

CODE OF CONDUCT

FOR SUPPLIERS AND
SUBCONTRACTORS
OF THE SILON GROUP



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INTRODUCTION

SILON aims to be a robust and profitable industry leader based on innovation and sustainability. This Code of Conduct (the “Code of Conduct”) defines the basic requirements that company SILON and all its establishments and affiliated companies worldwide (the “SILON Group”) places on its supply chain, including suppliers of goods and services, vendors, contractors, traders, consultants and agents (the “Suppliers” and each of them a “Supplier”) and subcontractors (the “Subcontractors” and each of them a “Subcontractor”) concerning their responsibility towards their stakeholders and the environment. The SILON Group reserves the right to reasonably change the requirements of this Code of Conduct. In such event the SILON Group expects the Suppliers and the Subcontractors not to oppose such reasonable changes. The SILON Group acknowledges its social responsibility vis-à-vis society in general, as well as vis-à-vis business partners, shareholders, and employees, and they commit, throughout the Group, to conduct that is marked by integrity and a sense of responsibility. This Code of Conduct is a voluntary code intended to emphasize the interest of the SILON Group in implementing its social responsibility and fair, ethical and sustainable principles of action and conduct throughout their entire supply chain. It is the declared objective of the SILON Group to work with its Suppliers and Subcontractors to ensure the sustainable implementation of the principles set down in this Code of Conduct. Based on the values described in this Code of Conduct, the SILON Group strives for a close partnership with the Suppliers and Subcontractors with the aim of jointly creating added value for all stakeholders. The principles described in this Code of Conduct are based, to a large extent, on the principles of the Universal Declaration of Human Rights of the United Nations, on the Conventions of the International Labour Organization (ILO), and on the UN Conventions on the Elimination of all Forms of Discrimination against Women and on the Rights of the Child. The following principles constitute minimum standards intended to prevent situations that could call into question the sense of responsibility and the integrity of the SILON Group and its Suppliers and Subcontractors.





GENERAL PRINCIPLES

As an internationally operating group of companies, the SILON Group, in all of its business related actions and decisions, takes into account the legal and cultural framework conditions of the countries in which it operates. The SILON Group expects this from its Suppliers and Subcontractors as well. The Suppliers and Subcontractors of the SILON Group are expected to comply with the relevant laws and any generally recognized customs that conform thereto. In particular, business partners must be treated fairly, and contracts must be adhered to. However, changes in the framework conditions should be taken into account, in doing so.

PREVENTION OF CONFLICT OF INTEREST

PERSONAL INTEREST

In dealing with government agencies and officials, as well as business partners (suppliers, customers), the Suppliers and Subcontractors shall ensure that its' employees' private interests and the interests of the Supplier and Subcontractors must be kept separate.

Personal relationships or interests should not influence the business activity of the Supplier or Subcontractor. Actions and decision making shall be based on factual and objective considerations, employing sound professional judgment.

PROHIBITION OF CORRUPTION

The SILON Group is unreservedly committed to the fight against corruption and bribery and expects such commitment also from their Suppliers and Subcontractors. The applicable criminal law on corruption shall be complied with at all times. The Suppliers and Subcontractors will issue respective internal guidelines and will ensure the compliance of their employees by establishing internal control measures. In particular, the Suppliers and Subcontractors and their employees are obliged to comply with the principle not to offer, promise or grant any personal advantage (such as payments, gifts, invitations or anything else of no small value), except in the cases referred to below, to officials (such as government officials or public employees) or to business partners (such as suppliers, customers) for the purpose of obtaining special advantages for the respective Supplier or Subcontractor or for themselves or third parties.

Likewise the principle applies that employees of the Suppliers or Subcontractor shall not solicit or accept any personal advantage (such as payments, gifts, invitations or anything else of no small value), in their dealings with business partners or government officials.

INTEGRITY VIS-À-VIS CONTRACTUAL PARTNERS AND COMPETITORS; MONEY LAUNDERING

FAIR AND FREE COMPETITION

It is in accordance with the business policy of the SILON Group to respect and promote fair and free competition. All Suppliers and Subcontractors of the SILON Group are therefore also expected to comply with the applicable legal provisions that protect and promote competition, in particular, applicable antitrust law and other laws governing competition. Unfair practices and collusive behavior with customers, suppliers and competitors by the Suppliers or Subcontractors shall be avoided under all circumstances.

ABUSE OF A DOMINANT MARKET POSITION

The SILON Group expects from all of their Suppliers and Subcontractors who have a dominant market position that they ensure that this market position is not abused. The provisions of competition law prohibit in this context, in particular, amongst others, the prevention of the market entry of other companies and the enforcement of unreasonable buying or selling prices.

MONEY LAUNDERING

The Supplier or Subcontractor shall not engage in any activity designed to disguise the source of funds or to launder the proceeds of crime.

TRADE SANCTIONS

Supplier or Subcontractor of the SILON Group shall comply with trade sanctions relevant for the engagement with SILON Group.

INTEGRITY VIS-À-VIS SHAREHOLDERS AND GOVERNMENT AUTHORITIES

PROHIBITION OF INSIDER TRADING

The employees of each Supplier or Subcontractor of the SILON Group shall not carry out securities transactions based on inside information. Inside information is defined as any and all information that is not in the public domain but could influence the stock market price of a share. This includes, without limitation, information on proposed acquisitions and sales of businesses, business strategies, unpublished financial data, proposed alterations to the management structure, and the loss of a key account.

COOPERATION WITH GOVERNMENT INSTITUTIONS

Suppliers and Subcontractors of the SILON Group must always comply with their Obligations to cooperate and to inform the competent authorities in accordance with the applicable law.



COMPLIANCE WITH HUMAN RIGHTS

PROHIBITION OF CHILD LABOR

The Suppliers and Subcontractors of the SILON Group shall comply with the rules established by the United Nations on human and children's rights. In particular, the Suppliers and Subcontractors of the SILON Group shall undertake to honor the Convention Concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labor (ILO Convention 182) and the Convention Concerning Minimum Age for Admission to Employment (ILO Convention 138). Where national laws provide stricter criteria regarding child labor, these shall take priority.

PROHIBITION OF FORCED LABOR

Modern slavery is a crime and a violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory labor and human trafficking, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain. SILON Group has a zero tolerance approach to modern slavery and is committed to acting ethically and with integrity in all its business dealings and relationships and to implementing and enforcing effective systems and controls to eliminate modern slavery from taking place anywhere in its business or in any of its supply chains. The prevention, detection and reporting of modern slavery in any part of its business or supply chains is the responsibility of all Suppliers and Subcontractors of the SILON Group. Suppliers and Subcontractors of SILON Group are encouraged to raise concerns about any issue or suspicion of modern slavery in any parts of the business or supply chains of any supplier tier at the earliest possible stage. Such concerns can be reported via the Compliance Mail box. SILON Group is also committed to ensuring there is transparency in its own business and in its approach to tackling modern slavery throughout its supply chains, consistent with its disclosure obligations under the Modern Slavery Act 2015. SILON Group expects the same high standards from all of its suppliers, contractors and other business partners, and as part of its contracting processes, SILON includes specific prohibitions against the use of forced, compulsory or trafficked labor, or anyone held in slavery or servitude, whether adults or children, and SILON Group encourages its Suppliers and Subcontractors to hold their own suppliers to the same high standards.

PROHIBITION OF DISCRIMINATION AND HARASSMENT

The Suppliers and Subcontractors of the SILON Group shall not take any discriminatory measures or action and opposes any form of discrimination within the scope of the applicable rules and laws. Discrimination is defined as any kind of distinction, exclusion or favoritism that limits equal treatment or the opportunities of employees and is based on skin color, race, sex, religion, a handicap, national, ethnical or social background, ideology, political views, age or sexual orientation. The Suppliers and Subcontractors of the SILON Group shall commit to an employment that is free of any form of harassment and bullying. Any form of violence or harassment, including sexual harassment, shall not be tolerated.

FREEDOM OF ASSEMBLY

The Suppliers and Subcontractors of the SILON Group shall recognize and respect their employees' right to freedom of assembly, as well as their right to elect their representatives freely and independently within the scope of the applicable statutes and laws and shall guarantee that these representatives will not be subjected to discrimination of any kind. The Suppliers and Subcontractors of the SILON Group shall also respect the employees' right to collective bargaining and regulation of working conditions within the scope of the applicable statutes and laws.

SECURITY FORCES

The Suppliers and Subcontractors of the SILON Group shall operate in line with the voluntary Principles on Security and Human Rights when involved with public or private security providers.

LOCAL COMMUNITIES

Where relevant for the Supplier's and Subcontractor's operations, the rights and integrity of local communities, indigenous people or other traditional groups shall always be respected. Supplier and subcontractor shall respect rights such as culture, customs and heritage of local communities. For work that may have significant impact on land areas inhabited or used by indigenous people or other traditional groups, Supplier or Subcontractor shall consult and cooperate with the people concerned in line with ILO convention 169.

CONFLICT MINERALS

Responsible minerals sourcing is commitment to working toward avoiding the use of minerals from conflict-affected and high-risk areas (CAHRAs) according to the «OECD Due Diligence Guidance» within our supply chain. SILON does not accept the use of any such conflict minerals. Suppliers must be able to disclose consistently the origin of any sensitive raw materials used by them at any time.

WHISTBLOWING ROUTINE

Supplier and Subcontractor shall provide procedures for personnel to raise concerns or request information related to their business operations.

PRINCIPLES OF SOCIAL RESPONSIBILITY

PROTECTION OF HEALTH

The Suppliers and Subcontractors of the SILON Group shall guarantee the protection of health and safety at the workplace at least on a level corresponding to the relevant national laws.

ENVIRONMENTAL PROTECTION

The SILON Group is committed to protect our environment for the benefit of current and future generations on a sustainable basis and has the same expectations for its Suppliers and Subcontractors.

Suppliers and Subcontractors of the SILON Group shall prevent potential and minimize existing negative impacts on the environment wherever possible and shall strive to continuously monitor and improve their environmental performance regarding raw materials, emissions, energy and waste. Suppliers and Subcontractors shall have methods and procedures in place to optimize material use, prevent or mitigate spills, increase process efficiency and to safely manage discharges, which harm the environment and its biodiversity. Applicable responsible sourcing standards shall be implemented to foster more sustainable procurement practices along the supply chain.

Relevant policies shall be in place and applied throughout the company, making environmental sustainability an integral part of all entrepreneurial activities. All Suppliers and Subcontractors of the SILON Group shall comply with laws and regulations passed for the purpose of protecting the environment. Suppliers and Subcontractors shall inform and train their employees on environmental issues accordingly.

REACH/RoHS REGULATION

One of the key aims of SILON is to design products that are compatible with the environment to improve the protection of human health and the environment from the risks that result from the use of chemicals and hazardous substances in electrical and electronic equipment. In terms of products, SILON expects its suppliers to comply with the applicable REACH Regulation (EC) No 1907/2006 and RoHS Directive 2011/65/EU as well as related subsequent rules.



DATA PROTECTION AND CONFIDENTIALITY

The Suppliers and Subcontractors of the SILON Group shall protect the information received from or about business partners and customers in accordance with the relevant national data protection laws and shall use them exclusively for internal purposes. Personal data shall be collected, processed and used by the Suppliers and Subcontractors of the SILON Group only as far as is required by lawful purposes. Particular importance shall be granted to technical safeguards to protect of personal data against unauthorized access. Confidential information and records shall not be disclosed, or otherwise made accessible, to unauthorized third parties unless authorization to do so has been granted or the information is in the public domain. Should it transpire that the disclosure of confidential information to third parties is necessary in exceptional cases, for instance, in connection with collaboration with external advisers, such advisers shall be asked to sign a confidentiality agreement unless they are subject to an obligation of professional secrecy.

TRANSMISSION TO SUPPLIERS

The Suppliers and Subcontractors of the SILON Group shall communicate the principles of this Code of Conduct to their immediate suppliers, and shall, to the best of their ability, promote compliance with the contents of this Code of Conduct on the part of their suppliers and shall call on them to adhere to this Code of Conduct.

COMPLIANCE WITH HUMAN RIGHTS

The management of each of the Suppliers or Subcontractors of the SILON Group shall bring the contents of this Code of Conduct and the resulting obligations to the attention of their employees. SILON reserves the right to audit all its Subcontractors and Suppliers for the compliance with this Code Of Conduct at any time and without prior notice; such audit to be conducted either by SILON Group itself or through third parties mandated for such purpose by the SILON Group. Such audits will regularly take place on the premises of the Subcontractors/Suppliers, shall be carried out (to the extent necessary) in agreement with them and will be performed in accordance with applicable legislation. Subcontractors and Suppliers shall adequately support the SILON Group in conducting such audits and shall cooperate with the SILON Group in accordance with SILON Group's requirements. In particular, Subcontractors and Suppliers must provide the SILON Group with all information necessary to conduct the audit and to grant the required access to corporate records. In case a Supplier or Subcontractor becomes aware of a violation of applicable law to which this Code of Conduct refers or of this Code of Conduct itself, the Supplier or Subcontractor shall inform the SILON Group promptly. SILON Group reserves the right to terminate the business relationship in such cases. Reasonable costs of audits that have led to the uncovering of any non compliance shall be borne by the Supplier or Subcontractor. A successful self monitoring and reporting of violations by Subcontractors and Suppliers will be taken in consideration in favour of the reporting Subcontractor or Supplier in SILON Group's decision making.

The SILON Group will keep all information that has been disclosed to it by Subcontractors and Suppliers in the course of self monitoring or an audit confidential, and will use such confidential information only for the purposes of auditing the compliance with this Code of Conduct and the assessment of any non compliance.

The SILON Group shall ensure that such confidential information will only be passed on to third parties who are subject to a professional obligation of secrecy or who have been obligated to comply with rules of confidentiality and restrictions of use of the confidential information in accordance with this clause. All Suppliers and Subcontractors are expected to report indications of transactions of dubious legality and other violations of this Code of Conduct, which affect the business relationship with the SILON Group to the following Whistleblower mailbox: **compliance@silon.eu**

REFERENCES

ALUMINIUM STEWARDSHIP INITIATIVE (ASI) PERFORMANCE STANDARD
 CONVENTION ON THE RIGHTS OF THE CHILD
 INTERNATIONAL COUNCIL ON MINING & METAL (ICMM) 10 PRINCIPLES
 ILO CORE LABOR CONVENTIONS
 INDIGENOUS AND TRIBAL PEOPLES CONVENTION NO. 169
 OECD GUIDELINES FOR MULTINATIONAL ENTERPRISES
 UN DECLARATION ON THE RIGHTS OF INDIGENOUS PEOPLE
 UN DECLARATION OF HUMAN RIGHTS
 UN GUIDING PRINCIPLES ON BUSINESS AND HUMAN RIGHTS
 VOLUNTARY PRINCIPLES ON SECURITY AND HUMAN RIGHTS



SUPPLIERS CONFIRMATION

As a supplier to SILON Group, we hereby confirm that we have carefully read and understood the present Code of Conduct for suppliers and Subcontractors. We commit to implement its principles towards our employees and will require compliance with this document throughout the supply chain.

COMPANY NAME:

COMPANY REPRESENTATIVE NAME & TITLE:

DATE:

SIGNATURE:



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