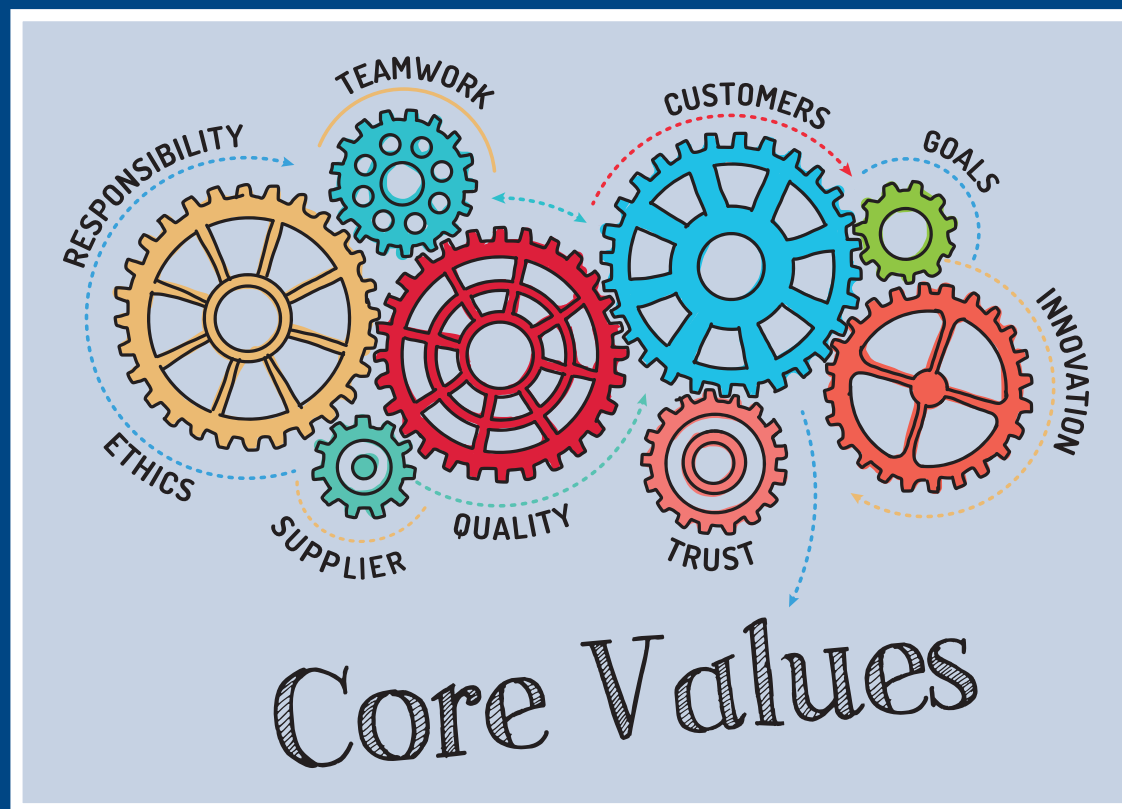




AVA Group Code of Conduct - Suppliers

Our Guidelines for Cooperation with our Suppliers

Dear business partners,

As a second-generation family-run business, we take responsibility not only for the current needs of our customers, but also for future generations. Our guiding principle, „Where quality meets sustainability,“ embodies our commitment to combining economic success with social responsibility. We view sustainability as a commitment to meeting the needs of the present without compromising the resources and opportunities of future generations. In doing so, we place particular emphasis on customer satisfaction, health and environmental protection, the safety of our employees, suppliers, and customers, as well as compliance with ethical principles and social standards.

To meet the growing challenges of a globalized economy, AVA GmbH has established subsidiaries in the Netherlands and the United Kingdom. This not only lays the foundation for efficient support of local markets, but also enables globally operating companies within Europe to receive comprehensive services from a single source. Our goal is to combine local responsibility with global commitment.

Our AVA Group Supplier Code of Conduct, hereinafter referred to as the Supplier Code of Conduct, forms the bridge between our philosophy, our vision, and our long-term goals. It defines clear expectations for our suppliers and encourages them to implement our values in their business activities. At the same time, it communicates our commitment to an economically efficient, socially just, and ecologically sustainable future. We expect our suppliers to also commit their subcontractors to this Code and, upon request, to inform us about the implementation of these requirements.

Should there be a conflict between local laws and the principles of our Supplier Code of Conduct, local law shall prevail. Nevertheless, we expect our suppliers to adhere to the spirit and principles of this Code as far as possible and to develop transparent solutions. In addition, suppliers are responsible for complying with

applicable local and international laws, conducting risk assessments, and implementing measures to minimise potential risks within themselves and their supply chains. With over 50 years of experience, we stand for tradition and innovation in equal measure. Together with our customers and partners, we are shaping a sustainable future – with the firm belief that quality, responsibility, and vision are inextricably linked.

AVA Group



Frank Alms

Managing Director

Ratingen, May 2025

The Supplier Code of Conduct includes the following elements:

- I. Introduction/Preamble
- II. Requirements for Suppliers
 - II. 1 Social Responsibility
 - II. 2 Environmental Responsibility
 - II. 3 Ethical Business Conduct
- III. References
- IV. Implementation of Requirements
- V. Acknowledgement and Consent of the Supplier

I. Introduction/Preamble

The AVA Group is committed to ecologically and socially responsible corporate governance. It maintains open and transparent business practices to strengthen the trust of its stakeholders. We expect the same behaviour from all our suppliers and business partners. We also require our own employees to observe the principles of ecological, social, and ethical behaviour and integrate them into our corporate culture. We also strive to continuously optimize our business activities, as well as our products and processes, in the spirit of sustainability and encourage our suppliers to contribute to this by adopting a holistic approach.

The Supplier Code of Conduct is based on national laws and regulations, as well as international conventions such as the United Nations Universal Declaration of Human Rights, the Guiding Principles on Children's Rights and Business Conduct, the United Nations Guiding Principles on Business and Human Rights, the International Labour Standards of the International Labour Organisation (ILO), and the United Nations Global Compact (UN Global Compact).

The contracting parties agree to comply with the principles and requirements of the Supplier Code of Conduct and to endeavour to ensure that their subcontractors also comply with the standards and regulations listed in this document. This agreement shall enter into force upon its signature. A violation of our Supplier Code of Conduct may lead to a review of the business relationship, including all related contracts.

II. Requirements for Suppliers

II. 1 Social Responsibility

• Human Rights

Human dignity is inviolable. The AVA Group is committed to respecting and protecting this dignity. The AVA Group is committed to the United Nations Universal Declaration of Human Rights. Suppliers are also obligated to respect it.

• Exclusion of Forced Labor

No forced labour, slave labour, or similar labour may be used. All work must be voluntary and performed without threat of punishment. Employees must be able to terminate their work or employment at any time. Furthermore, unacceptable treatment of workers, such as psychological hardship, sexual and personal harassment, and humiliation, may not occur. The engagement or use of security forces must be prohibited if their use could result in inhumane or degrading treatment or injury to persons, or if freedom of association is impaired.

• Prohibition of Child Labor

Child labour may not be used at any stage of production or service provision. Suppliers are required to adhere to the recommendations of the ILO Conventions regarding the minimum age for the employment of children. Accordingly, the minimum age for

employment shall not be lower than the age at which compulsory education ends under the law of the place of employment and, in any case, not less than 15 years. If children are found at work, the supplier must document the measures to be taken to remedy the situation and enable the children to attend school. The rights of young workers must be protected, and young workers under the age of 18 must not be employed in work that is harmful to their health, safety, or morals. Special protective regulations must be observed.

• Fair Remuneration

Remuneration for regular working hours and overtime must be in accordance with the national statutory minimum wage or industry minimum standards, whichever is higher. Approved overtime will be paid separately in accordance with legal requirements. If remuneration is insufficient to cover ordinary living expenses and establish a minimum level of reserves, the supplier is obligated to increase remuneration accordingly. Workers must be provided with all legally required benefits. Deductions from wages as punitive measures are not permitted. The supplier must ensure that workers receive clear, detailed, and regular written information about the composition of their remuneration.

• Fair Working Hours

Working hours must comply with applicable laws or industry standards. This includes overtime, rest breaks, and vacation time. The supplier shall ensure that the regular weekly working hours plus the maximum permissible overtime are not exceeded and that the working time regulations are adhered to.

• Freedom of Association

The right of workers to establish and join organisations of their choice, to bargain collectively, and to strike must be respected. In countries of employment where

freedom of association and the right to collective bargaining are restricted by law, alternative means of independent and free association of workers for the purpose of collective bargaining must be provided. Works representatives must be protected from discrimination. Employees must not be discriminated against because of the establishment, joining, or membership in such an organisation. Their workers' representatives must be granted free access to their colleagues' workplaces to ensure that they can exercise their rights in a lawful and peaceful manner. We are also committed to protecting and guaranteeing the right to freedom of opinion and expression and expect the same from our suppliers. Employees have the right to express their opinions freely at any time and without fear of reprisal.

• Diversity and Inclusion

The AVA Group values the diversity of its employees, promotes equal opportunities in all areas of the company, and demands the same from its suppliers. The supplier is committed to promoting a diverse and inclusive work environment. Discrimination, unequal treatment, abuse, and harassment of employees in any form is prohibited. This applies, for example, to disadvantages based on gender, race, ethnic or social origin, skin colour, disability, health status, political opinion, ideology, religion, age, pregnancy, veteran status, or sexual orientation. This also includes any unwanted behaviour that could be considered offensive, intimidating, or degrading, as well as any form of sexual harassment. The personal dignity, privacy, and personal rights of each individual must be respected. Regular training on the topics listed in this Supplier Code of Conduct must be conducted to ensure compliance.

• Occupational Health and Safety

The supplier is responsible for a safe and healthy working environment. By esta-

blishing and implementing appropriate occupational safety systems, the necessary precautionary measures are taken against accidents and health damage that may arise in connection with the work. Excessive physical or mental fatigue must be prevented through appropriate measures. Furthermore, employees are regularly informed and trained on applicable health and safety issues and safety measures. Employees are provided with access to sufficient drinking water and clean sanitary facilities.

• **Preservation of Natural Resources**

The supplier shall not, in violation of legitimate rights, deprive people of land, forests, or waters whose use secures their livelihoods. Harmful soil changes, water and air pollution, noise emissions, and excessive water consumption must be avoided if these activities harm people's health, significantly impair the natural resources for food production, or prevent people's access to safe drinking water or sanitation.

• **Complaint Mechanisms**

The supplier strives to provide employees with the necessary information to avoid violations of laws or this Supplier Code of Conduct. Applicable laws must also be observed for reports. This means that knowingly making false statements may be punishable. The supplier will not retaliate against employees who report violations. The supplier also does not tolerate any actions intended to prevent employees from reporting such violations. These reports will be pursued and punished within the framework of legal provisions. In addition, the supplier must establish an appropriate complaint mechanism that is accessible to employees and external parties via the supplier's website, while maintaining confidentiality, identity, and effective protection against discrimination.

• **Handling of Conflict Minerals**

For the conflict minerals tin, tungsten, tantalum, and gold, also known as 3TG, as well as for other raw materials such as cobalt and mica, the AVA Group establishes processes in accordance with the Organisation for Economic Cooperation and Development (OECD) Guidelines for fulfilling due diligence to promote responsible supply chains for minerals from conflict-affected and high-risk areas, and expects this from its suppliers as well. To this end, the supplier sources conflict minerals from smelters that have been classified as compliant according to the standards of the Responsible Minerals Assurance Process of the Responsible Minerals Initiative (RMI) or an equivalent, recognised assessment. Smelters and refineries without appropriate, audited due diligence processes should be avoided. Upon request, the supplier will provide information on the smelters or refineries used for minerals by it or its subcontractors. The supplier will prepare declarations of conformity in accordance with all applicable substance control laws, including but not limited to RoHS and REACH. Furthermore, the supplier will notify the AVA Group in writing if products contain a declarable substance before those products are sold or shipped, and will complete and submit product level declarations to the AVA Group. Furthermore, the supplier will ensure that product and packaging requirements, unless already defined in the material or delivery requirements by the AVA Group, include proper environmental compliance marking and labelling in accordance with applicable laws, including but not limited to CE.

III.2 Environmental Responsibility

As part of the CSRD Transition Plan, we commit to assuming environmental responsibility and promoting sustainable practices. Our goal is to minimise the environmental impacts of our supply chain and contribute to mitigating climate change. Efficient use of resources, promoting the use of energy-efficient technologies, and responsible management and prevention of waste, wastewater, air

emissions, including greenhouse gases, animal testing, and biodiversity loss are critical to this. We expect our suppliers to share these values and actively take measures to reduce their environmental footprint. This includes considering the principles of the circular economy and promoting the reuse and recycling of materials. Furthermore, suppliers should take measures to track and continuously improve their environmental performance across all business areas, products, and services. To this end, short- and long-term goals must be set to address relevant issues related to climate, nature, water, energy consumption, and the circular economy in companies and their value chains.

• **Treatment and Discharge of Industrial Wastewater**

Wastewater from operational processes, manufacturing processes, and sanitary facilities must be classified, monitored, tested, and treated if necessary before discharge or disposal. In addition, measures must be implemented to reduce wastewater generation. General emissions from operational processes (air and noise emissions) and greenhouse gas emissions must be classified before release, routinely monitored, tested, and treated if necessary. The supplier is also responsible for monitoring its exhaust gas cleaning systems and is encouraged to find cost-effective solutions to minimise any emissions. The supplier follows a systematic approach to identifying, managing, reducing, and responsibly disposing of or recycling solid waste. The prohibitions on the export of hazardous waste in the Basel Convention, as amended, must be observed. Chemicals or other materials that pose a hazard if released into the environment must be identified and managed in a manner that ensures safety during handling, transport, storage, use, recycling or reuse, and disposal. Mercury must be used in accordance with the prohibitions of the Minamata Convention, and persistent organic pollutants (POPs) must be managed in accordance with the Stockholm Convention, as amended.

• **Resource Conservation and Consumption**

The use and consumption of resources during production and the generation of any type of waste, including water and energy, must be reduced or avoided. This can be done either directly at the point of origin or through procedures and measures, e.g., by changing production and maintenance processes or company procedures, by using alternative materials, by saving resources, by recycling, or by reusing materials. Energy consumption must be monitored and documented. Economical solutions must be found to improve energy efficiency and minimise energy consumption.

• **Responsible Procurement**

The AVA Group promotes and demands resource-efficient and environmentally friendly procurement and expects the same from its suppliers. This includes, among other things, the use of sustainable materials and the deployment of environmentally friendly technologies. Suppliers ensure compliance with all regulations governing the import and export of goods, services, and information. They comply with the obligations of customs and foreign trade laws in all countries in which they do business and also observe sanctions lists. The AVA Group has established a process to ensure that parties subject to sanctions (e.g., by the EU or the United Nations) are not accepted as business partners for our procurement activities. We also expect this from our suppliers.

II.2 Ethical Business Conduct

• **Fair Competition**

The standards of fair business conduct, fair advertising, and fair competition must be observed. In addition, applicable antitrust laws must be applied, which, in particular, prohibit collusion and other activities that influence prices or conditions when dealing with competitors.

• Confidentiality and Data Protection

The supplier undertakes to meet the reasonable expectations of its client, suppliers, customers, consumers, and employees regarding the protection of private information. The supplier must comply with data protection and information security laws and regulatory requirements when collecting, storing, processing, transmitting, and sharing personal information. Intellectual property rights must be respected. Technology and know-how transfers must be carried out in a way that protects intellectual property rights and customer information. Our suppliers commit to complying with applicable data protection laws and ensuring that all personal data is processed responsibly and securely. They also implement appropriate security measures to ensure adequate protection against cyberattacks and data theft. All cybersecurity incidents, breaches, or suspected compromises that could impact the AVA Group must be reported immediately.

• Integrity, Bribery, and Acceptance of Advantage

The highest standards of integrity must be applied in all business activities. The supplier must maintain a zero-tolerance policy prohibiting all forms of bribery, corruption, extortion, embezzlement, money laundering, and terrorist financing. Monitoring and enforcement procedures must be implemented to ensure compliance with anti-corruption laws. Appropriate financial records and reports must be maintained in accordance with applicable laws. Conflicts of interest or situations that could create the appearance of a conflict between personal and business interests must be avoided. Provided that the business partner's professional impartiality is not compromised, gifts and entertainment that are within the bounds of customary hospitality, custom, and courtesy may be given or accepted. Any unlawful offers of payment or similar gratuities to government officials are not tolerated. To this end, the supplier complies with the U.S. Foreign Corrupt Practices Act, the UK Bribery Act, and all other local or otherwise applicable

laws relating to the bribery of government officials. The AVA Group acts as a good neighbour to the region and is politically neutral. Cooperation with authorities is characterised by openness, honesty, and commitment. We recognise the right of employees to actively participate in political opinion-forming, although employees do not represent the AVA Group in doing so. We expect the same from our suppliers.

III. References

- ILO Guide on Occupational Safety and Health
- ILO International Labour Standards
- OECD Guidelines for Multinational Enterprises
- UN Convention against Corruption
- UN Global Compact
- UN International Bill of Human Rights
- Sustainable Development Goals (SDGs) of the United Nations Agenda 2030
- ISO 14001, ISO 45001
- SA 8000
- AVA Group Code of Conduct and Core Principles

IV. Implementation of Requirements

We expect our suppliers to identify risks within their supply chains and take appropriate measures. In the event of suspected violations, as well as to safeguard supply chains with increased risks, the supplier will promptly and, if necessary, regularly report on the identified violations and risks, as well as the measures taken. The AVA Group verifies compliance with the standards and regulations listed in this document using a self-assessment questionnaire and risk-based audits at the supplier's production sites. The results of such surveys and audits become part of the supplier's performance evaluation and development. The supplier agrees that

the AVA Group may conduct such surveys and audits at the supplier's premises at regular intervals or on specific occasions to verify compliance with this Supplier Code of Conduct, during normal business hours, and after reasonable advance notice, carried out by persons appointed by AVA Group. The supplier may object to individual audit measures if doing so would violate mandatory data protection regulations. Upon request, the supplier will provide environmental data such as carbon, nature, water, or energy metrics to support the AVA Group in pursuing and achieving its goals. This includes the annual preparation of a greenhouse gas footprint for all areas, as well as the calculation of key metrics on the carbon footprint of products, water consumption, and the use of renewable energies. The supplier quantifies and reports environmental metrics according to established methods such as the Greenhouse Gas Protocol. A supplier operating in areas of critical biodiversity must implement a mitigation hierarchy. This includes the prevention, minimisation, restoration, and compensation of damage. Where applicable, logistics and external manufacturing suppliers must be required to reduce pellet losses. Such losses could have significant environmental impacts, especially if they enter waterways. Should a violation of the provisions of this Code of Conduct be discovered, the AVA Group will immediately notify the supplier in writing within one month and grant the supplier a reasonable grace period to bring its conduct into line with these provisions. If remediation is not possible within the foreseeable future, the supplier must notify the AVA Group immediately and, together with the AVA Group, develop a plan with a timeline for eliminating or at least minimising the violation. If such a violation was culpable, the grace period expires without result, or the implementation of the measures contained in the plan does not result in a remedy after the expiration of the timeline, and a continuation of the contract until its ordinary termination is unreasonable for the AVA Group and no less lenient remedy is available, the AVA Group may terminate the business relationship and terminate all contracts after the expiration of the

grace period without result, provided that the AVA Group discussed this with the supplier when setting the grace period. A statutory right to extraordinary termination without notice, particularly in cases of violations deemed to be very serious, remains unaffected, as does the right to compensation.

V. Acknowledgement and Consent of the Supplier

- By signing this document, the supplier agrees to act responsibly and adhere to the principles and requirements listed.
- The supplier agrees to communicate the content of this Supplier Code of Conduct to its employees, agents, and subcontractors in an understandable manner and to take all necessary precautions to implement the requirements.
- The supplier is free to sign its own code of conduct that fully complies with the principles and requirements of the AVA Group Supplier Code of Conduct to ensure that ethical and sustainable business practices are also observed upstream and downstream in the supply chain.

AVA-Group:

Supplier:

Date:

Date:

Signature/Stamp:

Signature/Stamp: