

Code of Conduct for Suppliers and Business Partners

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Whenever only male persons are referred to in the following or the male version of the word is used is used, this is done this only for reasons of linguistic simplification, female and intersexual people are always meant as well or word versions. When using female persons or word versions, this applies analogously vice versa.

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1. General information

The EMAG Group ("EMAG") is committed to business conduct with legal integrity and environmental and social responsibility and considers this a prerequisite for its sustainable corporate success.

In its Code of Conduct, EMAG has fundamentally described and bindingly anchored the principles for such responsible, rule-compliant behavior by all members of the corporate bodies and organization, employees, suppliers and other business partners.

With the present Code of Conduct for Suppliers and Business Partners (hereinafter the "Supplier Code"), EMAG (hereinafter also the "Principal") defines further details and the expectations regarding the requirements and standards to be complied with by suppliers and other business partners (hereinafter also the "Business Partners").

All business partners are obliged to pass on this Code of Conduct or the requirements and standards contained therein to their own employees and business partners and to ensure compliance with them. The Code of Conduct applies as a basis and contractual condition for all deliveries.

The reference framework is all applicable laws and regulations (such as, in particular, those on due diligence in supply chains), as well as international conventions such as the United Nations Universal Declaration of Human Rights, the Guidelines on Children's Rights and Business Conduct, the United Nations Guiding Principles on Business and Human Rights, the International Labor Standards of the International Labor Organization (ILO), the OECD Guidelines for Multinational Enterprises, and the ten principles of the United Nations Global Compact.

2. Labor standards and human rights

2.1. Respect for human rights

All business partners are obliged to respect and promote compliance with applicable and internationally recognized human rights. In all business activities within their sphere of influence, business partners should work to ensure that they themselves and their business partners do not commit, participate in or tolerate human rights abuses.

2.2. Prohibition of child labor

Child labor shall not be used at any stage of production, for services or otherwise in the context of the supply chain. All business partners are obliged to comply at least with the ILO conventions on the minimum age for admission to employment and on the prohibition of child labor.

The safety, health and morality of children shall not be impaired and their development shall not be inhibited. Special protective regulations must be observed.

2.3. Prohibition of discrimination

All business partners are obliged to maintain equal opportunities and equal treatment and to refrain from any kind of discrimination in the recruitment of employees and in the promotion or granting of training and further education measures, unless it is justified by the requirements of the employment. Discrimination against employees, e.g. on the basis of descent, ethnicity, origin, nationality, skin color, gender, age, religion, disability, illness, pregnancy, sexual orientation, ideology, or political and trade union activities must not take place. The personal dignity, privacy and personal rights of each individual must be respected,

2.4. Harassment

All employees shall be protected from harassment, in particular of sexual nature, at the workplace.

2.5. Free choice of employment / modern slavery

No forced labor, slave labor or such comparable labor shall be used. All work must be voluntary and without threat of punishment. Employees must be able to leave work or employment at any time. In addition, there shall be no unacceptable treatment of workers, such as psychological hardship, sexual and personal harassment and humiliation.

2.6. Health and safety in the workplace

All business partners, as employers, ensure health and safety in the workplace, at least within the framework of the applicable national regulations and support continuous improvement of the working environment. Excessive physical or mental fatigue must be prevented by taking appropriate measures. Employees are regularly informed and trained on applicable health and safety standards and measures. Employees are provided with access to drinking water in sufficient quantities, as well as access to clean sanitary facilities.

2.7. Fairness in wages, working hours and social benefits

Compensation and benefits must comply with the national statutory minimum wage or industry minimum standards, whichever is higher, and with the basic principles regarding applicable overtime regulations and statutory social benefits. Payroll deductions as a penalty are not permitted.

The working and non-working hours must comply with at least the applicable laws, the industry standards or the relevant ILO conventions.

2.8. Freedom of association and right to collective bargaining

All business partners shall uphold the freedom of association and the effective recognition of the right to collective bargaining, and shall ensure that workers can exercise their rights in a lawful and peaceful manner. The right of employees to associate, join a trade union, appoint representation and be elected as such representatives shall be respected. It shall be ensured that employees can openly discuss working conditions with the company management without having to fear any disadvantages.

2.9. Deployment of security forces

Our business partners shall ensure, if they engage private or public security forces to protect their production facilities, operating sites and other premises, that the security forces are appropriately trained and controlled to ensure that they observe the prohibition of torture and cruel, inhuman or degrading treatment, do not harm life and limb and do not infringe on the freedom of association and the right to organize.

2.10. Preservation of the natural foundations of life

The business partner may not unlawfully deprive land, forests or waters, the use of which secures the livelihood of people. Beyond an approved level, the business partner shall refrain from harmful soil changes, water and air pollution, noise emissions, and excessive water consumption if this harms human health, significantly impairs the natural basis for food production, or prevents human access to safe drinking water or sanitary facilities.

2.11. Diversity among business partners

The business partner stands for diversity in its company - taking into account the additional local regulations that apply in each case.

3. Business ethics and compliance

3.1. Compliance with laws, sanctions and embargo regulations

All business partners are obliged to comply with the laws and regulations applicable to them in general and to the specific business relationship with EMAG. In this context, EMAG expects the highest level of integrity in all business activities and relationships. All business partners are obliged to comply with all applicable sanctions and embargo regulations as well as export control laws and regulations of the EU or its individual member states, the United Kingdom, the USA and, if applicable, other countries in relevant connection with the respective delivery or the business content between EMAG and the business partner, as well as specific decisions of authorities and courts affecting the business partner in this connection.

3.2. Maintaining data privacy and information security

All business partners are obliged to treat all non-obvious technical and commercial details that become known to them through the business relationship as business secrets and to comply with the relevant laws. Personal data must be handled in accordance with the applicable laws on data protection and information security and the relevant official regulations.

3.3. Integrity, corruption and bribery

The highest standards of integrity must be applied to all business activities. All business partners are obligated to refrain from any form of fraud or embezzlement, insolvency offenses, corruption, bribery or venality and to pursue a zero tolerance policy in this regard.

3.4. Avoidance of conflicts of interest

A conflict of interest is a situation in which there is a risk that secondary interests of a personal or institutional nature may jeopardize the primary interests of EMAG and its business partner.

All business partners make their decisions relating to business activities with EMAG exclusively on the basis of objective criteria and ensure that there are no conflicts of interest.

3.5. Fair competition and antitrust law

All laws, in particular antitrust laws and fair trading rules, which protect and promote free fair competition, must be complied with by the business partner. All business partners shall respect free fair competition and shall in particular comply with the prohibition of collusion with competitors and other measures that impede the free market.

3.6. Money laundering and terrorist financing

All business partners comply with the relevant legal provisions on the prevention of terrorist financing and money laundering and do not engage in money laundering activities or those that enable or promote terrorism.

3.7. Protection of intellectual property

All business partners respect the protection of the intellectual property of EMAG and third parties. Technology and know-how transfers must be carried out in such a way that intellectual property rights and all customer or supplier information are protected. Counterfeit products may not be manufactured, circulated, acquired or used.

4. Environmental protection and energy efficiency

4.1. Environmental responsibility and reduction of energy consumption

With regard to environmental issues, business partners must act in accordance with the precautionary principle and take initiatives to promote environmental responsibility and encourage the development and dissemination of environmentally friendly and energy-efficient technologies and processes.

4.2. Environmentally friendly products

All products produced along the supply chain must meet the environmental protection standards of their respective market segment. This includes all the production processes, materials and substances used for production.

Any chemicals or other substances that constitute a danger when released into the environment must be identified. To this end, a hazardous substances management shall be set up in order to enable these substances to be safely handled, transported, stored, recycled or reused and disposed of by means of suitable procedures.

4.3. Environmentally friendly production

Optimum environmental safety must be ensured in all phases of production. This includes a proactive approach to prevent or minimize the consequences of accidents that may have a negative effect on the environment. Particular importance is attached to the application and further development of technologies that save energy and water, as well as strategies to reduce the emission of noise, pollutants and greenhouse gas, for example by reusing or recycling auxiliary materials. Systematic measures must be taken to ensure that these emissions, especially CO₂, are reduced to the absolutely necessary level. This applies in particular to new machine investments and the procurement of raw materials. The supplier is also responsible for monitoring its emission control systems and is required to find economical solutions to minimize any emissions.

4.4. Soil quality

We expect our business partners to protect the soil by preventing the occurrence of harmful soil changes and limiting land use.

4.5. Water demand, water quality

Business partners must systematically ensure that the resource water is conserved and consumption is reduced. Measures shall be taken to improve the quality of the water used.

5. Biodiversity, land use, deforestation and animal welfare

Our business partners support activities for the preservation of biodiversity, including in particular responsible management of the company's natural areas in terms of their land use and deforestation, preservation of soil quality, conservation and protection of biodiversity and animals.

Compliance with all national and international legal standards on animal welfare and protection is assumed.

6. Conflict Minerals

In the current state of affairs, the raw materials tin, tungsten, tantalum and gold are conflict minerals. These minerals, as well as cobalt, may originate from the Democratic Republic of Congo and its neighboring countries, and mining may contribute to the financing of armed groups and thereby to extreme acts of violence and human rights violations in these countries.

The four so-called conflict minerals as well as cobalt are used in many products, especially in electronic components, and are therefore present in our products. Our claim is, in accordance with the guiding principles of the Organization for Economic Cooperation and Development (OECD), that only raw materials whose extraction, transport, trade, processing or export does not contribute directly or indirectly to the financing of conflicts and human rights violations are used in our products.

7. Reporting violations, protection of whistleblowers

It is in the interest and desire of EMAG that perceived or suspected grievances or violations of the EMAG Code of Conduct and the present Supplier Code are identified and addressed in order to remedy any misconduct and prevent it in the future.

All whistleblowing will therefore be treated confidentially by EMAG in accordance with legal requirements (such as the German Whistleblower Protection Act and the EU Whistleblower Protection Directive) and all whistleblowers will be protected (in particular from retaliation of any kind). Furthermore, reports to EMAG are also possible anonymously.

Perceived or suspected violations can be reported in person, in writing or by telephone to the respective contact person of the business partner at EMAG, to the EMAG Compliance Manager (compliance@emag.com), to the management of the respective EMAG company, or - also anonymously - via the EMAG whistleblowing platform (emag.integrityline.com).

8. Scope, responsibility and implementation

This Supplier Code is binding for all business partners of EMAG GmbH & Co KG and its affiliated companies ("EMAG").

EMAG expects its business partners to identify risks and violations within all supply chains and to take appropriate measures. In the event of a concrete suspicion of a specific perception of a violation with reference to EMAG as well as to safeguard supply chains with increased risks, the Business Partner shall inform EMAG in a timely manner and, if necessary, on a regular basis about such violations or risks and the measures taken.

The communication of the contents of this Code of Conduct and the obligations resulting therefrom to their own employees and business partners is the direct responsibility of EMAG's business partners.

EMAG verifies compliance with and implementation of this Code of Conduct or comparable guidelines by means of the EMAG Sustainability Questionnaire. The Business Partner undertakes to update and submit such supplier self-disclosures at least once a year, no later than September 30 of each year, without being requested to do so. The Business Partner agrees that EMAG may conduct sustainability audits at production sites of the Business Partner to verify compliance with the Code at the Business Partner's operating sites during normal business hours after reasonable advance notice by persons appointed by EMAG.

The Business Partner may object to individual audit measures if these would violate mandatory legal regulations or official or court decisions. In such a case, the Business Partner shall ensure that EMAG is provided with confirmation of compliance with the Supplier Code or with the Sustainability Self-Assessment by a suitably competent third party to be commissioned by the Business Partner in a manner that does not violate the mandatory statutory regulations.

Should a violation of the regulations of this Code of Conduct be identified in the sphere or other responsibility of the business partner, EMAG will notify the business partner in writing and set a reasonable grace period to bring the conduct in line with this Supplier Code. If a remedy is not possible in the foreseeable future, the Business Partner shall notify EMAG thereof without undue delay and, together with EMAG, prepare a concept with a time schedule for the termination or minimization of the violation. If such a violation has culpably occurred, the grace period for remedying the grievance expires fruitlessly or the implementation of the measures contained in the concept does not

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remedy the situation after the expiry of the time schedule and makes a continuation of the existing business relationship or the further processing of current contracts with the business partner until the otherwise possible ordinary termination unreasonable for EMAG and no palliative means is available, EMAG shall have the right to terminate current contracts or the entire business relationship without notice, provided that this was threatened at the grace period set by EMAG. Any further contractual or statutory rights of EMAG to terminate the contract without notice, in particular in the case of serious violations, shall remain unaffected, as shall EMAG's right to claim damages.

Declaration of Principles: By signing this document, the business partner undertakes to act responsibly and to comply with the principles and requirements listed in the EMAG Code of Conduct and the present Supplier Code. The Business Partner further undertakes to take all necessary precautions for the implementation of these requirements.

....., at
(Place / Date)

.....
(business partner)

.....
(Name / Function)

.....
(Signature)