

ANNEX 3: “DURST CODE OF CONDUCT FOR SUPPLIERS”

In the light of its national and international business activities, Durst Group AG (Durst) is aware of its responsibility towards employees, business partners, the environment, and the relevant communities and economies, and aims to integrate its own corporate values and code of conduct within its supply chain.

The "Durst Code of Conduct for Suppliers" accordingly reflects the company's internal "Durst Code of Ethics and Conduct" and forms a binding framework for successful and long-term partnerships with Durst based on shared goals and values in thought and action.

The supplier therefore acknowledges the following principles and undertakes to introduce, apply, and monitor them within its own organization as well as within its supply chain:

1. Legality – Integrity – Ethical Conduct

1.1 Compliance with Laws

The supplier will comply with all applicable local, national and international laws.

1.2 No Corruption or Bribery

The supplier supports the international anti-corruption standards as set out by the UN “Global Compact”. It is not susceptible to any form of corruption or bribery, or to gifts and benefits of any kind, nor does it offer or tolerate them in its business environment.

1.3 Fairness and Transparency in the Business Environment

The supplier will act in its business environment in accordance with the principles of fairness, dependability, and trust, and will promote transparency in its inter-company business activities in order to ensure fair competition and to avoid violations of antitrust law.

1.4 Fairness in Dealing with Employees

The supplier will respect the dignity, privacy and personal rights of each and every employee and will demand and encourage respectful treatment of each other.

1.5 Protection and Security of Data, Information, and Intellectual Property

The supplier undertakes to maintain secrecy and to protect the confidential data and information as well as the intellectual property of Durst. Appropriate safety precautions must be taken and maintained for this purpose.

The supplier assures Durst that it will comply with all legal provisions and regulations regarding information and data protection as well as regarding the protection of intellectual property.

All data, information, ideas, expertise, and any other intellectual property remain the property of Durst, may only be used for the purpose of contract fulfilment, and may not be passed on to third parties.

1.6 Conflicts of Interest

In accordance with the principle of fiduciary duty, the supplier is prohibited from carrying out activities which directly, indirectly, or even potentially, compete with those of Durst, or which could give rise to other forms of conflict of interest. Otherwise, the obligation to inform Durst applies immediately.

1.7 Origin of Goods

The supplier is aware of the origin of the materials, parts, and components that it uses and subsequently delivers to Durst in order to be able to prove the legality and reliability of its sources (e.g. so-called "conflict minerals" must not be used).

1.8 Espionage and Sabotage

Durst prohibits the use of espionage and sabotage devices and espionage and sabotage software. These include viruses, so-called "time bombs", "time locks", "trap doors", "self-help", and "drop dead" devices. Failure to comply will render the supplier liable to the extent of the damage it causes.

2. Fundamental Workers' Rights

The supplier will act in accordance with the 10 principles of the UN "Global Compact" and the "Declaration on Fundamental Principles and Rights at Work" of the "International Labour Organization" (ILO). In detail this means:

2.1 Respect for Human Rights

The supplier must respect and comply with internationally recognized human rights and ensure that it does not collaborate in any violations of such.

2.2 Non-Discrimination

All forms of discrimination based on race, skin color, gender, nationality, age, social class, disability, language, religion, sexual orientation, ethnic, trade union, political, or other affiliation must be avoided and rejected in all areas and situations within the company.

2.3 Prohibition of Harassment, Violence and Abuse

No type of harassment and/or abuse may occur on the supplier's premises. This includes, for example, verbal harassment, insults, bullying, sexual harassment or psychological and/or physical coercion or violence.

2.4 Prohibition of Forced Labor and Human Trafficking

The supplier will not engage in forced labor/compulsory labor, debt bondage, any other form of slavery, or trafficking in human beings.

2.5 Prohibition of Child Labor

The supplier will comply with relevant national legislation and observe the prescribed minimum age when hiring new employees.

2.6 Working Hours – Remuneration – Additional Benefits

The supplier will regulate working hours, overtime, and the number of rest days in accordance with applicable law at its location. It undertakes to remunerate its employees fairly and appropriately, and it guarantees them the applicable statutory minimum wage or standard wage for the industry. Furthermore, all additional benefits prescribed by law must be provided.

2.7 Freedom of Association and Right to Collective Bargaining

The supplier assures its employees that it will comply with all legal provisions regarding freedom of association, collective bargaining and membership in legally permitted organizations such as trade unions or labor organizations.

3. Occupational Health and Safety

The supplier assumes responsibility for health and safety at work and undertakes to comply with all applicable standards, applicable laws, and regulations in this respect. It should pursue a policy of "zero accidents".

Accordingly, precautionary measures are to be taken to prevent accidents and limit the risk of injury or illness (e.g. work process safety, technical protective devices and equipment, emergency plans, etc.). The latter are to be continuously monitored and maintained, and employees are to be adequately informed and trained in these matters.

An appropriate occupational health and safety management system (e.g. BS OHSAS 18001) is to be set up.

4. Environmental Protection

The supplier undertakes to observe all applicable norms, laws, regulations and standards regarding environmental protection. Durst demands that resources and energy be used sparingly and that waste and emissions be reduced as far as possible. Accordingly, environmentally compatible methods, processes, packaging, and products are to be used.

Hazardous materials and substances must be handled in accordance with relevant laws, standards, and specifications in order not to endanger the safety of people and the environment (declaration and labeling obligations, hazardous goods legislation, safety data sheets, etc.).

Durst insists on compliance with the EU directives "REACH" ("registration, evaluation, authorization of chemicals") and "RoHS" ("restriction on the use of certain hazardous substances in electrical and electronic equipment").

An appropriate environmental management system (e.g. DIN ISO 14001) must be set up to monitor and continuously improve environmental protection.

5. Quality, Management and Communication along the Supply Chain

5.1 Quality and Efficiency

The supplier will contribute towards ensuring quality and performance along the entire supply and value chain by establishing and maintaining an appropriate quality management system (e.g. DIN ISO 9001). It will guarantee a state-of-the-art quality assurance system appropriate in type and scope to ensure that the products it supplies always comply with the principle of market-oriented quality, unless otherwise contractually agreed with Durst.

5.2 Compliance Management System

The supplier shall establish an appropriate management system to verify, facilitate and document compliance with local, national and international laws and the provisions of the "Durst Code of Conduct for Suppliers" (Code). This will allow training to be provided, risks to be managed better and continuous improvement measures to be implemented.

5.3 Transposing the Code to the Supply Chain

The supplier will promote the introduction and implementation of the standards set out in the Code among its subcontractors and any other business partners, and will monitor compliance with them. It will inform Durst about possible risks and breaches of rules within its supply chain, carry out regular monitoring, and support Durst with audits, assessments, and/or training of subcontractors, or will perform them itself to safeguard the supply chain.

6. Compliance with the “Durst Code of Conduct for Suppliers”

Compliance with the Code is binding and essential for maintaining business relations with Durst. Durst therefore reserves the right to perform audits and assessments.

6.1. Violations of the Code and Compensation

Rectification of any violation of the Code will be requested within a specific period that is to be agreed with Durst in writing. In the event of failure to rectify such violation appropriately or in a timely manner, or in the event of a particularly serious violation, Durst reserves the right to terminate the contractual relationship with immediate effect to the exclusion of any claims on the part of the supplier. The supplier will be liable for any damage or loss that may have occurred and will pay damages in an appropriate amount.

6.2. Reporting Violations of the Code

All employees of the supplier are obliged to report violations of the Code occurring within the supplier's operations or in its supply chain verbally or in writing and without delay via communication channels to be set up by the supplier or those set up by Durst, whereby anonymity must always be ensured in order to protect the person making the notification.

6.3. Communication Channels Set Up by Durst for Compliance Violations:

Should you notice or be notified of any violations of these guidelines, please contact Mr. Rico Sauerborn (rico.sauerborn@durst-group.com) (phone: +39 0472 810182).