

Supplier Code of Conduct

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1. INTRODUCTION

The Nedschroef Group, consisting of Royal Nedschroef Holding and all its affiliates, e.g. Nedschroef Fasteners GmbH and the companies affiliated pursuant to Section 15 of the German Stock Corporation Act (AktG), inter alia CP Holding GmbH, CP Immobilien GmbH, CP Tech GmbH, Nedschroef Altena GmbH, Nedschroef Aviation Fasteners GmbH, Nedschroef

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Beckingen GmbH, Nedschroef Plettenberg GmbH, Nedschroef Fraulautern GmbH, Nedschroef Schrozberg GmbH, Leist Beteiligungs GmbH, Leist Gewindesicherungs GmbH, Leist Holding GmbH & Co. KG, Leist Oberflächentechnik GmbH & Co. KG, Leist Oberflächentechnik s.r.o., Leist Verwaltungs GmbH (each individually "Nedschroef-Company" or jointly also "Nedschroef") is aware of its social responsibility. Nedschroef is committed to respecting human rights and the environment in its business activities. The aim is to identify and assess possible violations of human rights or environmental regulations at an early stage and to take measures to protect the rights of those affected in the best possible way or to minimize impacts in the best possible way.

The way in which we work with suppliers of goods and service providers (hereinafter jointly referred to as the "**Supplier**") makes a significant contribution to the achievement of Nedschroef's compliance goals, in particular compliance with legal regulations and sustainability goals. Fair treatment of Suppliers is therefore an important part of Nedschroef's Supplier management, in addition to economic, ecological and social aspects.

For future cooperation, Nedschroef agrees with the supplier that the following provisions ("**Code of Conduct**") will apply. The Supplier shall use its best endeavors to comply with all principles and requirements of the Code of Conduct and to contractually oblige any of its own business partners, including subcontractors and suppliers, to comply with the provisions set out in this Code of Conduct. Furthermore, the Supplier undertakes to communicate the content of this Code of Conduct to its employees, agents and subcontractors ("**Representatives**") in an understandable manner and to take all necessary precautions for the implementation of the requirements of the Code of Conduct and will cooperate with full transparency if a (potential) violation of its principles occurs.

The Code of Conduct is based on national laws and regulations such as the Supply Chain Due Diligence Act ("**LkSG**") and international conventions such as the United Nations Universal Declaration of Human Rights, the Guidelines on Children's Rights and Business Conduct, the United Nations Guidelines on Business and Human Rights, the International Labor Standards of the International Labor Organization, and the Ten Principles of the Global Labour Organization United Nations Compacts.

This Code of Conduct represents the minimum standard for the actions of all representatives of the Supplier. In any case, the laws of the country or countries to which a matter, relationship or business situation is associated shall apply in addition and, to the extent that they conflict or deviate, shall take precedence over this Code of Conduct.

Any violation of this Code of Conduct may have serious consequences. In particular, additional misconduct will therefore not be tolerated. In doing so, Nedschroef will not take into account the importance of the Supplier to it.

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2. REQUIREMENTS FOR THE SUPPLIER

2.1 Compliance with laws

Nedschroef has high standards for the integrity of its actions and behavior. Nedschroef and all its Suppliers are obliged to comply with all applicable laws. This principle of compliance also expressly applies if Nedschroef and/or one or more Suppliers would gain (allegedly) advantages by violating a law.

2.2 Social Responsibility

2.2.1 Respect for human rights

Nedschroef supports and respects the protection of international human rights as enshrined in the United Nations Universal Declaration of Human Rights and the fundamental conventions of the International Labour Organization. Nedschroef will ensure that if private or public security forces are used, the security personnel have received formal training in the Code of Conduct, procedures, and relevant human rights conventions. Nedschroef supports and respects the personal dignity, privacy and rights of each individual.

Nedschroef explicitly rejects child and forced labour or involuntary prison labor and will give all employees the choice to leave their employment freely upon reasonable notice and adhere to the obligations of the UK Modern Slavery Act 2015. Nedschroef also explicitly rejects work that is facilitated by human trafficking and makes this a criterion in the selection of Suppliers and business partners.

In particular, the Supplier undertakes to comply with the Convention on the Minimum Age for Admission to Employment (International Labour Organization Convention 138)¹ and the Convention on the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour (International Labour Organization Convention 182)². If a national regulation on child labour provides for stricter standards, these must be observed as a matter of priority.

The Supplier does not supply products that contain conflict minerals that directly or indirectly finance or support armed groups and cause human rights violations, as set out in Annex II of the OECD Due Diligence Guidelines for Responsible Supply Chains for Minerals from Conflict-Affected and High-Risk Areas (OECD DDG)³ described. Nedschroef expects its Suppliers to

¹ Convention No. 138 of the International Labour Organization of 26 June 1973 on the Minimum Age for Admission to Employment (Federal Law Gazette 1976 II pp. 201, 202), available in German on page www.ilo.org

² Convention No. 182 of the International Labour Organization of 17 June 1999 on the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour (Federal Law Gazette 2001 II pp. 1290, 1291), available in German on page www.ilo.org

³ OECD Due Diligence Guide to Responsible Supply Chains for Minerals from Conflict-Affected and High-Risk Areas, available at https://www.oecd.org/de/publications/oecd-leitfaden-fur-die-erfullung-der-sorgfaltspflicht-zur-forderung-verantwortungsvoller-lieferketten-fur-minerale-aus-konflikt-und-hochrisikoebieten_3d21faa0-de.html

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comply with their due diligence for mineral supply chains in accordance with the recommendations of the OECD DDG as well as other applicable regulations, such as the EU Conflict Minerals Regulation.

2.2.2 Fair work, diversity, ethical standards

Nedschroef stands for multicultural, supportive cooperation and equal opportunities, and prohibits behaviour including gestures, language, and physical contact, that is sexual, coercive, threatening, abusive or exploitative. Discrimination on the basis of race, ethnic origin, sex, religion, belief, disability, age, sexual identity or other personal characteristics has no place at Nedschroef or its Suppliers.

The Supplier shall ensure fair working conditions, in particular in the form of fair remuneration, and will compensate employees fairly and refrain from offering excessively low wages ("wage dumping"). The Supplier shall pursue a zero-tolerance policy towards any discrimination based on any of the above criteria. The Supplier must ensure that it supports and promotes diversity in relation to all religious, human, ideational and ethnic aspects, as well as in relation to all sexual identities, sexual orientations and genders by complying with all applicable laws on preventing employment discrimination. The Supplier fully advocates for inclusion in its workforce of minorities and indigenous people, also during new employee recruitment.

The Supplier ensures the safety of its employees in all its business activities by following and committing to the advice and protocols of the World Health Organization. All employees must be protected in accordance with applicable occupational health and safety laws to the best possible extent, for example ensuring a clear fire-protection protocol. If external service providers (private or governmental) are contracted to protect Suppliers' operations and business activities. Suppliers must ensure that their own employees are protected from any human rights violations through appropriate instructions or control by these external forces. Nedschroef encourages all Suppliers to implement and maintain an Occupational Health and Safety Management System according to ISO45001, and to use the approach of the Safety Culture Ladder - whereby at least level 3 should be aimed at - to continually increase their safety culture, where applicable.

The Supplier respects the right to freedom of association within the framework of the applicable laws and complies with the applicable regulations regarding the working hours of its employees. The Supplier support continuous development to improve the world of work.

The Supplier also ensures a safe, productive and drug-free working environment. No one may be under the influence of illegal drugs, excessive alcohol or other illegal substances on the Supplier's premises.

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the environment are detected and treated accordingly to ensure safety during all processes such as storage, transport, use, recycling, reuse and disposal. To comply with this, Suppliers will adhere to international regulations including the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) as published by the EEC December 30, 2006. Furthermore, the use of mercury is in accordance with the provisions of the Minamata Convention of 10 October 2013⁶, and persistent organic pollutants are treated in accordance with the Stockholm Convention of 23 May 2001⁷, as amended. Suppliers of equipment, energy-using products and services will be aware that energy performance can be one of the evaluation criteria for Nedschroef. The Supplier shall provide information on the energy performance, like estimated consumption over the planned or expected operating lifetime, upon request. The Supplier is committed to avoiding and reducing the use of PFAS in its products and production processes. PFAS are harmful chemicals that can accumulate in the environment and in the human body. We ensure that all materials are as PFAS-free as possible and are continuously working to further reduce the use of these chemicals. Our Suppliers are also obliged to supply materials without PFAS. Regular reviews and training support compliance with this policy. If legal regulations come into force, they must be followed.

2.4 Ethical Business Conduct

2.4.1 Fair and free competition

The Supplier complies with the applicable rules of fair competition and antitrust law and ensures that its representatives act accordingly. All measures aimed at an impermissible restriction of competition and/or violating laws must be avoided. In principle, agreements between undertakings, decisions by associations of undertakings and concerted practices which have as their object or effect the prevention, restriction or distortion of competition are prohibited.

2.4.2 Prohibition of bribery and corruption

Nedschroef does not tolerate immoral business practices such as corruption, bribery, extortion, misuse of intellectual property, counterfeiting activities (including utilization and production of counterfeit parts or encourage use of them) and unfair advantages. Moreover, parts and/or processes carrying patents/intellectual property should always be honored and ensure the fees will be passed on to the rightful owners. Therefore, Supplier will not unduly influence business decisions by offering or accepting improper benefits of any kind. Any undue influence on pub-

⁶ Minamata Convention of 10 October 2013 on Mercury, revised in 2024 and available at <https://minamataconvention.org/sites/default/files/documents/2025-05/Minamata-Convention-booklet-Oct2024-EN.pdf>

⁷ Stockholm Convention of 23 May 2001 on Persistent Organic Pollutants (Federal Law Gazette 2002 II pp. 803, 804) (POPs Convention), available at https://www.bmu.de/fileadmin/Daten_BMU/Download_PDF/Gesundheit_Umwelt/stockholmer_uebereinkommen_pop.pdf

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lic officials, elected officials and/or business partners is strictly prohibited not only for employees, but also for all persons who work for Nedschroef and/or the Supplier in any way or provide services for them.

The Supplier shall ensure that the principles for accepting, offering, promising and granting benefits, such as gifts or invitations, are applied on the basis of generally accepted market standards, which must be complied with at all times by all its representatives. Facilitation payments are forbidden as well as the offer or acceptance of a gift in cash or cash-equivalent; Gifts with a value of more than €50, including business lunches with an occasion, are also prohibited. However, nothing of value must be offered to government officials.

Contracts will be established on clear and measurable conditions and should never be based on gifts in any form nor on coercion/threats.

2.4.3 Conflicts

The Supplier must ensure that the professional and private interests of its representatives are clearly separated. Conflicts of interest can call into question the integrity and professionalism of the Supplier and therefore of Nedschroef. They must therefore be detected and avoided at an early stage. The Supplier should disclose to Nedschroef available information about conflict of interest, including disclosure of any financial interest of a Nedschroef employee in any aspect of the Supplier's business. Personal relationships with a business partner, e.g. family members, must not lead to a preference for the business partner and the professional position must not be used for personal purposes. Personal relationships with a business partner shall also be communicated to the supervisor and the corporate level.

2.4.4 Tax Compliance

Nedschroef attaches great importance to compliance with applicable tax laws, guidelines and decrees, as well as social security regulations.

The Supplier declares that it fulfils all tax and social security obligations incumbent on it.

2.4.5 Prevention of money laundering, terrorist financing and other criminal activities

The Supplier must fully comply with its obligations to prevent money laundering, terrorist financing and other criminal activities. Every representative must avoid unusual financial transactions and create a high level of awareness among their employees of risky activities. This also applies to cash transactions or indirect transactions that are processed through third parties and could give rise to suspicion of money laundering.

The Supplier shall ensure that it has implemented fully compliant rules and procedures to ensure proper Know-Your-Customer (KYC) processes that are in line with the market standard

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Supplier further agrees to comply with all laws, regulations, embargoes or restrictive measures applicable to it with respect to commercial, economic or financial sanctions.

2.4.6 Trade and trade secrets

Trade and trade secrets as well as confidential information are important assets of Nedschroef.

The Supplier must ensure that it and its representatives are obliged to treat non-public information about Nedschroef, its business and business partners, as strictly confidential and to protect it from unintentional disclosure.

This applies in particular to essential intellectual assets such as source codes, trade secrets, intellectual property, trademarks, research and copyrights, patents, but also to other conditions granted as well as the content of data, contracts or documents.

2.4.7 Data Protection and Social Media

The personal data of Nedschroef's customers, business partners, shareholders and employees is highly sensitive and must be protected by careful and responsible handling.

The Supplier and its Suppliers and sub-contractors shall take all necessary technical and organizational measures to ensure the confidentiality of Nedschroef's personal data. It is responsible for ensuring a high level of data protection and must strictly adhere to the applicable data protection laws and, in particular, respect and respect the comprehensive rights of those whose data it collects, processes and uses.

Unless expressly authorized to do so, neither the Supplier nor its representatives shall appear to be communicating or acting on behalf of or on behalf of Nedschroef when communicating via online social networks or electronic messages. Social media includes social media messenger services (e.g., WhatsApp Messenger, Facebook Messenger, Instagram), blogs, social networking sites, wikis, photo/video sharing sites, and other chat applications and chat rooms. Whilst online social networks offer countless opportunities to communicate with business partners, family members, friends and the public in general, electronic messages are permanent records of communications that can significantly affect Nedschroef's reputation.

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complied with, with which Nedschroef may provide support. The Supplier is obliged to support Nedschroef and to take all measures necessary to remedy a (possible) violation of this Code of Conduct or legal requirements and/or to identify and prevent such a violation.

3.3 Information obligations

If - at any time - a (potential) violation of the standards to be complied with by Suppliers is suspected or known, as well as for the purpose of safeguarding supply chains with increased risks, the supplier will inform Nedschroef immediately and as far as the reason arises on a regular basis about the identified (potential) violations and risks as well as the measures taken.

3.4 Review

If necessary, Nedschroef verifies compliance with the regulations set out in this Code of Conduct by means of a Supplier self-disclosure, sustainability ratings by third-party providers and, where applicable, risk-based audits at the Suppliers' sites. The Supplier agrees that Nedschroef may carry out at its sole discretion such audits as required or on an ad hoc basis to verify compliance with the Code of Conduct at the Supplier's premises during normal business hours, upon reasonable notice by its own employees or persons appointed by the Supplier who are bound by professional secrecy. Upon request, the Supplier shall provide Nedschroef with information that is suitable for verifying the Supplier's guarantee of the standards to be met. The supplier may object to individual audit measures if they violate mandatory data protection regulations or reveal trade secrets.

3.5 Measures to be taken in the event of violations

If a breach of the provisions of this Code of Conduct is detected, Nedschroef shall immediately notify the Supplier in writing and shall give the Supplier a reasonable grace period to remedy the breach. If this is not possible in the foreseeable future, the supplier must notify this immediately and draw up a concept with a timetable for ending the infringement ("**action plan**") together with Nedschroef.

If there is a breach of material of the standards to be complied with by the Supplier and it is determined to be serious, or if the Supplier does not remedy violations of the standards to be complied with within the period set by Nedschroef or in the Action Plan, Nedschroef may also terminate the contract or business relationship extraordinarily if Nedschroef has no other, less serious means at its disposal.

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