



Supplier Code of Conduct

Code of Conduct for Suppliers of cluetec GmbH
Version 1.0, August 2023

"Sustainability and responsibility are key elements of our corporate mission and an integral part of our business strategy."

1 Preamble

cluetec is committed to ecologically and socially responsible corporate governance. We take responsibility for our decisions, for our actions, for our products and services. We expect the same behaviour and sense of responsibility from our suppliers. We also expect our own employees¹ to observe the principles of ecological, social and ethical conduct and to integrate them into our corporate culture. We strive to continuously improve our business activities as well as our products and services in terms of sustainability.

We can only fulfill our responsibility together with our business partners. We therefore expect our suppliers to also accept this responsibility and to implement this commitment upstream in the supply chain. In this context, we must accept that not all suppliers can directly and/or fully comply with our Supplier Code of Conduct. This applies in particular to those suppliers in the supply chain who are based in countries in which compliance with individual requirements (e.g. freedom of association) is not permitted by law. Irrespective of this, we work to ensure that the respective legal minimum standards are complied with. We do not exclude the termination of a business relationship as the last possible measure.

This Supplier Code of Conduct is based on national laws and regulations such as the German Lieferkettensorgfaltspflichtengesetz (LkSG) as well as international conventions such as the Universal Declaration of Human Rights of the United Nations and the International Labour Standards of the International Labour Organization (ILO).

The cluetec Supplier Code of Conduct subsequently defines the minimum requirements that must be met in order to comply with our standards.

¹ We understand employees to be all personnel employed by or deployed by a supplier.

2 Social Responsibility

Suppliers shall respect the human rights of their employees, local communities and vulnerable people and treat them with dignity and respect. They shall take reasonable precautions for the health and safety of their employees, customers, visitors, contractors and others who may be affected by their operations. This includes the following:

2.1 Exclusion of Forced Labour

Cluetec has a zero tolerance policy towards any form of modern slavery, servitude or bonded labour, and forced or compulsory labour, as well as any form of human trafficking in its supply chain. All work must be voluntary and without threat of punishment. Employees must be able to leave work or employment at any time. There must be no unacceptable treatment of workers, such as psychological hardship, sexual and personal harassment and humiliation. The hiring or use of security guards shall be refrained from if, in the course of their employment, persons are treated or injured in an inhumane or degrading manner or if freedom of association is impaired.

2.2 Child Labour Avoidance

cluetec does not tolerate child labour in its supply chain. Suppliers are required to prevent any kind of child labour as defined in the core labour standards of the International Labour Organization in their operational work processes. In cases where young workers are employed, they must not perform activities that are mentally, physically, socially or morally harmful or that interfere with their schooling.

2.3 Working Hours, Wages and other Benefits

The working hours of the suppliers' employees should not exceed the maximum working hours according to the applicable laws and ILO standards. Overtime shall be worked on a voluntary basis. Suppliers shall respect the right of their employees to rest and leisure time to balance their professional and private lives.

Compensation must be paid regularly, on time, and in full in accordance with national law. Deductions from wages as punitive measures are not permitted. Compensation and other

benefits should be fair, in line with market conditions, and equal for all employees, and should provide employees and their families with an adequate standard of living.

2.4 Freedom of Association

In accordance with local laws, suppliers must respect the right of employees to associate freely, form and join trade unions, appoint employee representation, form a works council and actively participate in collective bargaining. Employees shall not be discriminated against on the basis of forming, joining or being a member of such an organization.

2.5 Prohibition of Discrimination

Equal treatment of all employees must be a fundamental principle of the suppliers' corporate policy. Any kind of discrimination is prohibited unless it is justified in the requirements of employment. This applies, for example, to discrimination based on gender, age, ethnic origin, skin colour, disability, origin and ideology, religion, pregnancy or sexual origin or on other criteria that are unlawful under applicable law.

2.6 Health & Safety

Suppliers are responsible for a safe and healthy working environment. By implementing appropriate occupational safety systems, necessary precautionary measures are taken against accidents and damage to health that may arise in connection with the activity. Physically demanding activities and conditions in the workplace, as well as risks arising from the use of the infrastructure available in the workplace, must be managed in such a way that employees are protected from hazards.

Safety information about identified workplace risks or hazardous materials - including components in intermediates - must be provided to employees for awareness, training, and protection from hazards.

Minimum requirements for a safe and healthy work environment include the provision of potable water, adequate lighting, appropriate room temperature, good ventilation and sanitation.

2.7 Preservation of the Natural Foundations of Life

Suppliers shall not deprive land, forests or waters, the use of which secures the livelihood of persons, in violation of legitimate rights. Harmful soil alteration, water and air pollution, noise emissions and excessive water consumption shall be refrained from if this damages the health of persons, significantly impairs the natural basis for the production of food or prevents the access of persons to clean drinking water or to proper sanitary facilities.

2.8 Complaint Mechanisms

cluetec has implemented a complaints procedure. Suppliers shall inform their employees about the existence of this grievance procedure in an appropriate manner and provide them with unrestricted access to the procedure. To the extent that no notice is given, the supplier itself is responsible at the plant level for establishing an effective grievance mechanism for individuals and communities that may be affected by negative impacts.

2.9 Dealing with Conflict Materials

For the conflict materials tin, tungsten, tantalum and gold, as well as for other raw materials such as cobalt, the supplier shall establish processes in accordance with the Organization for Economic Cooperation and Development (OECD) Guiding Principles on Due Diligence to Promote Responsible Supply Chains for Minerals from Conflict and High-Risk Areas. Smelters and refiners without adequate, audited due diligence processes shall be avoided.

3 Climate and Environmental Protection

Suppliers shall act in an ecologically responsible and resource-efficient manner. This comprises the following aspects:

3.1 Careful Use of Resources

Suppliers preserve and protect natural resources, e.g. energy sources, water, forests, soil and raw materials. They prevent the exploitation, destruction or neglect of natural resources. Likewise, suppliers shall make commercially reasonable efforts to minimize the generation of exhaust gases, wastewater, waste, noise and light pollution.

Suppliers shall use their best efforts to ensure that their business activities do not impact natural resources in a way that significantly affects food production, deprives people of access to clean drinking water, or harms human health.

3.2 Energy Consumption and Renewable Energies

Suppliers shall make reasonable efforts to meet their purchased energy needs from renewable energy sources whenever possible. They shall use their best efforts to increase the overall use of renewable energy from year to year.

Suppliers shall make reasonable efforts to improve energy efficiency in their operations and reduce energy consumption through appropriate management systems.

3.3 Water Use

Suppliers shall make reasonable efforts to reduce water consumption in their own operations and in their value chain.

Suppliers shall make reasonable efforts to monitor the use, quality and discharge of water at their sites. They shall use their best efforts to continuously improve water reuse, water treatment, water use reduction and wastewater treatment.

3.4 Waste, Waste Water, Local Air Emissions, Noise and Light Pollution

Pollution of soil, air and water as well as noise and light pollution shall be avoided. Suppliers shall use their best efforts to ensure that the handling, storage, transportation, reuse, recycling and disposal of all types of waste and waste water are carried out safely and in accordance with regulations.

Suppliers shall pay special attention to the handling of substances containing mercury or which are persistent organic pollutants (POP's), as well as to the handling of waste, waste gas and waste water which may contain mercury or POP's. Suppliers shall handle these substances in accordance with the provisions of the Minamata Convention on Mercury and the Stockholm Convention on POP's.

Suppliers shall ensure that the management of waste from their operations complies with regulatory requirements and the requirements of the Basel Convention, in particular in the case of transboundary transport or trade thereof.

4 Ethics

To fulfill social responsibility, all suppliers are expected to act ethically and with integrity and to comply with all applicable laws and regulations. The ethical requirements include the following aspects:

4.1 Fair Competition

Suppliers shall conduct themselves fairly in competition and comply with all applicable anti-trust laws.

4.2 International Trade Controls

Suppliers must comply with export control regulations applicable to their business and provide accurate and truthful information about them to customs and other authorities as required.

4.3 Business Integrity

Suppliers must apply the highest standards of integrity in all business activities. Suppliers must prohibit and neither practice nor tolerate corruption, extortion, embezzlement, misappropriation and money laundering in any form. Suppliers must not offer or accept bribes or other unlawful payments in business dealings with business partners or public officials. Suppliers must not offer cluetec employees gifts or other benefits for personal gain that could be considered as a bribe.

4.4 Privacy

Suppliers shall comply with the reasonable expectations of its clients, suppliers, customers, consumers and employees regarding the protection of private information. Suppliers shall comply with data privacy and information security laws and government regulations in the collection, storage, processing, transfer and disclosure of personal information.

4.5 Intellectual Property

Intellectual property rights must be respected. Technology and know-how transfers must be carried out in such a way that intellectual property rights and customer information are protected.

5 Governance

Suppliers shall implement a governance structure that supports compliance with applicable laws and regulations in their businesses and promotes continuous improvement with respect to the expectations set forth in this Supplier Code of Conduct. Specifically, these are:

5.1 Legal and Other Requirements

Suppliers must be aware of and comply with all applicable international, national and local laws and regulations, contractual agreements and internationally recognized standards and conventions.

5.2 Passing on of cluetec's Supplier Code of Conduct in the Supply Chain

Suppliers shall implement the principles set forth in this Supplier Code of Conduct in their upstream supply chain as well, if possible.

5.3 Commitment and Responsibility

Suppliers shall comply with the principles set forth in this Supplier Code of Conduct. Suppliers should integrate all applicable aspects of the Supplier Code of Conduct in their management systems.

5.4 Right to Evaluation and Control

Suppliers shall grant cluetec the right to evaluate and control their performance after reasonable advance notice in order to determine the Supplier's compliance with the principles set forth in this Supplier Code of Conduct. The evaluations and controls will be carried out directly by cluetec or by a qualified external service provider, e.g. in the form of an assessment or audit.



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