

ANNEX A TO PURCHASING CONDITIONS

Code of Conduct for Suppliers of SumiRiko ITA and its business subsidiaries

INDEX

- **Social Responsibility (Human– and Labor Rights)**..... 2
- **Whistle blowing and protection against retaliation:**..... 2
- **Conduct in Business Environment** 3
 - 1. Prohibition of Corruption and Bribery..... 3
 - 2. Policy on Invitations and Gifts 3
 - 3. Preventing Conflicts of Interest / Anti-fraud 3
 - 4. Ensuring unrestricted Competition / Ban on Cartels 3
 - 5. Prevention of Money Laundering..... 3
- **Applicability on Subcontractors and Sub- suppliers** 4
- **Caring for the environment**..... 4
- **Health, Safety & Environmental Protection**..... 4
- **Maintaining confidentiality and data protection** 5
- **Risk Management** 5
- **Extending and promoting CSR values along the supply chain**..... 5
- **Compliance with the Code of Conduct for Suppliers** 5

- **Social Responsibility (Human– and Labor Rights)**

SumiRiko ITA's and its business subsidiaries (**SumiRiko**) and the supplier's aim shall be to comply with the directives and principles of the UN initiative Global Compact (UNGC), referring to Human Rights, Labor Standards, Environment, Anti-Corruption. According to these principles:

- ✓ Businesses must:

- (1) support and respect the protection of internationally proclaimed human rights;
- (2) Make sure that they are not complicit in human rights abuses.

- ✓ Business must uphold:

- (3) The freedom of association and the effective recognition of the right to collective bargaining;
- (4) The elimination of all forms of forced and compulsory labor;
- (5) The compliance with applicable national statutes on working time are complied with;
- (6) The payment of a remuneration which at least is in line with applicable national statutes on the payment of minimum wage;
- (7) The effective abolition of child labor;
- (8) The elimination of discrimination in employment and occupation.

- ✓ Business must:

- (9) Support a precautionary approach to environmental challenges;
- (10) Undertake initiatives to promote environmental responsibility;
- (11) Encourage the development and diffusion of environmentally friendly technologies.

- ✓ Business must:

- (12) Work against corruption in all its forms, including extortion and bribery.

- **Whistle blowing and protection against retaliation:**

SumiRiko expects its suppliers to establish and maintain an internal system for the reporting of any irregularities or breaches of applicable law and internal procedures by employees (whistle blowing system) in line with the national and international best practices for guaranteeing a specific and confidential information channel and the anonymity of the whistle blower and also the protection of whistle blower from retaliation.

- **Conduct in Business Environment**

1. **Prohibition of Corruption and Bribery**

SumiRiko expects its suppliers to establish and maintain a zero-tolerance policy concerning corruption and to ensure compliance with the United Nations (UN) and Organization for Economic Co-operation and Development (OECD) conventions against corruption, as well as with all other applicable governing anti-corruption laws. In doing so, **SumiRiko's** suppliers are expected to ensure that their employees, subcontractors and agents do not offer, promise or grant any advantages to employees of **SumiRiko** or affiliated legal entities with the objective of receiving orders or any other kind of preferential treatment in their business operations.

2. **Policy on Invitations and Gifts**

SumiRiko expects its suppliers to refrain from offering any invitations or gifts to employees of SumiRiko with the purpose to gain influence on their business decisions. Therefore, any invitations or gifts offered to **SumiRiko** employees or affiliated legal entities, if any, must be reasonable and suitable in terms of financial value and reflect ordinary local business customs at any rate. SumiRiko employees must comply with the provisions set under the "*Policy of gift and entertainment*". Furthermore, **SumiRiko** also expects its suppliers to refrain from asking SumiRiko employees or affiliated legal entities for any advantages that might be held inappropriate from the perspective of an objective third party.

3. **Preventing Conflicts of Interest / Anti-fraud**

SumiRiko expects its suppliers to take business decisions based on objective criteria only. Any factors that might influence business decisions of SumiRiko s' suppliers due to any conflicts of interest must be prevented at any time.

4. **Ensuring unrestricted Competition / Ban on Cartels**

SumiRiko expects its suppliers to compete in a fair and transparent manner and to comply with applicable antitrust and competition laws and regulations. Suppliers of SumiRiko are expected not to enter into any agreements with their competitors that might constitute a breach of antitrust law, nor to take advantage of any dominant market position they might hold.

5. **Prevention of Money Laundering**

SumiRiko expects its suppliers to comply with all applicable statutes governing the



prevention of money laundering, and not to participate in any money laundering activities at any time.

▪ **Applicability on Subcontractors and Sub-suppliers**

SumiRiko expects its suppliers to communicate the principles laid out herein to their subcontractors and sub-suppliers and to take these principles into account when selecting subcontractors and sub-suppliers. Suppliers of SumiRiko are expected to encourage their subcontractors and sub-suppliers to comply with the minimum standards of this Code of Conduct when fulfilling their contractual obligations. Further SumiRiko expects its suppliers to only source material from legal sources and to provide evidence on the legal source if requested.

▪ **Caring for the environment**

SumiRiko believe that engaging in environmental issues is the common responsibility of humankind and is a necessary element in the existence and activity of the company. We require that our suppliers demonstrate deep understanding of this matter, and expect them to promote spontaneous and proactive measures to protect the environment with a view to nature, as well as to comply with Sumitomo Riko Group Green Procurement Standards for suppliers.

▪ **Health, Safety & Environmental Protection**

SumiRiko aim to create long-term relationships with suppliers who demonstrate Healthy and environment protecting management practices, and to build together bonds of trust and cooperation. Therefore, we ask our suppliers to share information concerning their policies and current management situation (energy efficiency, renewable energy, greenhouse gas emission...).

Suppliers shall comply with, or exceed all applicable health, safety and environmental regulations and regularly monitor all activities with impact in these areas.

Suppliers must ensure compliance, at a minimum, to the following international standards and regulations:

- Customer Requirements - IMDS Compliance Suppliers with chronic non-performance may be nominated for placement on bid suspension and/or new business hold.
- International Standards - ISO 14001 Certification or EMAS Highly recommended and expected (but not mandatory).
- International Standards - ISO 45001 or equivalent standard Recommended (but not mandatory).
- International Standard – ISO 50001 or equivalent measures for increasing energy efficiency Recommended (but not mandatory).
- And - if applicable - Energy Efficiency Directive, EED (2012/27/EU) - DIN EN 16247-1
- Dodd-Frank Wall Street Reform and customer protection Act (Conflict Minerals)

 **SumiRiko Italy S.p.A.**

Suppliers in all regions shall provide documentation and other information concerning the origin of any tantalum, tin, tungsten, gold or other minerals that may be designated in the future by any governmental agency (collectively referred to as “conflict minerals”) that are contained within any products sold to SumiRiko to fulfill its obligations under the rules and regulations of set governmental agencies.

- **Maintaining confidentiality and data protection**

SumiRiko requests that suppliers implement proper management and respect the confidentiality of data obtained in the course of transactions with SRK and we ask them not to disclose such data without our permission.

Moreover, **SumiRiko** requests that suppliers implement security measures against threats to the computer network and continuously update these measures so that their own company or other companies do not suffer any damage.

- **Risk Management**

SumiRiko asks for its suppliers' cooperation regarding appropriate preventive measures and risk management activities undertaken by SRK. Especially in unforeseen circumstances, treating the safety of local society and our employees as a priority, we aim to ensure a stable supply to our customers. **SumiRiko** asks to its suppliers to take action in the same way, setting the security of local society and their employees as the highest priority.

Moreover, in order to react quickly in emergencies, we ask for the implementation of accident prevention measures such as the establishment of a Business Continuity Plan (BCP).

- **Extending and promoting CSR values along the supply chain**

SumiRiko asks to its suppliers to extend and to adopt the spirit of our CSR guideline to their suppliers by means of education and promotion of company CSR policies. It is important for us that suppliers and other trade partners are committed to CSR management.

- **Compliance with the Code of Conduct for Suppliers**

SumiRiko requests for all its suppliers to comply with this code of conduct and fulfill all of the principles and requirement set out in this Code of Conduct and implement measures for improving his sustainability continuously.