Code of Conduct
Core principles for suppliers

ETM Dynamics (ETM) is a recognized partner of the global automobile industry and caters to industrial applications across all industry sectors. We are mindful of our responsibility towards our business partners, employees, and organizations in which we are active. That is why we have set strict ecological, social, and ethical rules of conduct for ourselves that guide our business activities.
We are committed to continuously optimizing our entrepreneurial actions and products in the spirit of sustainability.
We expect all suppliers who have a business relationship with us to act according to the same basic principles. This Code of Conduct was compiled for our suppliers in order to set the standards for our business relationships.
The Code of Conduct is based on national laws and regulations, such as the Supply Chain Due Diligence Act (LkSG), as well as international agreements such as the Universal Declaration of Human Rights of the United Nations, the Guidelines on Children's Rights and Business, the United Nations Guiding Principles on Business and Human Rights, and the international labor standards of the International Labor Organization (ILO).

1. Interaction with people — equal opportunities, equality, non-discrimination, inclusion, womens's rights and minorities – Ethical recruitment
The supplier shall undertake to enforce all human rights, equal opportunity and anti-discrimination laws, women's rights as well as to adhere to generally recognized customs of the countries in which it is active. The supplier shall guarantee equal opportunity without any form of discrimination (e.g., skin color, race, gender, disability (inclusion), sexual orientation, political or religious beliefs, ethnic and social origin, diversity, age, pregnancy or health status) and rejects any type of harassment and humiliation. The supplier maintains the same equal opportunities both when looking for new employees and during the employment relationship – all applicants and candidates are treated with respect and honesty. Likewise, the supplier respects the rights of minorities and indigenous peoples. The personal dignity, privacy, and individual rights of each person are respected. This must also apply equally to all employees and business partners of the supplier.

2. Forced labor — use of security services
The supplier strictly rejects any form of forced and child labor, modern slavery and the exploitation of young workers.
All work must be voluntary and without the threat of punishment. The engagement or use of security forces shall be avoided when it results in inhuman or degrading treatment or harm to individuals or interferes with their freedom of association.

3. Prohibition of child labor
Child labor shall not be used at any stage of production. The supplier shall comply with the recommendations of the ILO Conventions concerning the minimum age for the employment of children. Accordingly, the age should not be less than the age at which compulsory schooling ends under the law of the place of employment and in no case less than 15 years. If

children are found to be working, the supplier shall document the measures to be taken to remedy the situation and enable the children to attend school.

4. Freedom of association and collective bargaining

The supplier respects the right of its employees to freedom of association and collective bargaining. Employees are free to set up an employee representative body or to become a member of an employee representative body. An employee must not suffer any disadvantages as a result of membership in a trade union Likewise, the employees or their respective organizations can negotiate and conclude company agreements or collective agreements at a suitable level. Workers' representatives shall have free access to the workplaces of their colleagues to ensure that they can exercise their rights in a lawful and peaceful manner.

5. Fair working hours and fair remuneration

The supplier undertakes to comply with the applicable national laws, applicable collective agreements and regulations on working hours. Working hours must be consistent with applicable laws or industry standards. Overtime is permitted only if it is voluntary.
The right to fair compensation is recognized for all employees. Wages and other social benefits shall be at least in accordance with the relevant national and local legal standards or the level of the national economic sectors/industries and regions. Remuneration for regular working hours and overtime shall be at least equal to the national legal minimum wage or the industry standard minimum wage, whichever is higher. Employees must be provided with all legally required benefits.

6. Fair competition and antitrust law

Maintaining free and fair competition and complying with the relevant statutory provisions on antitrust law are the top priority for the supplier.
The supplier shall refrain from price fixing or other arrangements for limiting competition, as well as observe the ban on cartels. The supplier shall select its business partners based on defined criteria in comparison to existing competitors.

7. Corruption, extortion and bribery

The supplier rejects any kind of corruption, extortion and bribery.
Business relationships and activities with clients and suppliers shall be comprehensively documented. The acceptance, submission, and requesting of bribes or unfair advantages with regard to business partners are to be avoided at all costs.
When dealing with international relationships, the supplier has to pay attention to the guidelines on foreign economic legislation, tax legislation, and customs laws in the corresponding countries.

8. Conflicts of Interest

A conflict of interest exists when the private interests of an employee collide with the interests of their employer or there is a possibility of this. The supplier's employees are committed to the well-being of their company. The supplier will trust that all employees of its company make their decisions exclusively on the basis of factual criteria and do not allow themselves to be influenced by personal interests and relationships.

9. Occupational health and safety
The supplier has to adhere to prevailing occupational health and safety regulations and to ensure a safe and healthy working environment in order to maintain employees' health and to avoid accidents, injuries, and work-related illnesses.
In order to ensure an optimal working environment, fair working conditions, work safety, and the facilitation of work are crucial. Appropriate measures should be taken to prevent excessive physical or mental fatigue. In addition, employees should receive regular information and training on applicable health and safety standards and measures.

10. Conservation of natural resources — land use, deforestation, forced evictions – Protection of biodiversity
ETM expects that the supplier protects natural ecosystems and does not contribute to the change or damage to natural ecosystems.
The supplier shall not deprive people of their legitimate rights to land, forests, or water, the use of which sustains their livelihoods. Harmful soil alteration, water and air pollution, noise emissions, and excessive water consumption should be avoided if they harm people's health, significantly impair the natural basis for food production, or prevent people's access to clean drinking water and sanitation.

11. Environmental protection — soil quality, biodiversity and animal welfare
The supplier has to develop, design, and produce its products and manufacturing processes in a manner that conserves resources and protects the environment. In this regard, the objective is to avoid sustainably endanger people, animals and plants, soil, water, the atmosphere, species diversity and cultural and other material assets. When planning for new business premises and operational equipment, the supplier shall undertake to design them in a manner that is energy-efficient and also conserves the environment.
The supplier will ensure that business activities also take animal welfare into account. Suppliers are expected to comply with animal welfare laws along the supply chain.

12. Industrial wastewater treatment and disposal
Wastewater from operations, manufacturing processes, and sanitary facilities must be characterized, monitored, verified, and treated as necessary before discharge or disposal. In addition, measures should be taken to reduce wastewater generation.

13. Handling of air emissions and noise emissions
General emissions from operational processes (air emissions and noise emissions) and greenhouse gas emissions should be characterized, routinely monitored, verified, and treated as necessary before discharge. The supplier shall also monitor its air pollution control equipment and find cost-effective solutions to minimize any emissions.

14. Waste and hazardous materials management — chemical management — reuse and recycling

The supplier shall have a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle solid waste. Prohibitions on the export of hazardous wastes in the Basel Convention of March 22, 1989, as amended, shall be observed. Chemicals or other materials that pose a risk if released into the environment must be identified and managed

to ensure safety during handling, transportation, storage, use, recycling, reuse, and disposal.

15. Reducing consumption of raw materials and natural resources
The use and consumption of resources during production and the generation of all types of waste, including water and energy, should be reduced or eliminated. This can be achieved directly at the source or through processes and measures such as changing production and maintenance processes or company procedures, using alternative materials, conservation, recycling, or reuse of materials.

16. Handling of energy consumption/efficiency
Energy consumption should be monitored and documented. Cost-effective solutions should be found to improve energy efficiency and minimize energy consumption.

17. Decarbonization
The supplier commits, as part of the bidding process, to take measures to reduce its direct and indirect CO2e emissions (including its upstream value chain). This may include the use of green energy and the use of secondary or biomaterials. The reduction of CO2e emissions is a decision criterion for the nomination of our suppliers. ETM expects the supplier to provide transparency on its own emissions and those of its upstream supply chains (e.g., through Life Cycle Assessments (LCA)) and to set reduction targets, including its supply chain.

18. Privacy, data protection, and data security
The supplier undertakes to comply with the laws on data protection and data security with regard to all business and personal data of its employees (protection of privacy) as well as its business partners, customers and suppliers.

19. Whistleblowing - protection from retaliation
The supplier is responsible for establishing an effective grievance mechanism at operational level to report potential violations of this Code and supplier's own Code of Conduct. The supplier will protect the confidentiality of whistleblowers and prohibit retaliation. In principle, the supplier has the opportunity to report violations of laws, ethical or compliance guidelines to ETM using the following contact on our homepage:
https://www.etm-dynamics.com/en/about-us/whistleblower/

20. Intellectual property
Respect for intellectual property rights is required. Technology and know-how transfer should be conducted in a manner that protects intellectual property rights and customer information.

21. Financial responsibility and disclosure of information

The supplier shall base its decision-making processes on the accuracy and precision of its accounting records. Special attention will be given to the confidential treatment of security and personnel data, as well as accounting and financial data. The supplier certifies that all usiness transactions in the books are recorded in accordance with established procedures and auditing standards and generally accepted accounting principles. These records will contain the necessary information about the transactions.

22. Export controls and economic sanctions
Governments and international organizations may impose temporary restrictions, such as embargoes or economic sanctions, on certain business activities involving countries or individuals. The supplier will comply with all international regulations and will not engage in transactions or business involving restricted goods or technology.

23. Product counterfeiting — plagiarism
In the event of the discovery or specific suspicion of product counterfeiting (or intellectual property infringement—plagiarism), the supplier will promptly inform its supply chain and take legal action as appropriate. All employees are required to immediately inform their supervisors if they become aware of product counterfeiting or suspect plagiarism.

24. Acknowledgment and consent – implementation of the requirements in the supply chain
This Code of Conduct is the binding basis for the business relationship between ETM and the supplier. By accepting the individual order, the supplier recognizes the requirements of this Code of Conduct and will act responsibly according to these principles.
The supplier shall relay the basic principles specified in this Code of Conduct to his subcontractors and other business partners and shall require them to act according to these standards at all times.
The supplier shall encourage its own suppliers — in the context of fulfilling their contractual obligations — to comply with the standards and regulations on which this agreement is based. The supplier is responsible for his own supply chain.

25. Compliance with the Supplier Code of Conduct
ETM encourages its suppliers to introduce their own binding guidelines for ethical, environmental, social, and sustainable behavior and to uphold them.
ETM expect its suppliers to identify risks within their supply chains and take appropriate action. In the case of suspected noncompliance and to protect supply chains with increased risk, the supplier will promptly and regularly inform the company of identified noncompliance and risks and the actions taken. ETM will verify compliance with the standards and regulations set forth in this document through risk-based audits at the supplier's production sites. The supplier agrees that ETM may conduct such audits for a specific reason to verify compliance with the Code at the supplier's facilities during normal business hours and with reasonable advance notice by authorized personnel. The supplier may object to individual audit activities if they would violate mandatory privacy laws. If a violation of rules in this Code is identified, ETM will promptly notify the supplier in writing and provide a reasonable period of time for the supplier to bring its conduct into compliance with these rules. If corrective action is not possible within a reasonable period of time, the supplier shall promptly notify ETM and work with ETM to develop a plan with a schedule to terminate or minimize the violation. If the

deadline expires without result, or if the implementation of the measures contained in the concept does not remedy the situation after the schedule has expired, and no less severe remedy is available, ETM may terminate the business relationship and cancel all contracts. The statutory right to extraordinary termination without notice, in particular in the case of very serious violations, shall remain unaffected.