

Adtracon Code of Conduct for Business Partners

Preamble

Preamble

Adtracon GmbH (hereinafter referred to as “Adtracon”) is a developer, manufacturer and distributor of reactive hot-melt adhesives for industrial applications.

Adtracon is actively committed to sustainability and responsible action.

Adtracon is aware of its responsibility within its own organisation, towards customers and suppliers, and towards the climate and society. In particular, Adtracon is guided by the values of integrity and fairness, irrespective of whether the activities take place in Germany or abroad. At Adtracon, we are expressly committed to continuously improving our performance in the areas of occupational health and safety, security, climate protection and product responsibility.

Adtracon wants to work with its suppliers (hereinafter referred to as “Business Partners”) to further develop its sustainability performance in the supply chain. The success of the collaboration between Adtracon and the Business Partners relies on mutual trust, transparency, reliability and fairness. This Code of Conduct defines Adtracon’s requirements for responsible business practices, human rights and labour standards, environmental protection and product safety. Adtracon assumes responsibility for the implementation of ethical, social and ecological standards in its own company and expects its suppliers to comply with the principles set out in this Code of Conduct and to take appropriate account of these in their own supply chain.

Responsible business practices

1. Compliance with laws, recognised human rights and labour standards and guidelines

In all business activities and decisions, the Business Partner undertakes to comply with the applicable national laws as well as the relevant internationally recognised standards, guidelines and principles, in particular the principles of the United Nations Global Compact, the Universal Declaration of Human Rights, the conventions of the United Nations Organization, the core labour standards of the International Labour Organization (ILO), the OECD Guidelines for multinational corporations and the UN Guiding Principles on Business and Human Rights. Compliance with this Code of Conduct as well as with norms and standards may not be rendered ineffective by ancillary agreements such as deviating contractual agreements or similar measures.

If national and international regulations do not concur, the Business Partner should adhere to the standard that provides greater protection for those affected.

2. Prevention of corruption

The Business partner hereby undertakes to comply with international and local anti-corruption laws and standards. In dealing with business partners (customers, suppliers) and state institutions, the interests of the company and the private interests of employees on both sides are strictly separated. Actions and decisions are undertaken in a manner that is untainted by all extraneous considerations and personal interests.

3. Antitrust and competition law

The Business Partner ensures compliance with the relevant national and international antitrust laws as well as the laws against unfair competition, including price or condition agreements with competitors or other forms of agreements restricting competition, in particular agreements with competitors that have the hidden goal of market sharing or customer sharing.

4. Privacy and data protection

The Business Partner hereby undertakes to comply with the provisions of the applicable data protection laws. Personal data may therefore be collected, processed or used only insofar as this is necessary for specified and legally permissible purposes. The use of such data must be transparent for the data subject (the person to whom the data relates); the Business Partner undertakes to comply with all laws governing the communication and reporting of personal data as well as the withdrawal of consent for use, blocking and deletion of personal data. The Business Partner shall also respect the individual in a manner consistent with the right to privacy and ensures that it does not invade a person's privacy in an unlawful and/or arbitrary manner.

5. Export and import

The Business Partner undertakes to comply with applicable import and export laws, in particular to comply with official sanctions, embargoes and other relevant laws, regulations, state and national guidelines and principles governing the transfer, provision or delivery of goods and/or technology.

Respect for human rights and labour standards

6. Prohibition of child labour

The exploitation of children and young people cannot be tolerated in any form. The Business partner is expected to prevent any form of child labour in its operational processes. The Business Partner shall also comply with the minimum age for admission to employment. Where national law regulating child labour or the minimum age for admission to employment imposes stricter criteria, this law takes precedence.

7. Prohibition of forced labour and any other form of modern slavery

No form of forced and/or compulsory labour can be tolerated. This means that the Business Partner may not impose any form of involuntary employment or employment under threat of punishment or other sanctions, including mandatory overtime, work obligations, forced labour by prisoners, slavery, or debt bondage. The Business Partner also undertakes to take measures to eliminate forced labour or any form of modern slavery.

8. Health and safety in the workplace

A key business objective of Adtracon is the prevention of accidents in the workplace and work-related illnesses. Our constant goal is to ensure the well-being and satisfaction of our employees, which at the same time contributes to the success of our company.

We therefore expect the Business Partner to ensure a safe, healthy and hygienic working environment and to take the necessary measures to prevent all forms of work-related accidents and adverse health effects. As part of these efforts, the Business Partner undertakes to comply with internationally recognised occupational safety standards. The Business Partner is also expected to promote the continuous improvement of the working environment and give priority to the safety-related training of employees.

9. Freedom of association and the right to collective bargaining

The Business partner shall ensure that the fundamental right of its employees to freedom of association and the right to collective bargaining within the framework of the national laws are respected. The Business Partner shall have an open attitude towards the activities of the trade unions and their organisational activities. Workers' representatives shall not be discriminated against and shall be permitted and able to perform their representative functions in the workplace.

In cases where national laws restrict the right to freedom of association and/or the right to collective bargaining, the Business Partner shall make every effort to ensure that the free and independent association of employees for the purpose of collective bargaining is possible and actively granted.

10. Equal treatment

Adtracon expects all its Business Partners and suppliers to integrate the equal treatment of all employees into their corporate policies as a central principle (including in relation to recruitment, compensation, benefits, promotion and termination of employment). The Business Partner must therefore eliminate and prevent any form of discrimination based on (but not limited to) ethnic, national or social origin, skin colour, gender, age, religion, belief, political orientation and/or activity, membership of a trade union or employee representation, disability, sexual identity or orientation or other personal characteristics or preferences. The Business Partner promotes equal opportunities in employment and guarantees that the applicable statutory provisions are always complied with. Equal treatment also includes equal pay for work of equal value.

11. Compensation and social benefits

The Business Partner shall ensure that the wages paid to its employees are appropriate. The appropriate wage is at least the applicable statutory minimum wage or the minimum wage set for the industrial sector. In addition, the Business Partner provides its employees with social benefits that correspond with the applicable national or local standards. In any case, wages should always be sufficient to meet basic needs and allow a certain amount of disposable income. Wages are paid on time, and understandable information about the wages is provided in writing.

12. Environmental impact that may have negative consequences for certain human rights

The Business Partner undertakes to avoid harmful changes to soil, air, noise and water pollution, harmful noise emissions or excessive water consumption that could affect the resources needed for the maintenance and production of food, as well as actions that impede access to drinking water and sanitation or harm the health of individuals.

13. Land rights

When acquiring, developing or using land, the Business Partner shall ensure that the prohibition of unlawful clearance and deprivation of land, forests and water bodies is complied with, in particular if the use of these secures a person's livelihood.

14. Abuse of force by private or public security forces

When engaging public or private security forces to protect the Company's projects, the Business Partner shall ensure, through appropriate requirements and controls, that the security forces do not interfere with the right to freedom of association, do not physically harm workers, and refrain from any form of inhuman or degrading treatment.

15. Limitation of working hours

The working hour structures implemented by the Business Partner must comply with the applicable national laws, industry standards and relevant ILO conventions.

16. Regular employment

The Business Partner shall ensure that the work is performed on the basis of a recognised employment relationship established by national laws and practices. Obligations arising from the regular employment relationship may not be circumvented by the use of other types of contractual agreement.

17. Prohibition of harassment or inhumane treatment

The Business Partner shall ensure that measures are implemented to prevent physical abuse or disciplining, threats of physical abuse, sexual or other harassment, as well as verbal abuse or other forms of intimidation.

18. Disciplinary action and treatment of employees

Adtracon expects its Business Partner to treat its employees with dignity and respect. Sanctions, fines, other penalties or disciplinary measures may only be imposed in strict compliance with applicable national and international laws and standards as well as internationally recognised human rights.

The Business Partner shall ensure that no employee is subjected to verbal, psychological, sexual and/or physical violence, coercion or harassment. The withholding of wages as a disciplinary measure is not permitted.

19. Local communities and indigenous peoples

The Business Partner acts responsibly in the local community, respects the concerns of those who live there and ensures healthy and safe living conditions. The Business Partner respects the rights of indigenous peoples to the land, territories and resources that they have traditionally owned, occupied, or otherwise used or acquired.

20. Employees' access to adequate food, clothing, water and sanitary facilities in the workplace

The Business Partner shall not restrict access to adequate food, clothing, water and sanitary facilities in the workplace. Insofar as the company provides housing, the Business Partner ensures access to adequate accommodation.

Environmental protection

21. Environmental and climate protection

Protecting people and the climate is an integral part of Adtracon's policy.

Adtracon therefore expects the Business Partner to take appropriate measures to reduce the climate-relevant impact of its business activities, to actively pursue climate and environmental protection in accordance with internationally applicable standards and legal provisions, and to continuously improve the effectiveness of its efforts in this regard. This includes avoiding emissions and waste to the greatest extent possible and continuously increasing resource efficiency. The Business Partner takes appropriate and demonstrable measures and establishes effective management systems (e.g. according to ISO 14001 or another management system that meets a comparable standard) to ensure climate protection. Adtracon expects its Business Partner to promote the safe and environmentally responsible development and manufacture of its products, their packaging and their transport.

22. Waste and emissions

Adtracon requires the Business Partner to maintain procedures and systems that ensure the safe handling, transport, storage, recycling, reuse and management of raw materials, other business materials and waste. The Business Partner hereby undertakes to minimise the generation and disposal of waste, as well as any form of release or emission into the air, water and/or soil of materials that could have a negative impact on human health, ecosystems and/or the climate. The Business Partner must also ensure that all business materials and waste are handled and treated appropriately before they are released into the environment should this be unavoidable. The Business Partner is obliged to prevent or, if unavoidable, minimise the accidental release, emission and/or leakage of hazardous substances into the environment by implementing and actively maintaining the appropriate procedures and systems. In addition, Adtracon expects the Business Partner to implement and maintain procedures and systems that continuously and sustainably optimise its consumption of all relevant resources such as energy, water and raw materials.

23. Compliance with specific environmental conventions

Where applicable, Adtracon shall require the Business Partner to ensure compliance with the prohibitions related to the use and production of mercury and the treatment of mercury waste under the Minamata Convention, the prohibition on the manufacture and use of chemicals and the handling, collection, storage and disposal of waste in a non-environmentally sound manner under the Stockholm Convention and, finally, the ban on the export and import of hazardous wastes in accordance with the Basel Convention.

24. Process reliability

Adtracon requires the Business Partner to implement and maintain a formal management system to control its business processes in accordance with recognised security standards. Where appropriate, the Business Partner shall perform site- and/or plant-specific risk analyses. The Business Partner must take reasonable measures to prevent incidents at all its sites and facilities, for example (but not limited to) chemical emissions and/or explosions.

Product responsibility

25. Product safety

The Business Partner must comply with all relevant country- and state-specific laws and regulations on product safety. In addition, the Business Partner must provide all relevant product information, in particular on the composition, use (in particular processing instructions, installation instructions and occupational health and safety measures) and, where applicable, the disposal of its products, in good time before the delivery of the product or provision of the service, and properly label products. The Business Partner also undertakes to provide Adtracon with complete documentation on the legal compliance of the products and services it provides, including (but not limited to) safety data sheets and product labeling regulations.

26. Conflict minerals

It is expected that the Business Partner will ensure that no products are supplied to Adtracon that contain metallic elements whose ores and/or derivatives originate from a conflict region, where they may contribute to the direct or indirect financing or support of armed groups and/or contribute to human rights violations. The Business Partner is expected to comply with the OECD Due Diligence Guidance for Responsible Supply Chains for Minerals from Conflict-Affected and High-Risk Areas (OECD DDG) and other applicable regulations, such as the EU Conflict Minerals Regulation.

Implementation

i. Implementation

The Business Partner hereby undertakes to actively inform its direct suppliers of the requirements of this Code of Conduct and to ensure compliance with them.

If the Business Partner has already implemented its own Code of Conduct or a formal corporate policy that includes all the requirements listed in this Code, Adtracon will require the Business Partner to provide evidence that it fully complies with these requirements. If the Business Partner has not established its own Code of Conduct or formal corporate policies, it hereby agrees to comply with this Code of Conduct and all requirements contained therein, as described above.

The Business Partner shall implement effective risk management processes in all areas addressed in this Code of Conduct and with regard to all applicable legal requirements.

Adtracon expects its Business Partner to disclose (upon request) risks and/or violations of the requirements set out in this Code of Conduct that have been identified in its own business area and/or supply chain.

The Business Partner shall implement appropriate measures to promote and ensure the fulfilment of the expectations set out in this Code of Conduct in its own supply chains.

ii. Training and qualification

The Business Partner is expected to promote and further the qualifications of its employees through appropriate training and professional development measures.

iii. Grievance mechanisms

The Business Partner shall establish and maintain grievance mechanisms for its employees that enable them to report possible violations of the Code of Conduct.

iv. Review

Adtracon reserves the right to monitor and review compliance of its Business Partners with the requirements of this Code as described above, either through its own employees, independent third parties, certifications or other forms of official validation, or through topic-specific on-site audits.

v. Sanctions

Adtracon will treat any serious violation by the Business Partner of the obligations, requirements and provisions of this Code as a material breach of contract and will therefore consider appropriate legal action on a case-by-case basis. The Business Partner shall be given the opportunity to take appropriate corrective measures.

Adtracon reserves the right to suspend and/or terminate the business relationship.



ADHESIVE TECHNOLOGIES

Signature of Business Partner

Compliance with the provisions of this Code of Conduct is hereby confirmed:

Name:

Position:

Place, date:

Signature of the authorised representative:

.....

Stamp: