



"Social responsibility and respect for people and nature are important to us and part of our values and culture at CTDI Europe. We are committed to living up to this responsibility and making our contribution through sustainable actions and fair cooperation."

Dieter Hollenbach, CEO CTDI Europe

CTDI Europe's Supplier Code of Business Conduct

Preamble

As part of CTDI Europe's strong commitment to being a socially responsible company while conducting business with the highest ethical standards, we are pleased to introduce the following Supplier Code of Conduct. This policy reinforces CTDI Europe's long-standing core values in all our European operations: serving our customers, working in partnership with our business partners and suppliers, providing employment and career development opportunities, and making a positive contribution to the countries and local communities in which we operate. This policy applies to all suppliers in the CTDI Europe supply chain.

The Supplier Code of Business Conduct is based on the principles of internationally recognised standards for responsible corporate governance, which provide guidance and direction for our business decisions and actions across our European operations. They are:

1. Business Conduct and Ethics
2. Behavior towards Suppliers and Third Parties
3. Confidentiality and Proprietary Information
4. Treatment of Employees and Colleagues
5. Sustainability, Environment, Health & Safety
6. Reporting and Contact

We fully support and promote these six key principles and expect each supplier to ensure that these corporate values and high ethical standards are adhered to in all aspects of their daily business operations. It is also the supplier's responsibility to communicate, monitor and enforce these principles and related policies within each of their organisations.

Being a socially and civically responsible member of the global business community is an important commitment that adds value to our organisation. We would like to thank our suppliers for playing a key role in upholding CTDI Europe's high standards throughout our European operations.

Malsch, September 2023

A handwritten signature in black ink that reads "Dieter Hollenbach". The signature is written in a cursive, flowing style.

Dieter Hollenbach
Chief Executive Officer

Mission Statement

CTDI Europe conduct business consistent with our long-established corporate principles of exceptional customer service and highest quality standards by respecting and caring for our employees and communities in which we conduct business.

Our commitment to our environmental and social responsibilities is embedded in the way we do business and adds value to our company. This Supplier Code of Business Conduct and the other company policies to which it refers provide our employees, customers and suppliers with a clear understanding of our standards of business conduct and fair business practices.

Policy Scope

This Supplier Code of Business Conduct applies to all natural or legal persons who sell or provide products, processes or services to CTDI GmbH and to all companies in which CTDI GmbH has a direct or indirect majority interest, either directly or through third parties, e.g. affiliated companies, distributors, subcontractors and agents (hereinafter referred to as "Suppliers").

1 Business Conduct and Ethics

1.1 Integrity

Integrity means that all of CTDI Europe's business practices are consistent at all times with the company's values and standards of conduct. CTDI Europe also expects its suppliers to comply with applicable laws and to adhere to the values and principles of conduct as further defined herein. CTDI Europe will only enter into long-term business relationships with third parties whose business practices are consistent with the values and principles of conduct set forth in this Supplier Code of Conduct, thereby protecting the company and its employees from criminal or other liability.

1.2 Transparency, Trust, and Cooperation

CTDI Europe is a fair and reliable business partner. CTDI Europe and its employees are therefore transparent with you as a supplier. After all, transparency creates trust, and trust is the basis for successful cooperation in a supplier network. We expect the same from you. Responsible collaboration requires actions and decisions to be transparent and comprehensible. Only then will they be accepted. When it comes to working together, transparency also means that issues are addressed openly and people are honest with each other.

1.3 Respect for Human Rights

Respect for human rights is an integral part of CTDI Europe's corporate social responsibility. As a supplier to CTDI Europe, you should also be committed to the United Nations International Code of Human Rights, the UN Guiding Principles on Business and Human Rights, the ten principles of the UN Global Compact and the internationally recognised standards of the International Labour Organization (ILO).

CTDI Europe expects its employees to respect the dignity and personal rights of all individuals and all parties with whom they come into contact through their activities, business relationships and products. CTDI Europe expects you to actively work to prevent and remediate human rights abuses as part of a human rights due diligence process.

1.4 Adherence to Applicable Law

CTDI Europe respects and complies with all applicable local, national and international laws and regulations. Compliance with these laws and regulations is the basis for CTDI Europe's long-term business success. Violations of these laws and regulations can cause significant harm and have serious consequences for the company, employees, business partners and other stakeholders.

CTDI Europe will not tolerate non-compliance and expects its suppliers to do the same in complying with applicable laws and regulations.

1.5 Avoiding Conflicts of Interest

CTDI Europe expects integrity from all of its suppliers.

1.6 Proper Conduct in Public

CTDI Europe expects its suppliers to refrain from making statements or comments about CTDI Europe (either publicly or on social media) and from using CTDI Europe logos for their own purposes without the approval of CTDI Europe's Corporate Strategy & Marketing Department.

1.7 Proper Accounting and Financial Reporting

CTDI Europe expects its suppliers to observe the principles of proper accounting and financial reporting (where applicable) at all times.

1.8 Handling Company Assets with due Care

If you are provided with any items of CTDI Europe property in your capacity as a supplier, such as test equipment or supplies, information technology, software, data or intellectual property, you must handle them carefully and responsibly and protect them from unauthorised access.

1.9 Handling of Risks

CTDI Europe prudently takes calculated business risks in order to achieve the company's strategic objectives and realise the expected benefits. Business success usually requires that opportunities are seized and the associated risks are identified, assessed and managed at an early stage.

Due to the complex network of suppliers you as a supplier (together with your sub-suppliers) are part of, the analysis and assessment of supply chains plays an essential role.

The supplier's management system will address social, environmental and economic issues, taking particular account of the UN Guiding Principles on Business and Human Rights, the UN Global Compact Ten Principles and the OECD Guidelines for Multinational Enterprises.

To this end, we expect your active participation and support in defining and categorising risks. This applies in particular to the acceptance and implementation of the methods used, e.g. self-disclosure and on-site inspections (by third parties if necessary).

CTDI Europe reserves the right to verify the implementation of these measures. The implementation of the necessary precautions shall be ensured by an appropriate monitoring or management system.

2 Behavior towards Suppliers and Third Parties

CTDI Europe seeks to build cooperative relationships with our customers, suppliers, host governments and other businesses and communities to promote corporate social responsibility and engagement. We also seek to establish relationships with customers, vendors and suppliers who adhere to the same principles of corporate social responsibility.

CTDI Europe is committed to financially responsible supply management characterised by integrity and transparency in all supply related dealings and decisions. Employees will maintain truthfulness in marketing and sales and provide fair representation of products and services, avoiding exaggerated claims and false advertising. Honesty and integrity will always be applied in the company's procurement and sales processes.

Corruption in all its forms will not be tolerated, including acts that are anti-competitive, evasive, coercive or unethical, such as those that may extort or bribe another person to act.

CTDI Europe values a diverse supplier base and it is the responsibility of each supplier professional and company management to attract and retain a diverse supplier base for CTDI Europe.

CTDI Europe expects the same from its suppliers.

2.1 Fair Competition

CTDI Europe is committed to fair and undistorted competition.

Virtually all countries have laws and regulations that prohibit agreements, arrangements and concerted practices between competitors, suppliers, consumers and distributors that restrict or are intended to restrict competition. The same applies to the abuse of market power through unilateral action.

CTDI Europe expects its suppliers not to engage in practices that violate competition and antitrust laws.

2.2 Anti-corruption

CTDI Europe does not tolerate any form of corruption. Any behaviour by suppliers that may give the impression of improperly influencing business decisions is prohibited.

Gifts and Hospitality

As outlined in CTDI Europe's Gift Policy, benefits from suppliers such as gifts, invitations or other privileges are only permitted if they are appropriate and transparent.

CTDI Europe expects you, as a supplier, to refrain from granting or accepting benefits of any kind for the purpose of exerting influence. Providing benefits to public officials, government employees or their representatives for the purpose of improperly promoting business will not be tolerated. The same applies to facilitation payments and indirect benefits, e.g. through other third parties.

CTDI Europe therefore expects strict compliance with the anti-corruption laws in force in the countries in which it does business.

Donations and Sponsoring

CTDI Europe recommends that its suppliers refrain from making donations to political parties or their representatives, politicians, members of parliament, candidates for political office or individuals.

Sponsorship activities that are linked to or reference business relationships with CTDI Europe must be approved by CTDI Europe's Corporate Strategy & Marketing Department.

2.3 Prevention of Money Laundering and Financing of Terrorism

CTDI Europe expects its suppliers to comply with their legal obligations to combat money laundering and the financing of terrorism and not to engage in or permit activities related to money laundering and the financing of terrorism.

2.4 Export Control and Sanctions Law

National and international laws and regulations govern the import, export, trade, brokering, financing, provision of services and transfer of goods (goods, software and technology). CTDI Europe expects its suppliers to have procedures in place to ensure that transactions and activities with third parties and with CTDI Europe do not violate export control and sanctions laws, and to promptly provide any required verification and information.

2.5 Taxes and Customs

CTDI Europe expects its suppliers to comply with applicable tax and customs laws.

2.6 Product Safety and Conformity

The primary objective of product safety at CTDI Europe is to protect the health and safety of people. CTDI Europe expects the same from its suppliers. Every effort shall be made to ensure that all processes, products and services comply with the directives and regulations in force at the time they are placed on the market, in particular the legal product safety requirements relating to design, manufacture, use and characteristics.

In this context, suppliers shall take into account the current state of knowledge and technology as well as CTDI Europe's justified safety expectations throughout the entire life cycle.

3 Confidentiality and Proprietary Information

3.1 Proprietary Information

CTDI Europe expects its suppliers to protect information relevant to the company from misuse, loss, destruction and manipulation.

Information and cyber security is a high priority for CTDI Europe and the company's objective is to continuously improve the fulfilment of the following security objectives: confidentiality, availability and integrity. CTDI Europe expects the same from its suppliers.

3.2 Protection of Personal Data

CTDI Europe expects its suppliers to protect and respect personal rights. Appropriate measures must be taken to ensure compliance with applicable regulations and laws, particularly in relation to the handling of personal data.

3.3 IT Security

Data processed in IT systems must be protected to the best of our ability and at least to the extent required by law.

4 Treatment of Employees and Colleagues

4.1 Fair Working Conditions and Employee Development

CTDI Europe expects its suppliers (in particular hirers of temporary workers) to comply with the legally guaranteed minimum wages in the relevant labour markets and with the relevant labour laws and regulations, in particular with regard to working hours. Employees must not be charged for recruitment fees.

The use of misleading or deceptive practices in the recruitment of employees is prohibited. It is forbidden to give false information about working conditions, including wages and fringe benefits, the place of work and the level of risk involved in the work.

Documentation of the employment contract must be in writing, contain a detailed and comprehensible description of all activities and be available in good time before the start of work.

Workers' identity documents must not be withheld, tampered with or destroyed.

Any accommodation provided must at least meet the standard of the country concerned.

Suppliers should also develop employees according to their individual abilities and professional and personal interests. Ideally, the interests of the company should be aligned with the individual needs of the employee.

CTDI Europe expects its suppliers to promote the best possible work-life balance through family-friendly arrangements.

4.2 Diversity & the Principle of Equal Treatment

CTDI Europe expects its suppliers to provide a working environment that is free from prejudice, discrimination, intimidation and harassment and where employees are valued. Every employee should feel valued regardless of age, gender, gender identity, ethnic background, nationality, religion or belief, disability and sexual orientation.

4.3 Rejection of Forced and Child Labour

CTDI Europe strictly rejects all forms of child labour, forced or compulsory labour, modern slavery, involuntary or exploitative prison labour, human trafficking and other forms of exploitation in its own business activities. CTDI Europe explicitly requires its suppliers and their supply chain to do the same. In particular, severe forms of human trafficking involving the recruitment, transportation, transfer, harbouring or receipt of persons through the use of force, coercion, abduction, deception, threat, abuse of power or vulnerability or the provision of payments or benefits to a person who has control over the victim are strictly prohibited.

CTDI Europe strictly prohibits all of its suppliers from using forced labour or engaging in severe forms of human trafficking as defined above.

4.4 Dialog with Employees and Employee Representatives

CTDI Europe expects its suppliers to respect the right of workers to freedom of association and assembly and the right to collective bargaining for the purpose of regulating working conditions. All employees should have the opportunity to raise their issues and concerns at any time.

5 Sustainability, Environment, Health & Safety

5.1 Acting with Sustainability in Mind

Sustainability is an integral part of CTDI Europe's values and behaviour. The sustainable creation of value is based on the unity of economic, environmental and social responsibility - both with regard to products and their production, as well as the associated processes, services and supply chain. CTDI Europe's medium and long term strategy to meet this responsibility is summarised under the term "Planet Protect".

CTDI Europe expects its suppliers to comply with all applicable local/regional and international human rights, health and safety and environmental legislation as a basis for all products, processes and services and to actively seek, promote and support CTDI Europe's Planet Protect strategy. Early prevention, e.g. through the use of renewable energy and minimisation of impacts and waste, must be at the heart of suppliers' activities.

Appropriate qualified certifications are expected for verification purposes. There is a particular focus on the use of conflict minerals and, more generally, critical minerals and materials, where the supply chain is the key to greater responsibility and diligence, and therefore additional requirements are placed on transparency and cooperation.

The supplier is required to comply with regulations on banned and declarable substances, e.g. RoHS and REACH, and to provide evidence of compliance.

5.2 Environmental and Climate Protection

CTDI Europe expects its suppliers to actively take responsibility for reducing air pollution, energy and water consumption, waste generation including wastewater, creating value loops and reducing greenhouse gases. This applies equally to production, administration and trade. Any form of illegal treatment/disposal of waste is prohibited.

CTDI Europe expects compliance with applicable environmental laws and regulations to be complemented by existing environmental objectives and a continuous improvement process in the supplier's environmental management system.

In general, CTDI Europe expects the use of internationally compatible environmental management systems such as ISO 14001 and welcomes the use of an international energy management system such as ISO 50001.

For verification and further development of these issues and KPIs, suppliers are encouraged to participate in appropriate initiatives and obtain appropriate ratings (e.g. CDP/ Carbon Disclosure Project; Ecovadis, Integrity Next).

Suppliers shall disclose complete, consistent and accurate GHG emissions data (Scope 1, 2 and 3) and/or the components required to calculate GHG emissions through the Carbon Disclosure Programme (CDP) or an alternative methodology provided by CTDI Europe.

At the request of CTDI Europe, suppliers shall provide GHG emission reduction plans that meet the requirements of the CTDI Planet Protect Strategy.

The collection, calculation, evaluation and communication of relevant CO2 data should also be in accordance with the applicable standards of the Greenhouse Gas Protocol (GHG).

5.3 Occupational Health & Safety

CTDI Europe expects its suppliers to adopt a policy of zero tolerance of human rights abuses. This includes providing a suitable working environment for direct employees and employees in the supply chain through due diligence and compliance with legal requirements, regulations and recommendations and/or requiring such a working environment in the supply chain.

The implementation of the necessary precautions shall be ensured by an appropriate monitoring or management system. Particular attention should be paid to young workers.

Suppliers are expected to comply with the necessary (and where applicable, local) laws and requirements in an appropriate manner and to compare these with an internal risk assessment to ensure that a suitable working environment is provided. This includes the provision of appropriate Personal Protective Equipment (PPE) where required, emergency plans and emergency drills.

6 Reporting and Contact

6.1 Reporting of Misconduct

Inappropriate behaviour of any kind will be actively addressed at CTDI Europe. Both employees and contractors are encouraged to speak out freely without fear of retaliation. Retaliation against suppliers who speak out in good faith is prohibited.

6.2 Contact

Reports of non-compliance, particularly illegal business practices or potential human rights violations, can be made at any time through CTDI Europe's whistleblowing system. This system is available in a number of languages and allows anonymous, confidential, specially encrypted and secure communication with the investigation team in CTDI Europe's Corporate Quality Department.

CTDI Europe's whistleblowing system is available to you as a supplier and to your employees under www.ctdi.eu.