of Conduct](#) or this Code of Conduct for Suppliers or applicable

laws are not to be subjected to any form of disciplinary measures and can submit reports anonymously. The POLYTEC GROUP's external reporting system is also available to the Supplier's employees and other stakeholders. The Supplier must communicate the reporting system to its own employees in an appropriate manner or set up its own effective complaint mechanism for individuals and communities that may be affected by negative impacts at its own operational level and handle it in accordance with European law.

10. DEALING WITH CONFLICT MINERALS

For the conflict minerals tin, tungsten, tantalum and gold, as well as for additional raw materials such as cobalt, the POLYTEC GROUP has established processes in accordance with the Organisation for Economic Cooperation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and expects the same from its suppliers. Smelting and refining without appropriate and audited processes of due diligence is to be avoided.

Due to the business activities of POLYTEC Holding AG, the risk is extremely low despite the great importance of the topic in many sectors. Nevertheless, the current standards and guidelines of the OECD are complied with by the processes installed in the POLYTEC GROUP and this must also be ensured by the POLYTEC GROUP's suppliers.



REQUIREMENTS FOR SUPPLIERS

> ENVIRONMENTAL RESPONSIBILITY

The POLYTEC GROUP has established an environmental management system at all operational locations and was (re) certified to ISO 14001:2015 at the end of 2023. The Supplier must provide evidence of comparable certification, set up an environmental management system in accordance with EMAS or ISO 14001 within a period of 24 months or map the following topics that cover the two (or similar) standards accordingly:

1. TREATMENT AND DISCHARGE OF INDUSTRIAL WASTEWATER

Wastewater from operating procedures, production processes and sanitation facilities is to be typed, monitored, tested and treated as needed before it is introduced or disposed. Beyond this, measures should be introduced to reduce the generation of wastewater.

2. DEALING WITH AIR EMISSIONS

General emissions from operating procedures (air and noise emissions) and greenhouse gas emissions are, before they are released, to be typed, routinely monitored, and treated as needed. It is also the supplier's responsibility to monitor their emissions treatment systems and the supplier is obliged to find cost-effective solutions for minimizing all emissions.

3. DEALING WITH WASTE AND HAZARDOUS SUBSTANCES

The supplier shall pursue a systematic approach to identify solid waste, manage it, reduce it, and responsibly dispose of or recycle it. The ban on exports of hazardous waste as set out in the currently valid version of the Basel Convention of 22 March 1989 must be respected. Chemicals or other materials that pose a danger when they are released into the environment are to be identified and managed in such a way that safety is ensured when people interact with these materials, as well as when they are transported, stored, used, recycled or reused, and when they are disposed of. Mercury shall be used in accordance with the prohibitions of the currently valid version of the Minamata Convention of 10 October 2013 and persistent organic pollutants in accordance with the Stockholm Convention of 23 May 2001, as amended.

4. REDUCING CONSUMPTION OF RAW MATERIALS AND NATURAL RESOURCES

The use and consumption of resources during the production process and the generation of waste of any sort, including water and energy, must be reduced or avoided. This takes place either directly at the place where the waste is generated or through processes and measures e.g. by changing production and maintenance processes or procedures in the company, by using alternative materials, by economising, by recycling or by reusing materials.

5. DEALING WITH ENERGY CONSUMPTION AND EFFICIENCY

Energy consumption must be monitored and documented. Economic solutions must be found to improve energy efficiency and minimise energy consumption.



ANFORDERUNGEN AN LIEFERANTEN

> BUSINESS ETHICS

1. FAIR COMPETITION

In accordance with the OECD Guidelines for Multinational Enterprises, the norms of fair business practices, fair advertising and fair competition must be observed. Beyond this, the relevant antitrust laws, which particularly prohibit agreements and other activities to influence prices or conditions, are to be applied. These rules further prohibit agreements between customers and suppliers that are intended to limit customers' freedom to autonomously determine the prices and conditions for their resale of goods.

2. PRIVACY/DATA SECURITY

The supplier commits to fulfil the reasonable expectations of the client, subcontractors, customers, consumers and employees concerning the protection of private information. In the collection, storage, processing, transmission and transfer of personal information, the supplier is to observe the laws on data protection and information, the supplier is to observe the laws on data protection and information security as well as the regulatory requirements.

3. INTELLECTUAL PROPERTY

Intellectual property rights must be respected; transfers of technology and expertise are to be carried out in such a way that intellectual property rights and customer information are protected.

4. INTEGRITY/CORRUPTION, PERSONAL GAINS

The highest standards of integrity must be applied to all business activities. The supplier must pursue a zero-tolerance policy regarding the prohibition of bribery, corruption, extortion and embezzlement. Processes for monitoring and implementing norms are to be applied in order to ensure compliance with anti-corruption laws; reference is made to chapter seven of the OECD Guidelines for Multinational Enterprises.



IMPLEMENTATION OF REQUIREMENTS, RISK MANAGEMENT

We expect our suppliers to identify risks within supply chains and to take appropriate measures. In the event of suspected violations, as well as to safeguard supply chains with heightened risks, the supplier will inform the company promptly and, if necessary, regularly about the identified violations and risks and about the measures taken.

The company will use a selfassessment questionnaire as well as sustainability audits at the suppliers' production sites to monitor compliance with the standards and rules stated in this document. The supplier agrees to the Client conducting such audits once a year or for a specific reason to monitor compliance with the Code at the supplier's production sites during normal business hours, with sufficient advance notice and as carried out by persons whom the client tasks with doing so. The Supplier may object to specific audit measures if these would violate mandatory data protection regulations or if the supplier has provided other evidence of compliance with the standards.

Should a violation of the rules of this Code of Conduct is identified, POLYTEC shall

immediately inform the Supplier of this in writing within one month and set him a reasonable period of grace to bring his conduct into line with these rules. If a remedy is not possible in the foreseeable future, the supplier must report this immediately and, together with the company, draw up a concept with a timetable for ending or minimising the violation.

If the violation was caused culpably, the grace period expires without result or the implementation of the measures contained in the plan does not remedy the situation after the expiry of the deadline and a continuation of the contract until ordinary termination is unreasonable for the client and no moderate measures are available, the client may terminate the business relationship and terminate all contracts upon the expiration of the stated time period if the client has threatened to do so when setting the period of time. A statutory right to extraordinary cancellation without setting a grace period, in particular in the case of very serious violations, remains unaffected, as does the right to compensation.

ALY EFFECTIVE INCLUSION IN THE BUSINESS RELATIONSHIP WITH THE SUPPLIER

With the legally effective inclusion of this Code of Conduct for Suppliers in the business relationship with the respective supplier, the supplier commits to act responsibly and adhere to the principles and requirements specified herein. The supplier commits to communicate the content of this Code in a comprehensible manner to employees, contractors and subcontractors and to make all necessary arrangements to meet the requirements.

We hereby confirm that we have read and understood this Code of Conduct and that it is fully complied with in accordance with our business relationship.

Place, Date

Supplier/Company/Stamp

Signature

