



Supplier Code of Conduct / Supplier Code of Ethics



Version 1 / Release 1

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INTRODUCTION

Following the Code of Conduct of the parent company KÜSTER Automotive GmbH, it is an important step for all parties involved to establish long-term and sustainable relationships with all parties interested, in order to promote business integrity and its sustainability.

Also for the successful fulfilment of the vision of the ECS Slovensko, s. r. o., odštepny závod Vlkanová company and its approach to achieving customer-oriented goals, we expect our suppliers to adopt the same principles and guidelines.

Suppliers and all persons acting on their behalf must comply with national, transnational and antitrust and competition laws. They may not, directly or indirectly, enter into any illegal agreements or exchange sensitive information, e.g. relating to markets, customers, strategies, prices and the like. All suppliers and all persons acting on their behalf participate in public tenders and private sector tenders in compliance with applicable laws and regulations.

ECS Slovensko, s. r. o., odštepny závod Vlkanová expects its suppliers to conduct business in an ethical and legal manner, and to obey the following specific rules in the areas of the fight against corruption, competition and conflicts of interest.

Any non-compliance with the Code of Conduct is taken very seriously and business partners are expected to take steps to remedy the breach and eliminate its consequences and take appropriate measures to prevent its recurrence in the future.

In the event of a serious or repeated violation, the company reserves the right to immediately terminate the business relationship with the supplier in question without liability for any damages.


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managing director
ECS Slovensko, s. r. o.
odštepny závod Vlkanová

K 1 - Supplier Selection

We conduct a fair and impartial review of all offers submitted by our suppliers. The wording and drafting of the contract is based on objective criteria and the contracts are concluded in a comprehensive and transparent manner, subsequently their amendments must be documented. We apply the internal rule of compliance with double-checking (four eye principle) when monitoring business relations with suppliers.

K 2 – Confidentiality of Information

The Company may disclose certain confidential information to suppliers in the course of its business. This confidential information shall be disclosed solely in support of the supplier's obligations and shall never be disclosed to third parties or used for any purpose other than the delivery of goods or services. For the duration of the contractual relationship, the business partners are obliged to maintain confidentiality towards third parties with regard to all information, all sensitive information, regardless of how it has come to their knowledge. This information must not be misused in any way for their own benefit or for the benefit of third parties. The duty of confidentiality applies in particular, but not exclusively, to information relating to customers, upcoming orders and offers, business partners, products and prices, accounting and tax data and information relating to financial, commercial and technical data.

Business partners may only disclose to third parties information that is officially intended for the public or that is commonly available and known.

K 3 - Fraudulent and unfair practices

Suppliers shall not engage in any fraudulent or unfair activities, including those related to business partners, which are considered to include, but are not limited to, the following:

- theft, fraud, embezzlement,
- false or excessive billing,
- unauthorised or unlawful offer and acceptance of money, goods or services,
- requesting reimbursement of expenditure vouchers for amounts greater than those actually incurred.

The Company does not tolerate any form of bribery and expects its suppliers not to accept or offer bribes of any kind.

No supplier will be penalized for refusing to pay a bribe, even if the Company loses a business opportunity as a result.

Bribery is defined as any offer or acceptance of a gift, loan, fee, compensation or anything of value from another person or entity, whether private or public, to influence or encourage an action or inaction that would not normally be appropriate in the absence of bribery. In this sense, bribery includes any transfer of assets and is not limited to monetary transfers.

The prohibition on bribery applies to all countries in which suppliers do business with the Company.

The prohibition on bribery applies without exception, including in cases where bribery is resorted to by competitors or their suppliers, as well as in countries where bribery as such is not illegal or where bribery is a normal part of business practice.

K 4 - Gifts and Benefits

Corruption and bribery in any form are not tolerated. All of our business activities are based on honest and responsible thinking and conduct, and employees who may be affected by suppliers will have to face disciplinary action and consequences. The benefits resulting from requesting or providing any services for a bribe are unacceptable. Gifts and invitations are only allowed if their value is not a sufficient proof of effort to influence the recipient's actions and decisions. Under no circumstances is it allowed to accept or offer any monetary donations over 100 EUR / year.

K 5 – Competitive struggle, Competition and antitrust law

In accordance with national and regional legislation, the Code of Conduct and the Küster group rules prohibit all illegal price agreements and other unfair agreements on key requirements, rates, deductions, fees and conditions between competitors (cartels) that could exclude, prevent, restrict or distort fair competition.

Therefore, suppliers are required to make the same effort and are encouraged to implement a compliance programme to ensure that their employees do not receive from competitors, business partners, customers, or suppliers and/or provide them with any information on price agreements or other conditions relating to an unrelated third party, either orally or in writing.

A company in the KÜSTER group may make certain confidential information available to suppliers in the course of its business, in this case the confidential information is disclosed solely in support of the supplier's obligations. Suppliers may never make this confidential information available to third parties or use it for any purpose other than the supply of goods or services.

K 6 - General behaviour

ECS Slovensko, s. r. o., odštepny závod Vlkánová expects its suppliers to make efforts in connection with the use of suitably qualified and trained employees. Furthermore, suppliers are expected to ensure that appropriate measures are taken to prevent the use and abuse of alcohol, drugs, etc. by its employees in the performance of their work or in the provision of services.

We make sure that our communications are clear and consistent in order to maintain mutual trust with other stakeholders. We expect trading partners to check imposed bans, restrictions, approvals from authorities or other measures relating to international trade relations.

ECS Slovensko, s. r. o., odštepny závod Vlkánová expects its suppliers to be able to adequately communicate internally with the company's employees and customers in all situations as well as with ECS Slovensko, s. r. o., odštepny závod Vlkánová's customers.

Suppliers are obliged to comply with specific requirements, rules and regulations set by ECS Slovensko, s. r. o., odštepny závod Vlkánová or its customers in the field of general behaviour, handling and performance of work with customers. However, suppliers are not obliged to comply with specific requirements that would be in conflict with the regulations on general safety or on occupational safety and health.

However, suppliers are not obliged to comply with specific requirements that would conflict with transport safety regulations or similar regulations in force in the areas to or from which the transport route leads.

ECS Slovensko, s. r. o., odštepny závod Vlkánová expects its suppliers to ensure that their equipment used in the provision of services is reliable and capable, safe and of good quality to meet general and statutory maintenance standards and to comply with all safety regulations and measures in all circumstances.

K 7 – Discrimination, Human and labour rights

Suppliers are expected to respect internationally proclaimed human rights, to provide equal opportunities for their employees and not to discriminate against them on the basis of race or gender, marital status, ethnic or national origin, religion, sexual orientation or other status, or they will not use forced or involuntary work to comply with international legislation on child and juvenile work. Suppliers are required to create a safe and healthy working environment for their employees that meets or exceeds all ever-changing legal requirements.

ECS Slovensko, s. r. o., odštepny závod Vlkánová invites its suppliers to respect the rights of their employees to freedom of association, to join trade unions or employee councils, or to engage in collective bargaining in accordance with national laws and international conventions. Finally, suppliers are expected to comply with applicable laws, regulations and industry standards regarding working hours and minimum wages. Under no

circumstances is it permitted to access and process any information that incites racial hatred, crimes that promote violence, or that has otherwise offensive content or activities that lead to trafficking in human beings.

Business partners are enforcing procedures that:

- include a prohibition on forced or involuntary labour and on requiring special deposits on entry into employment
- exclude the payment of fees and employment costs
- exclude the practice of withholding employees' wages, benefits, property or documents in order to continue working for the company
- support the right to leave the workplace at the end of specified working hours and the freedom to terminate employment if the employee gives reasonable notice
- condemn human trafficking
- establish a framework to exclude threats, abuse, exploitation or sexual coercion, including groping and physical contact.

K 8 - Financial responsibility

Business partners must build the trust of the general public, their shareholders and customers through proper accounting and reporting. Any irregularities can have serious consequences, so strict adherence to legal provisions regarding proper bookkeeping and financial reporting is essential.

Transparency and fairness must be top priorities. Regular financial statements must be published in a timely manner in accordance with national and international accounting rules.

K 9 - Respect of life and the environment

Healthy working conditions and environmental protection are a key part of the commitment to sustainability. ECS Slovensko, s. r. o., odštepny závod Vlkanová supports business ethics in its strategy for growth and value creation which means resource efficiency, support for the use of renewable resources, overall improvement of the environmental profile, reduction of negative impacts on the environment including emissions, consumption of natural resources and responsible management of chemicals.

More broadly, suppliers are expected to comply with all relevant legal requirements and regulations on safety, health at work, environmental protection and are incentivised to constantly monitor and apply methods and technologies minimising negative impacts on safety and the environment, in particular waste and greenhouse gas production.

K 10 - Information protection and original parts

Suppliers must be involved in the protection of any confidential data, information, prototypes, and other types of confidential know-how, and use them only for supply purposes to ECS Slovensko, s. r. o., odštepny závod Vlkanová. These are crucial factors for sustainable development and suppliers are committed to protecting product information obtained in the context of business relationships. In no case may they supply fake, false parts and materials which are not original or have not been approved or specified when establishing the business relationship with ECS Slovensko, s. r. o., odštepny závod Vlkanová.

K 11 Conflicting Items

Suppliers must comply with all relevant legislation and requirements regarding the prohibition or restriction of the use of specific substances - hazardous substances and chemicals, in particular those that appear on the list of substances of very high concern in the context of REACH Regulations. These need to be identified and managed to ensure their safe use, recycling or reuse and disposal. We require all our suppliers to supply electrical and electronic equipment in accordance with the relevant European Union regulation.

Suppliers are obliged to track sources of conflict minerals and promote transparency within their supply chain, take appropriate measures to this end and ultimately exclude the use of scarce resources or resources from high-risk areas of the world.

K 12 Whistleblowing System

The purpose of the whistleblower system is to protect our company, whistleblowers, and all persons who contribute to the violations investigation. The whistleblower system also protects the interests of the persons concerned. For them, there is a presumption of innocence until a violation is proven. As a result, investigations are only initiated if there are reasonable grounds to suspect a serious infringement. Any deliberate use of the information system will not be tolerated.

Business partners can file their complaints via following email address: oznamera@kuester.sk.