

SUPPLIER'S CODE OF CONDUCT



V1.0 - 12.2024

Code of conduct and corporate social responsibility commitments for suppliers and subcontractors of MPS Group companies.

(In this code, "suppliers" means "suppliers and subcontractors of the MPS Group")

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1 MPS RESPONSIBLE SOURCING PRINCIPLES

MPS Micro Precision Systems AG (MPS) attaches paramount importance to implementing its Corporate Social Responsibility (CSR) commitments, with the aim of creating positive impacts for all its stakeholders. With this in mind, MPS is committed to contributing to responsible sourcing, making this objective a priority in its relations with customers and partners. We therefore ask our own suppliers to actively participate in achieving these objectives. We are firmly committed to conducting our business in a responsible manner.

Our CSR strategy, symbolized by our motto **‘At the heart of precision, at the pinnacle of innovation, committed to sustainability’**, reflects our aspiration to revolutionize the production of precision parts in a more sustainable and responsible way. Our aim is to generate a significant positive impact within the MPS value chain, focusing on the:

- **Responsible practices:** Ensuring ethical and sustainable practices in our supply chains and sourcing activities.
- **Transparency and traceability:** Establish transparency and traceability in the sourcing of our raw materials.
- **Respect for the environment:** Integrate respect for the environment into our operational and commercial decisions.
- **Positive social impact:** Promoting tangible, beneficial social influence

MPS encourages the adoption of shared standards, rules, and ethical principles, both within the Group and with its partners. To achieve our sustainable sourcing objectives, we rely on the involvement of our suppliers. We therefore ask them to comply with this Code of Conduct, to ensure that their activities respect the applicable clauses. In addition, we expect our suppliers to ensure that these principles are also respected by their own suppliers and subcontractors, by integrating these standards into their business policies and practices.

Aware of our active role in sustainable development, the MPS Group is committed to promoting and respecting a set of deontological and ethical rules, in line with the ten principles of the United Nations Global Compact. These

principles invite companies to adopt, support and apply, within their sphere of influence, a set of fundamental values in the fields of human rights, labour law, ethics, the environment, and the fight against corruption.

The ten principles of the United Nations Global Compact are derived from major international conventions, including the Universal Declaration of Human Rights (UDHR), the International Labour Organization (ILO) Declaration, the Rio Declaration on Environment and Development, and the United Nations Convention against Corruption.

We expect our suppliers to establish effective management systems and operational processes to ensure ongoing compliance with the requirements of this Code. In addition, suppliers agree that MPS reserves the right to carry out controls or mandate third parties to conduct audits to verify compliance with this Code of Conduct. These measures are essential to maintain transparency and integrity in our operations.

The Sustainable Development Goals (SDGs) set by the United Nations in 2015 define global priorities and aspirations for 2030. MPS is committed to supporting the SDGs in its business activities and encourages its suppliers to contribute, too, towards a better planet for future generations.

In the event of non-compliance with this Code by a supplier, each of the MPS Group entities doing business with that supplier reserves the right to require correction of the non-compliances, suspend purchases, refuse to take delivery and return any goods from the supplier until the non-compliances have been corrected, and may terminate its business relationship with the supplier, without prejudice to any other rights or remedies available to that MPS Group entity.

2 GENERAL REQUIREMENTS

2.1 LAWS AND REGULATIONS

Suppliers must comply with all laws and regulations applicable to their activities in the countries in which they operate and implement appropriate systems and controls. In the event of any discrepancy between the provisions of this Code of Conduct and local laws, the stricter rule shall prevail.

MPS has established principles to protect and value its employees, focusing on equality, diversity, and health and safety. In addition, MPS is committed to acting with integrity, including fighting corruption and money laundering, respecting human rights, ensuring financial transparency, and preserving the environment.

These principles, embodied in this Code of Conduct, reflect our commitment to maintaining the trust of our customers and stakeholders, by addressing issues such as competition and antitrust, data protection and confidentiality. By adhering to this Code, suppliers undertake to respect these values and to put them into practice in their activities with MPS.

2.2 PROFESSIONAL INTEGRITY

The MPS culture is firmly rooted in the principles of integrity, honesty, and respect.

We encourage our suppliers to develop their own policies in line with our culture. It is essential that our suppliers act with integrity, as this helps build the trust needed to establish credible, stable, and lasting business relationships.

2.3 FIGHT AGAINST CORRUPTION

Suppliers must comply with all laws, regulations and standards relating to the fight against corruption in the countries in which they operate. They must not tolerate corruption or participate in influence peddling that could compromise the objectivity and fairness of business decisions. Suppliers must take steps to ensure that no improper payments are offered, made, requested, or received during their business. They are responsible for exercising due diligence to prevent and detect bribery and influence peddling in all business arrangements, including partnerships, joint ventures, and the use of intermediaries such

as agents or consultants.

Suppliers are encouraged to implement a policy of non-penalization of employees to protect those who blow the whistle or refuse to be involved in an act of corruption.

2.4 COMBATING MONEY LAUNDERING

MPS does not tolerate money laundering or terrorist financing.

Suppliers are required to ensure that business partners and customers are not involved in any form of criminal activity, through accepted practices such as KYC (“Know Your Counterparty”).

2.5 COMPETITION AND ANTITRUST

Suppliers must strictly comply with competition laws (or antitrust laws) that ensure free and fair competition worldwide.

Suppliers must not engage in discussions or activities (e.g., in trade associations or with competitors) that could lead to allegations or perceptions of improper anti-competitive behaviour.

2.6 PERSONAL DATA PROTECTION AND PRIVACY

Suppliers must comply with their obligations under all applicable laws and regulations relating to data protection and confidentiality. Suppliers must implement appropriate technical and organizational measures to protect all personal data in their possession against unauthorized or unlawful processing and against accidental loss, destruction, damage, modification, or disclosure.

2.7 SAFETY

Suppliers must assess risks and implement measures to ensure the safety of employees, contractors, and visitors during their activities. They must ensure that all their security personnel respect human rights and dignity and are properly trained in these issues.

In addition, suppliers must ensure the physical integrity and safety of people and goods during their operations, as well as during associated

transport. This is to prevent fraud, crime, and other anti-social behaviour.

2.8 PRODUCT ECO-DESIGN

Suppliers are encouraged to integrate environmental and social criteria into every stage of the life cycle of their processes, technologies, products, and packaging. The aim is to optimize the environmental performance of their products and reinforce positive social impacts.

Wherever possible, products, packaging and containers are designed according to the principles of the circular economy, such as eco-design and eco-efficiency, integrating aspects such as recyclability, reduction, and reuse of resources, as well as limiting their consumption, while avoiding programmed obsolescence.

Suppliers must also be able to provide relevant data to establish a “Life Cycle Analysis” of the proposed service or product.

2.9 TRANSPARENCY AND TRACEABILITY

MPS sees transparency as the effort to better understand the structure and operation of its supply chains, based on a relationship of trust with its suppliers.

Traceability, on the other hand, refers to the tools and processes that enable products to be tracked at every stage, to verify sustainability claims and ensure good practice throughout the supply chain.

MPS suppliers must encourage their supply chain to increase the transparency and traceability of the products that form part of it. Wherever possible, they should identify and trace the history, distribution, location and use of products, parts, and materials, as well as key players back to the origin of raw materials. Any changes to this information must be communicated to MPS.

Sustainability traceability must be rigorous and verifiable. At MPS's request, suppliers must provide the necessary data.

2.10 SANCTIONS, TRADE RESTRICTIONS, EMBARGOS

Suppliers undertake to adopt appropriate measures to comply with embargoes and restrictive measures imposed on certain countries. They must exercise

due diligence to avoid any transaction or partnership with a person or entity subject to sanctions. This duty of care includes regular verification of partners' status, transactions, and business activities.

3 LABOUR PRACTICES AND HUMAN RIGHTS

3.1 HUMAN RIGHTS

MPS does not tolerate any form of abusive or illegal labour in its supply chain, including forced labour and human trafficking. Suppliers are required to comply with international human rights standards and to commit to the requirements of the United Nations Guiding Principles on Business and Human Rights.

Suppliers must avoid causing or contributing to human rights abuses and must deal with any that are found to have occurred. They must also prevent or mitigate human rights abuses linked to their activities, products, or services, even without direct involvement.

MPS asks its suppliers to submit the information required to implement their duty of care regarding human rights. Suppliers are asked to implement measures adapted to their size, such as:

- Robust management systems to ensure respect for human rights, including public commitment.
- A process for identifying and assessing risks and human rights violations.
- A strategy to respond to the risks of human rights violations, including appropriate training.
- A mechanism for remedying any human rights violations caused or contributed to, with follow-up action.
- A human rights assessment program, including internal and external audits.
- A communication on measures taken to respect human rights and prevent modern slavery.

3.2 DISCRIMINATION

Every individual must be treated fairly and equitably. Suppliers must refrain from all forms of discrimination, particularly regarding wages, hiring, access to training, promotion, and support for caregivers. This includes, but is not limited to, discrimination based on sex, race, ethnic origin, nationality, religion, age, disability, sexual orientation, gender identity, pregnancy, parenthood, state of health, social origin, political affiliation, and trade union membership.

Suppliers must:

- Guarantee the absence of discrimination, harassment, or physical or psychological

violence.

- Promote equal opportunities and inclusion for all employees in their policies and practices.
- Recognize the value of each gender and of a balanced workforce, where diversity is seen as a source of enrichment and opportunity.

3.3 CRUEL OR INHUMAN TREATMENT

Suppliers must prohibit physical violence or corporal punishment, the threat of physical violence, sexual or other harassment, including gender-based violence and verbal abuse or any other form of intimidation as defined in ILO Convention 190. Suppliers must:

- Do not use or condone these practices.
- Clearly communicate applicable disciplinary processes and procedures to employees.
- Ensure that complaint and reporting procedures and investigation processes are in place and communicated to all employees.

3.4 FREE CHOICE OF EMPLOYMENT

Suppliers must not engage in forced, bonded or compulsory prison labour, or engage in any form of modern slavery or human trafficking. Employees are not required to post bond or surrender their identity papers to their employer and are free to leave with reasonable notice. Suppliers must monitor relationships with recruitment agencies to prevent the risk of human trafficking.

3.5 CONTRACTUAL AGREEMENTS

Suppliers and their subcontractors must establish the terms and conditions of agreements and labour contracts with their employees. The terms and conditions of employment contracts must comply with the strictest applicable laws and international standards. Such conditions must promote stable employment and not violate employees' rights, which must be protected by applicable law.

Suppliers must not employ persons who do not have the right to work, including illegal immigrants. Any subcontracting or work at home must be subject to prior written authorization from MPS.

3.6 CHILD LABOR

It is forbidden to employ people under the age of 15 or below the local minimum age for access to employment and completion of compulsory schooling, whichever is higher.

The employment of young people under the age of 18 is only possible if the supplier has specific procedures in place for the work of such people. These procedures must include the prohibition of working in dangerous conditions, night work, working hours that do not allow compulsory schooling to be completed, as well as guaranteeing the protection of the child's physical and mental development.

3.7 SALARIES AND BENEFITS

Wages and social benefits required by law (accident insurance, social insurance, and pensions) for a normal working week must comply at least with the requirements of national laws or the standards of the applicable industry, giving preference to the most favourable conditions. Piece-rate workers must receive a daily wage not lower than the legal minimum wage. It is essential that the wage be decent enough to cover the basic needs of the employee and his or her family. Suppliers must guarantee equal pay for work of equal value, in line with the Equal Pay International Coalition (EPIC).

Before being hired, all employees must receive clear information about their terms and conditions of employment, their salary, and details of their remuneration for each pay period. Overtime must be paid at normal or premium rates, in accordance with current legal regulations. Deductions from wages for disciplinary reasons or reasons not specified by national legislation are forbidden unless the employee concerned gives his or her explicit consent.

3.8 WORKING HOURS

Suppliers must guarantee normal working hours in accordance with International Labour Organization conventions, national legislation, or industry standards.

Suppliers must:

- Ensure that working hours in a normal week do not regularly exceed the limits set by national legislation.
- Ensure that total working hours over a 7-day

period do not exceed 60 hours, except in exceptional situations where all of the following criteria are met:

- National law allows it.
- Appropriate precautionary measures are taken to protect the health and safety of employees.
- The employer can demonstrate exceptional circumstances such as unforeseen production peaks, accidents, or emergencies.
- Grant weekly rest and annual paid leave, in accordance with national legislation and sector regulations in force, respecting all legal provisions relating to leave, including maternity, paternity and family leave.

Every employee must have at least one day off every seven days.

3.9 FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

Suppliers are encouraged to allow employees to decide freely whether they wish to join a trade union or other workers' association. They must also comply with applicable laws and collective agreements.

3.10 HEALTH AND SAFETY

Suppliers must comply with all applicable health and safety laws and regulations, ensuring a safe and healthy working environment and assigning responsibility for health and safety to a management representative.

Suppliers must have a process in place to identify health and safety risks related to their activities, assess them, and implement appropriate risk mitigation measures. Employees must be informed of significant health and safety risks.

Employers must provide their employees with regular, recorded health and safety training, and this must be systematic for all new hires and reassignments. Suppliers must provide all employees with a safe and healthy workplace that guarantees their safety, through appropriate emergency procedures and materials including fire alarms, emergency exits and drills, free personal protective equipment, safety equipment and training appropriate to the task.

Workers must have access to drinking water and

adequate sanitary facilities. Suppliers must take appropriate measures to protect pregnant and nursing women, as well as young people (e.g., apprentices).

Suppliers must investigate all health and safety-related workplace accidents involving their employees to identify the causes and determine the corrective measures needed to avoid recurrence.

Suppliers must put in place appropriate occupational health and safety procedures, keep them up to date and ensure that they are communicated.

4 ENVIRONMENT

4.1 ENVIRONMENTAL MANAGEMENT AND COMPLIANCE

Suppliers are required to comply with all applicable environmental laws and regulations. All required environmental permits, licenses, approvals, and restrictions must be obtained, related operational requirements met, and related reporting obligations fulfilled.

As an ISO 14001-certified company, we encourage our suppliers to implement practices that minimize the environmental impact of their activities.

Suppliers identify and assess risks in their own operations and those of their business partners and exercise a risk-based duty of care. Suppliers must:

- Identify opportunities to reduce environmental impact.
- Take measures to prevent and mitigate environmental risks and impacts.
- Have a monitoring and surveillance methodology:
- Have set up an appropriate communication system with the relevant stakeholders.
- Provide training and information on environmental risks and controls to relevant employees, delivered in a format and languages that employees can easily understand.

4.2 ENVIRONMENTAL MANAGEMENT SYSTEM

It is recommended that manufacturers and raw material suppliers establish an environmental management system to meet environmental obligations and mitigate negative impacts; this includes having an environmental action plan and monitoring their environmental impacts. Manufacturers and raw material suppliers must share their environmental action plans with MPS on request.

4.3 RESOURCES REDUCTION AND POLLUTION PREVENTION

We ask our suppliers to do their utmost to constantly reduce their consumption of natural resources and their environmental impact (e.g., emission, pollutants, waste). We ask our suppliers to promote the circular use of raw materials.

Pollutant emissions and discharges, as well as waste production, must be reduced or eliminated at source, or by practices such as adding pollution control equipment, modifying production and maintenance processes, or by other means.

4.4 ENERGY CONSUMPTION AND GREENHOUSE GAS EMISSIONS

We expect suppliers to monitor their energy consumption, take action to reduce greenhouse gas (GHG) emissions and combat climate change.

They must:

- Collect and record data on their carbon footprint and provide this data to MPS on request.
- Establish plans and targets to continuously reduce GHG emissions in their operations.
- Significantly increase the use of renewable energy.

4.5 WATER

Suppliers must implement responsible water management practices.

Suppliers must collect and document water-related data, provide it to MPS on request, and establish targets and plans to reduce and recycle water.

Wastewater must be treated and purified to prevent pollution in accordance with local legislation.

Suppliers located in areas where water is scarce need to put in place robust water management systems and collect data to reduce any adverse effects on the local community.

4.6 WASTE

Suppliers must prevent pollution, identify significant sources of waste, and manage identified waste responsibly.

Suppliers must:

- Collect and record data on waste production and provide this data to MPS on request.
- Establish plans and targets to reduce and recycle waste and, where possible, apply circular economy principles (reduce, reuse, recycle and recover).
- Dispose of waste in accordance with applicable

law or, where none exists, with international standards.

- Do their best to keep waste out of landfills.

4.7 CHEMICAL PRODUCTS

Suppliers must comply with all applicable laws and regulations relating to the restriction and registration and, where applicable, authorization or production process under the legal requirements that apply to the relevant market (e.g., EU REACH regulation).

In addition, suppliers need to adopt new processes and best practices to reduce the environmental and health and safety impacts associated with the use of chemicals.

Suppliers must keep an inventory of hazardous substances used in their facilities. Safety data sheets (or equivalent) must be available wherever hazardous substances are used. Chemical products must be properly labelled, and the risks they present must be clearly and actively communicated to all employees who use them.

4.8 BIODIVERSITY

Suppliers with a link to biodiversity must avoid and reduce their impact on biodiversity. They must also seek opportunities to preserve biodiversity in relation to their activity, striving to generate a positive impact on biodiversity and local communities.

In the mining sector, suppliers must not explore or operate in World Heritage sites. They must identify key biodiversity areas in accordance with the legal framework set out by CITES and the IUCN Red list.

5 APPLICATION AND IDENTIFICATION OF AREAS OF CONCERN

5.1 GENERAL COMPLIANCE

MPS expects its suppliers to communicate the provisions of this Code of Conduct to their employees, subcontractors and relevant third parties with whom they do business, and to ensure that these provisions are integrated into their respective operations.

Suppliers must proactively report to MPS any potential or actual non-compliance with the requirements set out in this Code, together with their proposed corrective actions.

5.2 COMPLAINTS AND REPORTS

Suppliers must have systems in place to take independent action on grievances and whistleblowing, so that employees, subcontractors and relevant third parties, can anonymously report a proven or suspected breach without fear of reprisal, intimidations, or harassment.

Suppliers must take all concerns seriously and ensure that they are dealt with fairly, honestly, promptly, and confidentially. Suppliers must investigate and take corrective action if necessary and record it.

Any concerns regarding work performed on behalf of MPS or suspected breaches of this Code of Conduct may also be reported to ethics@mpsag.com.

MPS will investigate each concern raised and, where possible, discuss the results with the supplier in accordance with confidentiality requirements.

5.3 EVALUATION

MPS has the right to request information from its suppliers regarding compliance with the provisions of this Code of Conduct.

If necessary, MPS may ask suppliers to prove their compliance through independent verification or appropriate certification.

MPS reserves the right to independently test products and materials to determine whether suppliers comply with the provisions of this Code of Conduct.

MPS has the right to request data and to visit suppliers' production sites as well as the facilities of their subcontractors and suppliers, or to have them visited by an independent verification body to verify compliance with this Code of Conduct.

5.4 NON-COMPLIANCE

MPS reserves the right to terminate any business relationship with any supplier who violates this Code of Conduct or whose suppliers or subcontractors violate this Code of Conduct. If non-conformities are identified, MPS will first work with the supplier to find and appropriate solution and means of improvement. Should the supplier demonstrate a structural unwillingness to cooperate and improve, consideration will be given to terminating the business relationship. The decision to terminate the relationship for breach of the Code will only be taken when mitigation measures have failed or have not been taken.

6 CRITERIA FOR A RESPONSIBLE SUPPLY CHAIN

The requirements described in this section apply to suppliers of raw materials, components, and finished products. They support MPS's ambition to respond initially to the demands of its own customers or partners, and above all for a responsible supply chain over the long term and are complementary to the requirements of the previous sections.

6.1 RESTRICTED SUBSTANCES

Suppliers must guarantee that the products they supply to MPS comply with the latest version of the REACH SVHC and RoHS lists.

MPS requires its suppliers to ensure that upstream players in their own supply chain incorporate these regulations into their business policies and practices.

6.2 DUE DILIGENCE FOR RESPONSIBLE MINERAL SUPPLY CHAINS

Suppliers in the gold, silver, platinum group metals (PGMs), tin, tantalum and tungsten supply chain must exercise and document due diligence on their supply chains in accordance with the OECD Guide to Responsible Supply Chains of Mineral from Conflict and High-Risk Areas (the "OECD Guide") and the Raw Materials Sourcing Policy.

Small and medium-sized enterprises (SMEs) need to exercise their duty of care in a way that is appropriate to their size and context. However, as a minimum, their system must include a policy, a due diligence check adapted to their needs, and a process for reacting to identified risks. MPS can support SMEs in exercising their duty of care. In this case, access to supply chain information is necessary.

6.3 GOLD, SILVER AND / OR PLATINUM GROUP METALS (MGP)

Suppliers in the gold, silver and PGM supply chain adhere to the Responsible Council (RJC) Code of Practice. Other standards will be considered if their equivalence can be clearly demonstrated.

Suppliers must ensure as far as possible that the gold, silver and / or PGMs supplied have been recycled or mined responsibly, respect human and labour rights, are conflict-free and do not cause environmental damage.

7 ACCEPTANCE OF THE CLAUSES OF THE SUPPLIER CODE OF CONDUCT

By validating the order form, the supplier acknowledges having read and accepted the Code of Conduct.

Clauses of the Code of Conduct	Compliance	N/A	Divergence	Comments
1. MPS Principles of Responsible Sourcing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. General requirements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Work practices and human rights	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Environment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5. Application and identification of areas of concern	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6. Criteria for a responsible supply chain	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Company name:
Address:
Contact name:
Function:
I hereby acknowledge that I have read and accepted the clauses of the MPS Supplier Code of Conduct and the clauses applicable to my sector activity.
By authorized signatories, with company stamp where applicable:
Date: