

## Preamble

The WAKOL Code of Conduct for Suppliers reflects our commitment to the principles of the United Nations Sustainable Development Goals (SDGs) and the ten principles of the United Nations Global Compact. Those principles are set in the areas of environment, social and governance (ESG).

The WAKOL Group and its suppliers will work together on a continual basis in order to develop innovative solutions to optimally achieve these goals, while at the same time safeguarding their independent interests. Such cooperation is based on a collaborative and mutual exchange of know-how.

WAKOL expects its suppliers and subcontractors to agree and adhere to the principles in this Code of Conduct. These principles are part of the supplier selection and evaluation process. We also expect our suppliers to implement these standards downstream within their respective supply chains. WAKOL hence provides this Code of Conduct to its suppliers with the aim of reinforcing the common understanding of how sustainability should be implemented in day-to-day-business. WAKOL, first and foremost, expects that all suppliers conduct their business in strict accordance with all national, state, federal and international laws. WAKOL also expects its suppliers to act in line with the following principles in Environment, Social and Governance:

## 1. Environment

### Prevention of Environmental Pollution

The supplier will optimally avoid the extent of environmental pollution within its scope of activities and attempt to instigate this task supported by systems and procedures. In this regard, particular value is set on reducing emissions of all ecologically harmful materials (e.g., such as carbon dioxide gas). Emissions and discharges of pollutants are to be minimized or eliminated at the source or by practices such as adding pollution control equipment, modifying production, maintenance, and facility processes, or by other means. This also entails the release of hazardous substances. Special attention shall be given to active ingredients. Suppliers shall prevent or mitigate accidental spills and fugitive emissions of hazardous materials, and ensure their safe and compliant handling, storage and transportation.

### Reduction of Resource Consumption and Climate Protection

The supplier undertakes to work continuously on products, production procedures and processes that reduce the consumption of resources. Specific consideration should be afforded to the economical consumption of (drinking) water. This could entail practices such as modifying production, maintenance and facility processes, materials substitution, re-use, conservation, recycling, or other means.

Energy consumption and greenhouse gas emissions are to be tracked and documented, at the facility and/or corporate level. Suppliers are to look for cost-effective methods to improve energy efficiency and to minimize their energy consumption and greenhouse gas emissions.

### Waste Management

Suppliers should have systems in place to ensure the safe handling, movement, storage, recycling, reuse and management of waste, air emissions and wastewater discharges.



Any of these activities that have the potential to adversely impact human or environmental health will be appropriately managed, measured, controlled, and handled prior to release of any substance into the environment. Suppliers will have systems in place to prevent or mitigate accidental spills and releases into the environment. Suppliers should put in place procedures and mechanisms that actively increase the recycling of waste materials in order to use recycling management to more efficiently organize resource utilization and enable the recycling of previously processed raw materials. In addition, the supplier agrees to provide evidence of its utilization of a waste management system and processes.

## Requirements Pertaining to Product Contents

The WAKOL Group desires that its suppliers obtain official certification of their products by recognized ecological labels. Such certification serves to verify the environmental friendliness of product contents. In addition to these labels, environmental product declarations are to be drafted that record the full life cycle of a product. These should also describe the environmental burden created by the manufacture and use of the product as well as the risks to health. In this context, WAKOL urges suppliers to develop products with contents that more than satisfy statutory requirements relating to ecological criteria.

## Environmental Management Systems

The supplier undertakes to implement an environmental management system within its company that complies with global standards or statutory regulations, adapt its processes to the system, continuously further develop and commission auditing of such processes or undertake other verifiable measures that meet operational environmental policy criteria, and share its plans for implementing its sustainability objectives, and the subsequent results.

## 2.Social

### Modern Slavery

Modern Slavery takes the form of crimes of human trafficking, slavery, and slavery-like practices such as servitude, forced labour, forced or servile marriage, the sale and exploitation of children, and debt bondage.

The WAKOL Group does not tolerate the practice of human slavery in any form. The WAKOL Group requires suppliers to fully comply with the applicable legal requirements of slavery, forced labour and human trafficking laws (e.g., UK Modern Slavery Act 2015 and Australia Modern Slavery Act 2018) within each market or jurisdiction they operate or supply, and expects suppliers to enact practices to ensure compliance with such laws. **All work** must be voluntary, and workers shall be free to leave work at any time or terminate their employment. Workers must not be required to surrender any government-issued identification documentation such as passports, or work permits, etc. as a condition of employment. Excessive fees are unacceptable, and all fees charged to workers must be transparent.

### Child Labour

The WAKOL Group strictly prohibits any use of child labour by suppliers. This is understood by the WAKOL Group to mean the physical, intellectual, social or moral exploitation of persons under the minimum age of employment required by the law in the manufacturing country and consequent limitation of educational and vocational training opportunities.



Suppliers must ensure that any sort of child labour in their business operations is consistent with the ILO's (International Labour Organization) core labour standards and the United Nations Global Compact principles.

## Working Hours, Benefits & Wages

The supplier is to ensure that work carried out by its entire workforce is accomplished in compliance with all applicable laws and regulations pertaining to working hours. Statutory regulations must form the binding basis for wages paid, salaries, employee benefits, overtime, and other payments stipulated by the stated regulation. Unless otherwise provided by local laws, deductions from basic wages as a disciplinary measure shall not be permitted (this does not exclude the entitlement of damages on a contractual or legal basis). Suppliers are expected to provide their employees with fair compensation and benefits. Compensation and benefits should aim at providing an adequate standard of living for employees and their families. Suppliers' employees will be paid in a timely manner. It is recommended that suppliers offer their employees all required trainings and educational opportunities.

## Freedom of Association

Suppliers must acknowledge the basic right of all personnel to associate freely, seek representation, to negotiate regulations on working conditions, to form or join trade or labour unions and to bargain collectively. Suppliers will be committed to an open and constructive dialogue with their employees and workers' representatives. They will not disadvantage employees who act as workers' representatives.

## Diversity and Inclusion

There is to be no discrimination and harassment within the supplier company, or the business relationship based on colour, origin, religion, gender, age, physical condition/disability, national extraction, sexual identity or any other prohibited discriminatory offence under applicable law or regulation.

## Fair Treatment

The WAKOL group does not tolerate any kind of human rights violations. Therefore, employees must never be subjected to, and the supplier must do everything reasonably able to protect employees from all forms of harsh and inhumane treatment by the supplier. This includes any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or violence or verbal abuse of workers, nor is there to be the threat of any such treatment. Disciplinary policies and procedures in support of these requirements must be clearly defined and communicated to workers. Furthermore, suppliers are expected not to unfairly terminate any employment contract or provide reason that the termination is lawful.

## Health Protection

The supplier must draft, implement, and maintain appropriate safety measures, such as first aid, firefighting, and evacuation measures deemed necessary for all persons (incl. employees, visitors, and others) at each supplier facility, in accordance with domestic laws and regulations. Concepts and systems must be in place to treat, monitor and report injuries and illnesses that employees may sustain in the workplace.



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## Workplace Protection

Suppliers will protect their employees from any chemical, biological, and physical hazards and physically demanding tasks in the workplace as well as from risks associated with any infrastructures used by their employees. Suppliers will provide appropriate controls, safe work procedures, preventative maintenance, and necessary technical protective measures to mitigate health and safety risks in the workplace. When hazards cannot be adequately controlled by these means, suppliers will provide employees with appropriate personal protective equipment. Safety information relating to hazardous materials – including compounds in intermediate materials – shall be available to educate, train and protect workers from hazards. A safe and healthy working environment also includes as a minimum potable drinking water, adequate lighting, temperature, ventilation, and sanitation and, if applicable, safe, and healthy company living quarters.

Applicable Health & Safety information on identified workplaces must be made available by the supplier and the suppliers' employees will be correspondingly trained to ensure they are adequately protected. Suppliers will identify and assess likely and potential emergency situations in the workplace and minimize their impact by implementing emergency plans and response procedures.

## 3. Governance

### Cooperation

The WAKOL Group and its suppliers will work together on a continual basis in order to develop innovative solutions to optimally achieve these environmental goals, while at the same time safeguarding their independent interests. Such cooperation is based on a collaborative and mutual exchange of know-how.

### Fair Competition

Suppliers will conduct their business in line with standards of fair business, competition, and advertising and in accordance with all applicable anti-trust laws. Appropriate means to safeguard customer information must be available.

### Conflict Minerals

Suppliers are expected to ensure that products supplied to WAKOL do not contain materials, derived from minerals or their derivatives originating from conflict regions that directly or indirectly finance or benefit armed groups.

### Conflict of Interest

Suppliers shall disclose to WAKOL any situation that could constitute a conflict of interest, such as WAKOL employees having professional, private and/or significant financial advantages or interests in any of the supplier's businesses.

### Business Integrity

The highest standards of integrity are to be upheld in all business interactions. Suppliers shall have a zero-tolerance policy to prohibit any and all forms of bribery, corruption, extortion and embezzlement. All business dealings should be transparently performed and accurately reflected on supplier's business books and records. Monitoring and enforcement procedures shall be implemented to ensure compliance with anti-corruption laws.



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## Data Protection

All suppliers will comply with any applicable data protection laws and regulations. Suppliers' information systems that contain WAKOL' confidential information or data shall be appropriately managed and protected against unauthorized access, use, disclosure, modification or destruction. Suppliers shall collect personal information only for legitimate business purposes, use it in a legal, transparent, and secure manner, share it only with those who are allowed access, protect it in accordance with security policies, retain it only for as long as necessary, and obligate third parties with access to personal information to protect it. This includes the protection of employees' and business partners' privacy. For all business transactions within the European Union suppliers shall comply in all aspects of applicable data protection legislation including but not limited to the General Data Protection Regulation ((EU) 2016/679) (GDPR).

## Intellectual Property and Confidentiality

Suppliers will implement measures to protect all Intellectual Property provided during business transactions. Information should be treated as confidential and only be provided to supplier's employees on a "Need to Know" basis. Documents containing confidential information no longer needed by the supplier to conduct business on behalf of WAKOL must either be returned to WAKOL or destroyed.

## 4. Reports of Compliance to Code of Conduct

Information regarding participant labour, health and safety, environmental practices, business activities, structure, financial situation, and performance is to be disclosed in accordance with applicable regulations and prevailing industry practices. Falsification of records or misrepresentation of conditions or practices in the supply chain are unacceptable.

## 5. Audit Rights

The WAKOL Group reserves the audit right to regularly check compliance with the principles set in this Code of Conduct or have such checked by a qualified appraiser.

Supplier acknowledges that WAKOL Group may be requested to grant rights to directly audit suppliers to some or all of its clients. If an WAKOL client claims this right for such an audit, supplier shall enter into discussion with WAKOL with a view to facilitate such audit.

## 6. Consequences in Case of Non-Compliance

In cases where actions or circumstances contrary to this Code of Conduct are established, WAKOL reserves the right to demand the implementation of remedial measures or, if necessary, will cease further cooperation and terminate existing supply agreements.

The supplier shall indemnify WAKOL in full against all liabilities, costs, expenses, damages, or losses suffered or incurred by WAKOL arising out of or in connection with any breach by the supplier of its obligations under this Code of Conduct.



# Supplier Code of Conduct

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We hereby confirm that we have read and understood the above Policy and agree to act accordingly:

Company Name/Stamp

Signature

Signatory Name

Signatory Position



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