



## Code of conduct





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## Preface

This document is valid for all CabTec locations worldwide.

We fully recognize the responsibility that comes with the direct and indirect impact of our efforts and business activities. Consequently, prioritizing human rights and environmental resources is essential to us. This commitment is an expression of responsible corporate action and a guiding principle for our activities.

Therefore, we are dedicated to identifying and evaluating potential risks or violations related to human rights and the environment that may arise from our business operations. We also commit to proactively preventing and responsibly addressing the risks we uncover. In this regard, safeguarding those affected is a key priority. Our commitment extends to recognizing and reducing any potential negative impacts on human rights and the environment from our global business activities, as well as preventing, rectifying, or minimizing actual violations. These principles are embedded in our Business Conduct Guidelines and Supplier Code of Conduct, serving as guidelines for our employees, suppliers, business partners, and customers.

Through our annual and risk-based assessments, we identify and address human rights and environmental risks within our company and supply chain. A key part of this process is our robust complaint mechanism, which ensures that each claim is thoroughly examined. We firmly believe that CabTec's long-term success depends on aligning our business impact with the needs of society and the environment. In this statement, we make a clear commitment to uphold human rights and safeguard the environment. We set clear expectations for our employees, emphasizing that these principles require daily dedication from everyone. This is how we bring sustainability to life.

The provisions of this Code are derived from and respect internationally recognized standards including:

- OECD Guidelines for Multinational Enterprises
- UN Guiding Principles on Business and Human Rights
- ILO Declaration on Fundamental Principles and Rights at Work
- ILO Fundamental Conventions
- UN Universal Declaration of Human Rights

The Code of conduct – in accordance with the RBA 8.0 guidance - is made up of five sections:

- Sections A, B, and C: Standards for Labor, Health and Safety, and the Environment, respectively.
- Section D: Standards relating to business ethics.
- Section E: Elements of an acceptable system to manage conformity to this Code.

## Adhering to laws and regulations

As both a company and as individual employees, we are committed to complying with the laws and regulations that govern our business. Our employees adhere to all relevant local, national, and international laws, guided by principles of honesty and integrity, using sound judgment in their actions. Employees must not exploit their position for personal gain, nor promote behavior that conflicts with the CabTec Code of Conduct and the company's values. The guidelines within this Code of Conduct serve as the minimum



standard for the CabTec Group. Should local laws be stricter than the rules outlined here, those laws will take precedence.

In all of our business dealings, we rigorously comply with the laws and regulations of the country in which we operate. It is each employee's personal responsibility to understand and adhere to applicable legal requirements. If there is any uncertainty, we will refrain from proceeding with the activity or business transaction in question.

To maintain a stable level of knowledge among all employees, we provide training on ethics and human rights topics at a minimum once a year.

## A. LABOR

CabTec is committed to respect the human rights of workers, and to treat them with dignity. This applies to direct and indirect suppliers, as well as all workers including temporary, migrant, student, contract, direct employees, and any other type of employment.

We expect our employees and business partners to adhere to the binding human rights and environmental principles as defined in our Code of Conduct and our Supplier Guidelines and to ensure compliance with these principles along the whole value chain.

The labor standards are as follows:

### 1) Prohibition of Forced Labor

Forced labor in any form, including but not limited to, bonded (including debt bondage) or indentured labor, involuntary or exploitative prison labor, slavery or trafficking of persons is not permitted. This includes transporting, harboring, recruiting, transferring, or receiving persons by means of threat, force, coercion, abduction or fraud for labor or services.

There shall be no unreasonable restrictions on workers' freedom of movement in the facility in addition to unreasonable restrictions on entering or exiting company- provided facilities including, if applicable, workers' dormitories or living quarters. As part of the hiring process, all workers must be provided with a written employment agreement in their native language, or in a language the worker can understand, that contains a description of terms and conditions of employment. Foreign migrant workers must receive the employment agreement prior to the worker departing from his or her country of origin and there shall be no substitution or change(s) allowed in the employment agreement upon arrival in the receiving country unless these changes are made to meet local law and provide equal or better terms.

All work shall be voluntary, and workers shall be free to leave work at any time or terminate their employment without penalty if reasonable notice is given, which shall be clearly stated in workers' contracts. Participants shall maintain documentation on all leaving workers. Employers, agents, and sub-agents' may not hold or otherwise destroy, conceal, or confiscate identity or immigration documents, such as government-issued identification, passports, or work permits. Notwithstanding the foregoing, employers can only hold documentation if necessary to comply with the local law. In this case, at no time shall workers be denied access to their documents. Workers shall not be required to pay employers' agents or sub-agents' recruitment fees or other related fees for their employment. If any such fees are found to have been paid by workers, such fees shall be repaid to the worker.





## 2) Young Workers

In our establishments, we do not tolerate any form of child or forced labour, and we only employ people who are at least 16 years of age. We do not work with partners who condone forced labour or employ children under the age of 16. In the case of business partners in countries that, according to ILO Convention 138, come under the exception for developing countries, we do exceptionally accept a minimum age of 14 years.

The temporary employment of young people aged 13 (or according to local legal requirements) is exempt from this ruling if such a young person voluntarily and with parental consent wishes to have a holiday job for a limited period of time; that is, a maximum of half of their school holidays. In such cases we are responsible for them and ensure that they are able to perform easy, non-hazardous work and that the special regulations regarding working hours and rest periods are observed. We also remunerate such holiday jobs appropriately, in line with the type of work and local practices.

Workers under the age of 18 (Young Workers) shall not perform work that is likely to jeopardize their health or safety, including night shifts and overtime. Participants shall ensure proper management of student workers through proper maintenance of student records, rigorous due diligence of educational partners, and protection of students' rights in accordance with applicable laws and regulations. Participants shall implement an appropriate mechanism to verify the age of workers. The use of legitimate workplace learning programs, which comply with all laws and regulations, is supported. Participants shall provide appropriate support and training to all student workers. In the absence of local law, the wage rate for student workers, interns, and apprentices shall be at least the same wage rate as other entry-level workers performing equal or similar tasks. If child labor is identified, assistance/remediation shall be provided.

## 3) Working Hours

Working hours shall not exceed the maximum set by local law. Further, a workweek shall not be more than 60 hours per week, including overtime, except in emergency or unusual situations. All overtime shall be voluntary. Workers shall be allowed at least one day off every seven days.

## 4) Wages and Benefits

Our company is committed to ensuring that compensation provided to workers adheres to all applicable wage laws, including those concerning minimum wages, overtime hours, and legally mandated benefits. We shall ensure that all workers receive equal pay for equal work and qualifications. Overtime work shall be compensated at rates higher than regular hourly rates.

Under no circumstances shall wage deductions be used as a form of disciplinary action. For each pay period, the company will provide workers with a timely, clear, and comprehensive wage statement, ensuring sufficient information is included to verify the accuracy of compensation for work performed. Furthermore, the company will ensure that any use of temporary, dispatch, or outsourced labor complies fully with local legal requirements.



## 5) Non-Discrimination/Non-Harassment/Humane Treatment

Our company is committed to maintaining a workplace free of harassment and unlawful discrimination. We will ensure that there is no harsh or inhumane treatment, including but not limited to violence, gender-based violence, sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, bullying, public shaming, or verbal abuse of workers. We will not allow the threat of such treatment under any circumstances.

The company will not engage in discrimination or harassment based on race, color, age, gender, sexual orientation, gender identity or expression, ethnicity, national origin, disability, pregnancy, religion, political affiliation, union membership, veteran status, protected genetic information, or marital status. This applies to all hiring and employment practices, including wages, promotions, rewards, and access to training.

Disciplinary policies and procedures supporting these requirements will be clearly defined and communicated to all employees. Workers or potential employees will not be subjected to medical tests, including pregnancy or virginity tests, or physical exams used in a discriminatory way. These commitments are made in accordance with the ILO Discrimination (Employment and Occupation) Convention (No. 111).

## 6) Freedom of Association and Collective Bargaining

The company promotes open communication and direct engagement between workers and management as the most effective way to resolve workplace and compensation issues. Employees and their representatives will be able to openly communicate and share ideas or concerns regarding working conditions and management practices without fear of discrimination, retaliation, intimidation, or harassment.

In line with these principles, the company shall respect the right of all workers to form and join trade unions of their own choosing, bargain collectively, and engage in peaceful assembly. Similarly, the company will respect the right of workers to refrain from such activities. Where the right to freedom of association and collective bargaining is restricted by local laws and regulations, workers will be allowed to elect and join alternate lawful forms of worker representation.

## 7) Risk analysis

Risk analysis is a fundamental part of our company's strategy. We are responsible for identifying and evaluating human rights and environmental risks within our company and across our supply chains. Based on these assessments, we determine appropriate risk mitigation measures. The company conducts annual and ad hoc sustainability risk analyses parallel. Through our annual risk assessments, we identify significant risks using key data related to our business locations and external data sources on human rights and environmental risks.

Special consideration is given to the potential severity of violations, our ability to remediate them, and the likelihood of their occurrence. In locations identified as high risk, in-depth assessments are conducted through questionnaires, interviews, and the support of independent experts. We implement measures to prevent, minimize, and avoid violations when necessary, with special focus on vulnerable groups. The company also carries out annual risk assessments across our global supply chains. Each supplier is evaluated using supplier-specific metrics, informed by external data on human rights and environmental risks, and in accordance with the German Supply Chain Due Diligence Act. The evaluation covers both direct suppliers and risks within their supply chains. Our structured approach identifies high-risk suppliers, considering the severity, remediation capacity, and likelihood of violations. CabTec's ability to influence suppliers, as well as contributing factors, is also considered. Our procurement department reviews and



validates the prioritization of high-risk suppliers, driving the implementation of preventive measures. Additionally, risks are analyzed on a case-by-case basis when there are allegations of violations or significant changes in the risk landscape. The company's annual and ad hoc risk analysis process is continuously improved through findings from assessments, audits, complaints, and stakeholder feedback.

## 8) Preventive measures

The outcomes of our risk analyses are integrated into corporate decision-making and guide the identification of appropriate preventive measures. We use these results to adjust existing processes and implement new ones.

The company applies risk-based control measures and provides internal training to its teams, as well as external training to its suppliers. These measures are based on a risk-focused approach, with particular attention paid to the perspective of those potentially affected. We impose contractual obligations on suppliers regarding human rights and environmental due diligence, making these obligations central to our prevention efforts within the supply chain. Our suppliers are required to adhere to the principles outlined in the CabTec Supplier Code of Conduct, which they agree to at the start of the business relationship. They are also required to ensure that their own suppliers comply with these principles, verifying compliance through a risk-based process. Before entering into any business relationship, new suppliers at CabTec undergo a risk-based integrity check, which includes an assessment of their human rights and environmental standards.

## 9) Complaint (grievance) mechanism

Our company's due diligence process includes an effective complaint management system designed to identify and prevent human rights and environmental impacts linked to our business activities. The process is defined in the regulation 03-RE-28. When necessary, we take remedial action based on complaints received. CabTec offers convenient, secure reporting channels for internal and external stakeholders to confidentially and anonymously report information, complaints, or allegations related to our business activities. These reporting channels are accessible in multiple languages through our website, email, or telephone.

We follow a clear set of procedures to ensure that all complaints and allegations are handled systematically. Any indication of a potential violation of human rights or environmental obligations—whether within our company or in our supply chain—will be investigated in an objective, independent manner through a binding, company-wide process. CabTec enforces a strict policy against retaliation toward whistleblowers. If any allegations of retaliation arise, they are thoroughly investigated and evaluated by our compliance organization, with appropriate actions taken where necessary. The insights gathered from the complaint mechanism are used to continually improve our human rights and environmental due diligence processes. Further details about the complaint mechanism and related procedures can be found on the CabTec website.





## B. HEALTH AND SAFETY

We are fully aware that in addition to minimizing the incidence of work-related injuries and illnesses, a safe and healthy working environment enhances the quality of products and services, consistency of production and worker retention and morale. We also recognize that ongoing worker input and education are essential to identifying and solving health and safety issues in the workplace.

The health and safety standards are as follows:

### 1) Occupational Safety

Our company is committed to identifying, assessing, and mitigating worker exposure to health and safety hazards such as chemical, electrical, and other energy sources, fire, vehicles, and fall hazards using the Hierarchy of Controls. When hazards cannot be adequately controlled through these means, workers will be provided with well-maintained personal protective equipment (PPE) and educational materials about associated risks. The company will implement gender-responsive measures, such as ensuring that pregnant women and nursing mothers are not placed in hazardous working conditions. We will provide reasonable accommodations for nursing mothers.

### 2) Emergency Preparedness

The company will identify and assess potential emergency situations and events and minimize their impact through the implementation of emergency plans and response procedures. These procedures will include emergency reporting, employee notification, evacuation protocols, worker training, and drills, which will be conducted at least annually or as required by local law, whichever is more stringent. Emergency plans will include fire detection and suppression equipment, unobstructed exit routes, adequate exit facilities, contact information for emergency responders, and recovery plans. The company is committed to minimizing harm to life, property, and the environment through these measures.

### 3) Occupational Injury and Illness

Procedures and systems will be in place to prevent, manage, track, and report occupational injuries and illnesses. The company will encourage worker reporting, classify and record injury and illness cases, provide necessary medical treatment, investigate incidents, and implement corrective actions to eliminate their causes. Workers will be allowed to remove themselves from imminent harm and will not be required to return until the situation is resolved, without fear of retaliation.



#### 4) Industrial Hygiene

The company will identify, evaluate, and control worker exposure to chemical, biological, and physical agents in accordance with the Hierarchy of Controls. Where hazards cannot be adequately controlled, the company will provide appropriate PPE free of charge. A safe and healthy working environment will be maintained through ongoing monitoring of workers' health and working conditions. The company will provide occupational health programs, including routine evaluations and educational materials about the risks associated with workplace exposures.

#### 5) Physically Demanding Work

The company will identify, evaluate, and control worker exposure to physically demanding tasks, including manual material handling, heavy or repetitive lifting, prolonged standing, and highly repetitive or forceful assembly tasks.

#### 6) Machine Safeguarding

Production and other machinery will be evaluated for safety hazards. Where there is a risk of injury, physical guards, interlocks, and barriers will be installed and properly maintained to protect workers.

#### 7) Sanitation, Food, and Housing

The company will provide workers with access to clean toilet facilities, potable water, and sanitary food preparation, storage, and eating areas. Worker dormitories provided by the company or labor agents will be clean, safe, and include appropriate emergency exits, hot water for bathing, adequate lighting, ventilation, secure storage for personal items, reasonable personal space, and fair entry and exit privileges.

#### 8) Health and Safety Communication

Our company will provide workers with clear and comprehensible health and safety information and training on all workplace hazards they may encounter, including mechanical, electrical, chemical, fire, and physical hazards. This information will be provided in a language workers can understand and will be clearly posted or made accessible in the facility. Training will include specific risks relevant to certain demographics, such as gender and age when applicable. Workers will receive this training before commencing work and at regular intervals thereafter. The company encourages workers to report any health and safety concerns without fear of retaliation.





## C. ENVIRONMENT

Acting sustainable is a top priority for us. Across all business functions, we recognize that environmental responsibility is integral to producing world-class products. We constantly analyze and identify the environmental impacts and act to minimize adverse effects on the community, environment, and natural resources, while safeguarding the health and safety of the public. We observe environmental, health and safety regulations and seek to exceed the applicable standards wherever possible. We use natural resources carefully and are committed to environmentally friendly production. By adhering to health and safety regulations and practices, we ensure that the health, safety and personal integrity of our employees, our customers and their employees as well as the general public are not endangered.

The environmental standards are as follows:

### 1) Environmental Permits and Reporting

Our company is responsible for obtaining, maintaining, and ensuring the currency of all required environmental permits, approvals, and registrations (e.g., discharge monitoring). The company will adhere to all operational and reporting requirements associated with these permits.

### 2) Pollution Prevention and Resource Reduction

We commit to minimizing or eliminating emissions, discharges of pollutants, and waste generation at the source, using practices such as installing pollution control equipment, modifying production, maintenance, and facility processes, or employing other means. The use of natural resources, including water, fossil fuels, minerals, and virgin forest products, shall be conserved by practices such as modifying production, maintenance and facility processes, materials substitution, re-use, conservation, recycling, or other means.

### 3) Hazardous Substances

Our company will ensure that chemicals, waste, and other hazardous materials are identified, labeled, and managed to ensure safe handling, movement, storage, use, recycling, re-use, and disposal. We will track and document all data related to hazardous waste management.

### 4) Solid Waste

The company will implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle non-hazardous solid waste. Solid waste data will be tracked and documented to ensure responsible waste management.



## 5) Air Emissions

Air emissions, including volatile organic chemicals, aerosols, corrosives, particulates, ozone-depleting substances, and combustion byproducts generated from operations, will be characterized, routinely monitored, controlled, and treated as required before discharge. The company will manage ozone-depleting substances in compliance with the applicable regulations, conducting routine monitoring of air emission control systems to ensure their effectiveness.

## 6) Materials Restrictions

Our company will comply with all applicable laws, regulations, and customer requirements regarding the prohibition or restriction of specific substances in products and manufacturing. This includes ensuring proper labeling for recycling and disposal.

## 7) Water Management

We will implement a comprehensive water management program that documents, characterizes, and monitors water sources, usage, and discharge. The company will seek opportunities to conserve water and prevent contamination of water channels. All wastewater will be characterized, monitored, controlled, and treated as required before discharge or disposal. Regular monitoring of wastewater treatment and containment systems will be conducted to ensure optimal performance and regulatory compliance.

## 8) Energy Consumption and Greenhouse Gas Emissions

Our company will establish and report on an absolute corporate-wide greenhouse gas reduction goal. We will track, document, and publicly report energy consumption and greenhouse gas emissions across all Scopes 1, 2, and significant categories of Scope 3. The company will actively seek methods to improve energy efficiency and minimize both energy consumption and greenhouse gas emissions.





## D. ETHICS

Our business activities are characterised by reliability, credibility and integrity. Dealing fairly, preciatively and respectfully with each other and observing moral principles is therefore extremely important to us.

### Communication

Our word can be relied upon. We value accurate, truthful and transparent communication with our employees, customers, business partners, investors and other stakeholders of the CabTec Group. We interact with each other in a respectful and reliable manner. When exchanging and disclosing information, we take care that it is up-to-date, applicable and clearly worded. We abide by our obligations and assurances towards our employees, business partners and other stakeholder groups and we do not make any promises that we cannot or do not wish to keep. If a contradiction occurs nevertheless, we advise those affected immediately, openly and without being prompted to do so, and seek a solution that is satisfactory for all those involved.

We are sincere. We help clarify and eliminate potential deficiencies, problems, and misunderstandings. We do everything to fulfill the trust placed in us by our customers and the users of our products, services, and industry solutions.

As managers, we bear a special responsibility and we take seriously our duty of care for the employees entrusted to us. We create a trusting working environment and are always available to discuss with our employees uncertainties, compliance with legal requirements, questions, or professional and personal concerns with our employees. We set a good example and ensure our teams understand the importance of acting in accordance with the Conduct Guidelines.

### Equal opportunities

We act honestly and fairly, respect the dignity of all people and protect the personal views and privacy of our fellow humans and colleagues, as well as those of our customer's employees, our competitors and other business partners. We support equal opportunities and do not discriminate against anyone on the basis of gender, skin color, ethnic origin, nationality, age, sexual orientation, religious affiliation, disability, political views or ideology. We do not tolerate degrading, malicious or intimidating behaviour, discrimination, sexual harassment, threats, verbal or physical violence or any other attacks on people's characters. We do not use roles or hierarchically superior positions for our own personal gain or that of our friends and family.

### Conflicts of interest

Our business decisions and negotiations on behalf of the company focus exclusively on the company's interests and, at a higher level, those of the CabTec Group. They are not motivated by personal interests or relationships. We internally declare potential or actual conflicts of interest that may arise through our personal life overlapping with our roles and responsibilities within the company or through close relationships with customers, suppliers or other contractual partners or their employees. If an individual conflict of interest proves to be unavoidable, we take appropriate action promptly and make this transparent so that the group company and the CabTec Group are not disadvantaged by it.



We foster a culture where we learn from our mistakes. In some circumstances it is easy to tell correct from incorrect or right from wrong, and to act accordingly. But in our day-to-day business, we will also be confronted with situations where the legally correct behaviour or the behaviour that is appropriate from an ethical point of view is not always obvious. If it is unclear how to act in a particular instance, we should discuss the matter openly so that a broad-based solution can be found and any damage to the company and the CabTec Group can be averted. We deal openly with them, this is the only way to learn from mistakes and help prevent from recurring. While most mistakes are minor, others could have serious consequences and should be reported.

## Sanctions

We take every indication of possible misconduct seriously and violations of the code of conduct will be immediately reported to Legal and Compliance. This applies both to those people who have contravened these rules and also all those who have recognised misdemeanours but did not report them. We protect the identity of employees who report potential misconduct and protect them from retaliation or other negative impact. We fulfill our organizational and supervisory duties.

To meet social responsibilities and to achieve success in the marketplace, Participants and their agents shall uphold the highest standards of ethics including the following:

### 1) Business Integrity

We are committed to maintaining the highest standards of integrity in all business interactions. Our company enforces a zero-tolerance policy towards bribery, corruption, extortion, and embezzlement, ensuring full compliance in every operation.

### 2) No Improper Advantage

No improper or undue advantage may be promised, offered, authorized, provided, or accepted. This applies to any act of offering or receiving anything of value, whether directly or indirectly, to secure business or obtain an unfair advantage. Our company enforces strict monitoring, record-keeping, and compliance measures in line with anti-corruption laws.

### 3) Disclosure of Information

All business dealings must be conducted transparently and accurately reflected in company records. Information regarding our company's labor, health and safety, environmental practices, business activities, structure, financial status, and performance will be disclosed in accordance with legal requirements and industry standards. Misrepresentation or falsification of conditions or practices, especially within the supply chain, is strictly prohibited.

### 4) Intellectual Property

Our company manages both tangible and intangible assets responsibly, including property, patents, trademarks, copyrights, technical documents, and business plans. These assets are not to be misused for personal or third-party benefit. We respect competitors' intellectual property and secure the confidentiality





of data shared by our employees, customers, and business partners. All personal, financial, and strategic information is handled with care and in compliance with data protection laws, which apply even after the termination of business relationships

## 5) Fair Business, Advertising and Competition

We uphold standards of fair competition and ethical advertising. Business decisions are based solely on market economy factors such as quality, price, and service, and no unfair practices are tolerated. Our company rejects any form of corruption in business dealings, including through external partners. Any suspected corrupt activity is promptly reported to our legal and compliance team.

## 6) Taxes and fiscal duties

Our company fully complies with applicable tax and duty regulations in each country where we operate. Social security contributions, taxes, and other fiscal obligations are paid accurately and in a timely manner.

## 7) Export control regulations and trading restrictions

We strictly observe all applicable national and international export control regulations. In cases of uncertainty regarding product controls or trade restrictions, our company ensures that the appropriate authorization is obtained before proceeding.

## 8) Protection of Identity and Non-Retaliation

We maintain programs that protect the confidentiality and anonymity of whistleblowers, safeguarding the identities of employees and suppliers who report violations, except where prohibited by law. Our company has a well-communicated process that allows personnel to raise concerns without fear of retaliation.

## 9) Responsible Sourcing of Minerals

Our company adopts a responsible sourcing policy for minerals, particularly tantalum, tin, tungsten, gold, and cobalt. Due diligence on the origin and chain of custody is exercised in line with the OECD Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, or equivalent frameworks, to ensure ethical sourcing practices.



## 10) Privacy & Information security

We are committed to protecting the privacy and personal information of our suppliers, customers, employees, and business partners. Our company adheres to all applicable privacy and information security laws, ensuring secure collection, storage, processing, transmission, and sharing of personal data. We comply with external regulations, including major cybersecurity standards like TISAX, and follow internal company-wide cybersecurity guidelines. We define a clear organizational structure with specific responsibilities and measurable cybersecurity objectives, allocate appropriate resources, and continuously improve the effectiveness of our information security management system. We also provide internal communication and training to foster responsible behavior among employees, strengthen resilience to ensure business continuity, and integrate cybersecurity into our overall business strategy.

## 11) Donations and sponsorship

As a responsible corporate group, we get involved in social and regional affairs in a variety of different ways at the individual sites of our group companies. This may, within reason, include charitable donations and sponsorship activities. However, we do not make any donations to political parties, political organizations or individuals who hold a political office or who are candidates for such offices.

## 12) Substance Abuse and Smoking Policy

The consumption of alcohol is prohibited during working hours, with limited exceptions for official business events where alcohol intake must not impair employee safety or job performance. The consumption, possession, or distribution of illegal substances is strictly forbidden. Smoking is also banned inside all company premises, with designated areas available for smoking on company property.

## E. MANAGEMENT SYSTEMS

At CabTec, we are committed to maintaining robust management systems that uphold the principles outlined in this Code. Our management systems are designed to ensure: (a) full compliance with all applicable laws, regulations, and customer requirements related to our operations and products; (b) strict adherence to the principles of this Code; and (c) effective identification and mitigation of operational risks. Additionally, our management systems are structured to drive continual improvement, ensuring that we consistently meet and exceed industry standards.





To achieve our goals, we certified according to various international standards as

- ISO9001
- IATF16949
- ISO14001
- TISAX

We are continuously monitoring our systems through our process indicators in our KPI system. Every year, all production plans present their results through management review to HQ and plan the targets for the following year. In the case of deviations from the defined targets, the root causes are analysed and the actions are defined.

The management system shall contain the following elements:

### 1) Company Commitment

The company is committed to establishing and maintaining human rights, health and safety, environmental, and ethics policy statements that affirm our dedication to due diligence and continuous improvement. These policy statements are endorsed by our executive management and will be made publicly available and communicated to all employees in a language they understand through accessible channels.

### 2) Management Accountability and Responsibility

We clearly designate senior executives and company representatives responsible for overseeing the implementation of our management systems and associated programs. Senior management regularly reviews the status and effectiveness of these systems to ensure alignment with company goals.

### 3) Legal and Customer Requirements

The company shall establish processes to identify, monitor, and understand applicable laws, regulations, and customer requirements, including those outlined in this Code, to ensure full compliance and adherence.

### 4) Risk Assessment and Risk Management

We are responsible for developing a process that identifies risks related to legal compliance, the environment, health and safety, labor practices, and ethics, including risks of severe human rights and environmental impacts associated with our operations. The company will assess the relative significance of each risk and implement appropriate procedural and physical controls to manage and mitigate these risks, ensuring regulatory compliance.



## 5) Monitoring and reporting

We are responsible for developing a process that identifies risks related to legal compliance, the environment, health and safety, labor practices, and ethics, including risks of severe human rights and environmental impacts associated with our operations. The company will assess the relative significance of each risk and implement appropriate procedural and physical controls to manage and mitigate these risks, ensuring regulatory compliance.

## 6) Improvement Objectives

The company shall set written performance objectives, targets, and implementation plans aimed at improving our social, environmental, and health and safety performance. We will periodically assess progress towards these objectives and adjust as necessary to ensure continuous improvement.

## 7) Training

We will implement training programs for managers and employees to ensure understanding and application of company policies, procedures, improvement objectives, and compliance with all applicable legal and regulatory requirements.

## 8) Communication

The company will establish a process to communicate clear and accurate information regarding our policies, practices, expectations, and performance to employees, suppliers, and customers.

## 9) Worker Feedback, Participation and Grievance

We will maintain processes for ongoing two-way communication with employees, their representatives, and relevant stakeholders. This process will facilitate feedback on operational practices and conditions covered by this Code, fostering continuous improvement. Employees will be provided with a safe environment to voice grievances and provide feedback without fear of reprisal or retaliation.

## 10) Audits and Assessments

The company will conduct regular self-assessments to ensure compliance with legal and regulatory requirements, the content of this Code, and customer contractual requirements related to social and environmental responsibility.

The planning and realisation of audits to see and ensure that our management processes function according to international standards follows internal regulation 23-VA-001.

## 11) Corrective Action Process





A structured process will be in place for the timely correction of deficiencies identified through internal or external audits, inspections, investigations, or reviews.

## 12) Documentation and Records

We will create and maintain proper documentation and records to ensure compliance with regulations and company standards, ensuring appropriate confidentiality to protect privacy.

## 13) Supplier Responsibility

The company is responsible for communicating the requirements of this Code to our suppliers in a separate document entitled 'Supplier Code of Conduct' and for monitoring their compliance. We communicate the latest Code of Conduct information throughout the full supply chain, during the supplier selection process and to active suppliers. Understanding and acceptance are monitored. Compliance is also checked on a random basis through an annual supplier audit program.

## 14) Reporting obligations

In accordance with our legal obligations under the EU's Corporate Sustainability Reporting Directive (CSRD) and the Hungarian CVIII Act of 2023, the company will begin publishing an annual sustainability report starting with the 2025 business year. These reports will be made publicly available through the appropriate authorities and on the company's website.

## REFERENCES

The following references were used in preparing this Code and may be useful sources of additional information:

Standards and Conventions:

- ILO Fundamental Conventions
  - o Freedom of Association and Protection of the Right to Organise Convention, 1948 (No.87)
  - o Right to Organise and Collective Bargaining Convention, 1949 (No.98)
  - o Forced Labour Convention, 1930 (No.29)
  - o Abolition of Forced Labour Convention, 1957 (No.105)
  - o Minimum Age Convention, 1973 (No.138)
  - o Worst Forms of Child Labour Convention, 1999 (No.182)
  - o Equal Remuneration Convention, 1999 (No.100)
  - o Discrimination (Employment and Occupation) Convention, 1958 (No.111)
  - o Occupational Safety and Health Convention, 1981 (No.155), and the Promotional Framework, 2006 (No.187)



OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas

- OECD Guidelines for Multinational Enterprises
- United Nations (UN) Guiding Principles on Business and Human Rights
- Universal Declaration of Human Rights
- United Nations Convention Against Corruption
- United Nations Convention on the Rights of the Child
- United Nations Convention on the Elimination of All Forms of Discrimination Against Women
- United Nations Global Compact

Responsible Business Alliance Code of Conduct v8.0

Hungarian CVIII Act of 2023 "a fenntartható finanszírozás és az egységes vállalati felelősségvállalás ösztönzését szolgáló környezettudatos, társadalmi és szociális szempontokat is figyelembe vevő, vállalati társadalmi felelősségvállalás szabályairól és azzal összefüggő egyéb törvények módosításáról"

Other Useful References:

- Dodd-Frank Wall Street Reform and Consumer Protection Act
- Eco Management & Audit System
- Ethical Trading Initiative
- ILO Code of Practice in Safety and Health
- ISO 14001 and related standards – Environmental management
- ISO 45001:2018 - Occupational health and safety management systems
- National Fire Protection Association
- Social Accountability International (SAI)
  - SA 8000
- United States Federal Acquisition Regulation

## DOCUMENT HISTORY

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