



Semperit Group Supplier Policy

This document summarises Semperit Group's core values, principles, and standards for its suppliers concerning the production and delivery of goods and services according to recognised, globally applicable principles.

This document outlines the principles governing cooperation with all our suppliers around the world. Semperit's suppliers (hereinafter the "suppliers") accept and adopt these principles. Semperit encourages its business partners to communicate these guidelines to their employees as well as to their suppliers to ensure their compliance with these principles. Moreover, we expect our business partners and their suppliers to observe all applicable laws and regulations.

Principles and Objectives

Our principles are to ensure that our suppliers are collaborating with us in the pursuit of the highest business ethics and sustainability standards, including social and environmental responsibility in our supply chain. Semperit's Supplier Policy focuses in particular on the following topics:

- 1. Human rights and labour standards**
- 2. HSE (Health, Safety, and Environment)**
- 3. Business integrity and ethics**
- 4. Business and operational excellence**

We expect suppliers to confirm steady and sustainable efforts in improving cost efficiency and performance across the supply chain. We actively support the UN Global Compact's principles, and we encourage our suppliers to align with the same principles. These can be found on www.unglobalcompact.org. Furthermore, we ask our suppliers to protect the environment and climate, and to respect and uphold human rights as well as the applicable social standards. For more information on the principles that underlie Semperit's business and actions, but which we also expect from our business partners, please refer to our [Code of Conduct \(www.semperitgroup.com\)](http://www.semperitgroup.com).

Human Rights and Labour Standards

Suppliers are obligated to respect and comply with applicable local labour law and ILO standards¹, internationally recognised labour standards, and human rights for all their employees and contracted labour ensuring they are being treated fairly with dignity and respect.

We therefore expect our suppliers to adopt the same high standards as Semperit:

- a. Suppliers are committed to creating and maintaining a work environment in which they follow high international social and labour standards (ILO), and shall comply with applicable local labour law. The following means might be used in order to prove compliance:
 - In case of an internal audit or an audit performed by a third party, the supplier will communicate the audit report (only the part related to the provisions of the Supplier Policy) to Semperit, or Semperit decides if, when, where and how a supplier audit related to the provisions of the Supplier Policy should take place. Such audits will be announced in advance by Semperit.
- b. Suppliers shall pursue strict "no child labour" and "no forced or compulsory labour" policies, in full alignment with all relevant laws, including ILO and the UK Modern Slavery Act. Business partners must ensure no form of bonded labour is used and that employment is on the basis of free will.
- c. Suppliers comply with social and minimum standards such as minimum wages, fair working hours and freedom of association.
- d. Suppliers shall not tolerate any forms of discrimination. Equal opportunity and respect shall apply to everybody regardless of age, gender, nationality, ethnicity, educational background, disability, sexual orientation, political opinions and others.
- e. Suppliers shall recognise, as far as legally allowed, the right of free association of employees and to neither favour or discriminate against members of employee organisations or trade unions.

¹ <https://libguides.ilo.org/international-labour-standards-en/resources>

Health, Safety, and Environment (HSE) Standards

Semperit demands its suppliers to be proactive and responsible in safety, health, and environmental issues by complying with applicable laws relating to health, safety and environment and generally strive to pre-empt any negative health, safety, and environmental impact.

Suppliers shall always strive to minimise actually or potentially adverse effects on society, health, environment, and natural resources in its operations.

- a. Suppliers agree to identify, assess, and address HSE (Health, Safety and Environment) issues, risks, and impacts in their current and future operations.
- b. Suppliers shall incorporate all relevant state of the art HSE features in their product design, process development, projects, and services.
- c. Suppliers shall proactively review and appropriately address any HSE concerns.
- d. Suppliers agree to manage transport efficiently to reduce risk, cost, and environmental impact.
- e. Semperit encourages its suppliers to define ambitious health and safety goals or adopt standards emphasising that no task is important enough to put anyone's health and safety at risk.

Business Ethics

A sustainable and successful business relationship requires integrity and transparent business practice standards and compliance with all applicable law and regulations.

- a. Suppliers operate honestly and equitably throughout the supply chain, complying with local and applicable international laws, including but not limited to public and tax law, insider-trading, anti-corruption, anti-trust, anti-money-laundering, intellectual property protection, and data privacy at both corporate and personal levels.
- b. Suppliers are uncompromising in their integrity concerning all business activities. We expect from all our suppliers and their business partners a "zero tolerance" policy on bribery, fraud, and corruption as well as other illegal / frowned-upon practices. Suppliers shall comply with local and international anti-corruption and bribery laws and regulations.
- c. Suppliers commit to responsible sourcing by:
 - compliance with provisions defined in other sections of this document;
 - preference for certified suppliers and recycled products where practically possible and economically feasible;
 - no conscious or negligent use of conflict resources or illegally exploited resources;
 - observance of the Commission Recommendation (EU 2018/1149) for the identification of conflict-affected and high-risk areas and other supply chain risks and due diligence obligations under Regulation EU 2017/821 of the European Parliament and the Council, the OECD due diligence guidance for responsible supply chains of minerals from conflict-affected and high-risk areas and Section 1502 of the Dodd-Frank-Act on requiring responsible minerals sourcing.
- d. Suppliers shall comply with all applicable international trade laws and regulations, including import, export, regulations, applicable embargoes, sanctions, and anti-boycott laws.
- e. Suppliers commit to data protection and privacy and shall ensure proper technical and organisational measures to protect data and privacy.

Business and Operational Excellence

- a. Commercial and technical competitiveness: Suppliers agree to engage, cooperate, and collaborate with Semperit in pursuing continuous improvement of cost-efficiency and process performance.
- b. Quality: Suppliers agree to follow international quality management standards.
- c. Service: Suppliers agree to create a culture of service excellence. This includes meeting or exceeding customer expectations, anticipating needs, helping to ensure compliance with all applicable laws and regulations throughout our shared supply chain, as well as providing expertise as needed.
- d. Innovation: The capacity to innovate is an important, strategic sustainability feature in our supply chain as well as a major competitive advantage in our supplier partnerships. Correspondingly, our suppliers continuously rethink their business models, products, technologies, and processes in cooperation and joint development with Semperit.

Transparency in Supply Chain

- a. The supplier must have adequate processes in place to ensure traceability and ban of the conscious or negligent use of conflict materials and illegally exploited resources for any (raw)-materials delivered to it.
- b. The supplier must have adequate processes to follow and document its supply chain if practically possible and economically feasible and when it is requested by Semperit.
- c. The supplier shall ensure that any subcontractor/supplier subcontractors being part of the supply chain relevant to the contractual relationship with Semperit also obeys the values and standards of this policy.
- d. The provisions mentioned above do not change the supplier's obligation to ask for Semperit's prior permission to use subcontractors if agreed between the parties.

Implementation / Monitoring / Amendments

It is the supplier's responsibility to ensure the implementation and maintenance of the standards and principles outlined in this policy and inform their employees and contractors on their respective rights and responsibilities. Semperit reserves the right to verify proper implementation of these standards and, in case of any violations, to take appropriate action (inform Semperit immediately of any breach of applicable laws or provisions of the Supplier Policy), including STOP of business:

- a. We expect our suppliers to have appropriate management systems / introduce these promptly to ensure compliance with applicable laws and requirements from this Supplier Policy. The systems are to be monitored and optimised on a continuous basis.
- b. Suppliers agree to adopt appropriate principles corresponding to those outlined herein dealing with their respective suppliers and business partners.
- c. Suppliers actively address any supply chain risks and engage in mitigating them.
- d. Semperit demands from all its key suppliers continuous monitoring and evaluating their cost, quality, reliability, and HSE performance. Semperit might offer guidance on this.
- e. Semperit will verify compliance with the standards outlined in this document through personal meetings, self-assessment questionnaires, external business checks, company visits, and audits.
- f. In case of non-compliance, Semperit will work with suppliers to ensure they implement improvement plans and take corrective actions.

Semperit works closely with its suppliers to realise the full synergy and value of our relationships. Semperit understands that a successful partnership is based on mutual trust and open communication which includes working towards the highest sustainability standards along the supply chain. Semperit encourages its suppliers to take responsibility for the joint future. Semperit reserves the right to review and change this supplier policy accordingly.

Reporting of concerns:

Suppliers can report known or suspected violations of this Supplier Policy at any time to:

compliance@semperitgroup.com

Or through the Semperit whistleblowing hotline, [SemperLine](#):

www.semperitgroup.com/en/about-us/compliance/semperline/

BY ACCEPTING THIS SUPPLIER POLICY, THE SUPPLIER ACCEPTS ITS GUIDANCE AND STANDARDS, SEMPERIT'S VALUES, CODE OF CONDUCT AND IS OBLIGED TO COMPLY WITH THEM DURING THE CONTRACTUAL RELATIONSHIP WITH SEMPERIT. ANY VIOLATION OF THIS POLICY WILL BE DEEMED AS A SEVERE BREACH OF CONTRACT WHICH ENTITLES SEMPERIT TO WITHDRAW FROM THE CONTRACT UNLESS THE SUPPLIER MANAGES, AFTER BEING GRANTED A REASONABLE PERIOD OF GRACE, TO ELIMINATE / RESOLVE THE CIRCUMSTANCES / ISSUES WHICH LED TO NON-COMPLIANCE WITHIN SUCH PERIOD. HOWEVER, IN CASE OF DELIBERATE OR REPEATED NON-COMPLIANCE OR IN CASE SEMPERIT'S BUSINESS AND / OR REPUTATION MIGHT BE AFFECTED BY THE NON-COMPLIANCE OF THE SUPPLIER, SEMPERIT IS ENTITLED TO WITHDRAW FROM THE CONTRACT WITH IMMEDIATE EFFECT. (I.E. WITHOUT NECESSITY TO ALLOW FOR A PERIOD OF GRACE BEFORE WITHDRAWAL).

The Executive Board

Semperit AG Holding