

SEMPA SYSTEMS Ltd.- CODE OF CONDUCT FOR SUPPLIERS

The Dresden-based company SEMPA SYSTEMS Ltd. is a manufacturer and installer of innovative ultra-pure media supply systems, also for very specific applications. Its customers are large companies in the semiconductor and LED industries as well as representatives of the photovoltaic and pharmaceutical sectors.

SEMPA SYSTEMS is committed to environmentally and socially responsible corporate governance. We expect the same behavior from all our suppliers. We also expect our employees to adhere to and integrate the principles of ecological, social, and ethical behavior into the corporate culture. Furthermore, we strive to continuously optimize our entrepreneurial actions and our products in terms of sustainability and call on our suppliers to contribute to this in a holistic approach.

For future cooperation, the contracting parties agree to apply the following regulations for a joint code of conduct. This agreement serves as the basis for all future deliveries. The contracting parties undertake to comply with the principles and requirements of the code of conduct and to strive to contractually oblige their subcontractors to comply with the standards and regulations listed in this document. This agreement comes into effect upon signature. A violation of this code of conduct can be a reason and cause for the company to terminate the business relationship, including all related supply contracts.

The code of conduct is based on national laws and regulations as well as international conventions such as the Universal Declaration of Human Rights of the United Nations, the Guidelines on Children's Rights and Business Conduct, the United Nations Guiding Principles on Business and Human Rights, and the International Labor Standards of the International Labour Organization.

A. LABOR

The human rights of employees must be respected and they are to be treated with dignity and respect in accordance with international standards. This applies to all employees, including temporary, migrant, student, contract, direct employees, and any other type of worker. Recognized standards, as listed below, have been used as a reference in creating the code and can be a useful source of additional information.

The labor standards are as follows:

1. Freely Chosen Employment

Internationally recognized human rights must be respected and adhered to in all business practices. We strictly reject forced, involuntary prison labor, slavery, or human trafficking. This includes the transport, housing, recruitment, transfer, or receipt of persons by threat, force, coercion, abduction, or fraud for labor or services. There must be no unreasonable restrictions on employees' freedom of movement within the facility or unreasonable restrictions on entering or exiting company-provided facilities. All work must be voluntary, and employees must be able to leave work or terminate their employment. Employers and agents must not withhold, destroy, conceal, confiscate, or deny access to employees' identity or immigration documents, except where such holdings are required by law.

2. Child Labor

Child labor must not be used at any stage of the work process. The term "child" refers to any person under the age of 15, or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is highest. Employees under 18 must not perform work that is likely to jeopardize their health or safety, including night shifts and overtime. Employers must provide appropriate support and training for all students. According to local laws, the wage rate for students, interns, and apprentices must be at least the same as for other entry-level employees performing equivalent or similar tasks.

3. Working Hour

Research into business practices clearly shows that excessive workloads can lead to reduced productivity, increased employee turnover, and increased injuries and illnesses among employees. The workweeks must not exceed the maximum set by local law. Employees must be granted at least one day off every seven days.

4. Wages and Benefits

Compensation paid to employees must comply with all applicable wage laws, including those related to minimum wages, overtime, and legally mandated benefits. Employees must receive a timely and understandable wage statement in each pay period that contains sufficient information to verify accurate compensation for work performed. The use of temporary, dispatched, and outsourced labor must be within the limits of local law.

5. Humane Treatment

There must be no harsh and inhumane treatment, including sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, or verbal abuse. The threat of such treatment is also prohibited. Disciplinary policies and procedures in support of these requirements must be clearly defined and communicated to employees.

6. Non-Discrimination

The supplier should commit to a workplace free of harassment and unlawful discrimination. Companies must not engage in discrimination based on race, age, gender, sexual orientation, gender identity and expression, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, protected genetic information, or marital status in hiring and employment practices such as wages, promotions, rewards, and access to training. Additionally, employees or potential employees must not be subjected to medical tests or physical examinations that could be used in a discriminatory manner.

7. Freedom of Association

In accordance with local law, the supplier must respect the right of all employees to form and join trade unions of their choice, to bargain collectively, and to peacefully assemble, as well as the right to refrain from such activities. Employees and/or their representatives must be able to openly communicate and share ideas and concerns regarding working conditions and management practices without fear of discrimination, reprisal, intimidation, or harassment.

8. Grievance Mechanisms

The supplier is responsible for establishing an effective grievance mechanism at the operational level for individuals and communities who may be adversely affected.

B. HEALTH AND SAFETY

The supplier acknowledges that, in addition to minimizing work-related injuries and illnesses, a safe and healthy workplace improves the quality of products and services, production continuity, as well as employee retention and morale. The supplier also recognizes that continuous education and training are essential to identify and resolve health and safety issues in the workplace.

The health and safety standards are:

1. Workplace Safety

Protecting employees from potential safety hazards (e.g., electrical and other energy sources, fire, vehicles, and fall hazards) should be managed through proper design, engineering and administrative controls, preventative maintenance, and safe work procedures (including lockout/tagout) as well as ongoing safety training. If hazards cannot be adequately controlled by these means, employees should be provided with appropriate personal protective equipment and information on the risks associated with these hazards. Employees should be encouraged to raise safety concerns.

2. Emergency Preparedness

Potential emergency situations and events should be identified and assessed, and their impact minimized by implementing emergency plans and response procedures. This includes emergency reporting, notification and evacuation procedures, training and drills, appropriate fire detection and suppression, adequate exit facilities, and recovery plans. Such plans and procedures should aim to minimize harm to life, the environment, and property.

3. Occupational Injuries and Illnesses

Procedures and processes should be in place to prevent, track, and report occupational injuries and illnesses. This includes provisions for reporting, classifying, and recording injury and illness cases, providing necessary medical treatment, investigating and implementing corrective actions to eliminate the causes, and promoting the return of employees to work.

4. Industrial Hygiene

Hazards related to chemical, biological, and physical agents should be identified, assessed, and controlled. If these hazards cannot be adequately controlled by such

means, the health of employees should be protected through the use of personal protective equipment.

5. Physically Demanding Work

The hazards of physically demanding tasks, including manual material handling and heavy or repetitive lifting, prolonged standing, as well as repetitive or forceful assembly tasks, should be identified, assessed, and controlled.

6. Machine Safeguarding

Production and other machinery should be evaluated for safety hazards. Physical guards, interlocks, and barriers should be provided and properly maintained if the machinery presents an injury hazard to operators.

7. Health and Safety Communication

The company is committed to providing employees with appropriate occupational safety training in their primary language. Health and safety-related information should be clearly posted in the facility.

C. ENVIRONMENT

The supplier acknowledges that environmental responsibility is an integral part of manufacturing high-quality products. The manufacturing processes should minimize adverse impacts on the community, the environment, and natural resources, and protect public health and safety.

The following environmental standards apply:

1. Environmental Permits and Reporting

All required environmental permits (e.g., wastewater discharge monitoring) shall be obtained, maintained, and kept current, and their operational and reporting requirements shall be fulfilled.

2. Pollution Prevention and Resource Reduction

The consumption of resources and the generation of all types of waste, including water and energy, shall be reduced or eliminated, for example, through changes in

production, maintenance, and facility processes, material substitution, conservation, recycling, and reuse.

3. Hazardous Substances

Chemicals and other materials that pose a hazard if released shall be identified. Safe handling, movement, storage, use, recycling, and disposal must be ensured.

4. Wastewater and Solid Waste

The supplier shall have a plan to identify, manage, reduce, and responsibly dispose of or recycle solid waste (non-hazardous). Wastewater generated by operations and industrial processes should be treated according to the aforementioned standards before discharge or disposal. Additionally, measures should be taken to reduce the generation of wastewater.

5. Air Emissions

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone-depleting chemicals, and combustion by-products generated by operations should be characterized, routinely monitored, controlled, and treated as required before discharge. The company should regularly monitor its air emission control systems.

6. Material Restrictions

The supplier shall comply with all applicable laws, regulations, and customer requirements regarding the prohibition or restriction of specific substances in products and manufacturing processes, including labeling for recycling and disposal.

7. Energy Consumption and Greenhouse Gas Emissions

Energy consumption and greenhouse gas emissions shall be minimized to an appropriate level.

D. BUSINESS ETHICS

To fulfill social responsibilities, the supplier is committed to adhering to the highest ethical standards, including:

1. Business Integrity

The highest standards of integrity must be upheld in all business interactions. The supplier maintains a zero-tolerance policy that prohibits any form of bribery, corruption, extortion, and embezzlement. All business dealings should be transparently performed and accurately reflected in business books and records. Monitoring and enforcement procedures shall be implemented to ensure compliance with anti-corruption laws.

2. No Improper Advantage

Bribes or other means of obtaining an improper or illegitimate advantage must not be promised, offered, authorized, given, or accepted—neither directly nor indirectly through a third party—to gain or retain business, direct business to a particular person, or otherwise obtain an improper advantage.

3. Disclosure of Information

Information regarding labor, health and safety practices, environmental practices, business activities, structure, financial situation, and performance must be disclosed in accordance with applicable regulations and industry practices. Falsification of records or misrepresentation of conditions or practices in the supply chain is unacceptable.

4. Intellectual Property

Intellectual property rights must be respected; the transfer of technology and know-how must be conducted in a manner that protects intellectual property rights. Customer data must also be protected.

5. Fair Business, Advertising, and Competition

Standards of fair business, advertising, and competition must be upheld. Appropriate means to safeguard customer information must be available.

6. Protection of Identity

Programs that ensure the confidentiality, anonymity, and protection of supplier and employee whistleblowers must be maintained, unless prohibited by law.

7. Responsible Sourcing of Raw Materials

The supplier shall reasonably assure that subcontractors contribute to fair conditions along the supply chain. This is especially relevant when the products supplied contain tantalum, tin, tungsten, and gold that do not directly or indirectly finance or benefit armed groups that commit serious human rights abuses in the Democratic Republic of the Congo or an adjoining country. Due diligence on the source and chain of custody of these minerals shall be exercised and made available upon customer request.

8. Privacy

The supplier is committed to protecting the reasonable privacy expectations of personal information of everyone they do business with, including suppliers, customers, and employees. The supplier complies with privacy and information security laws and regulatory requirements when personal information is collected, stored, processed, transmitted, and shared. As a global company, the use of modern information technologies is central to our business processes.

E. IMPLEMENTATION OF REQUIREMENTS

We expect our suppliers to identify risks within their supply chains and take appropriate measures. In the event of suspected violations and to secure supply chains with increased risks, the supplier shall promptly and, if necessary, regularly inform the company about the identified violations and risks as well as the measures taken.

The supplier agrees that the client may conduct audits to verify compliance with the code at the supplier's premises during regular business hours, with reasonable prior notice, through persons commissioned by the client. The supplier may object to individual audit measures if they would violate mandatory data protection regulations.

If a violation of the provisions of this code of conduct is detected, SEMPA SYSTEMS will notify the supplier in writing within one month and set a reasonable grace period for the supplier to align its conduct with these provisions. If such a violation was committed culpably and continuation of the contract until the regular termination is unreasonable for the client, the client may terminate the contract after the unsuccessful expiration of the set

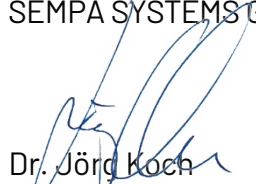
period if this was threatened when the grace period was set. A statutory right to extraordinary termination without setting a grace period remains unaffected, as does the right to claim damages.

F. SUPPLIER ACKNOWLEDGEMENT AND AGREEMENT

By signing this document, the supplier commits to acting responsibly and adhering to the listed principles/requirements. The supplier agrees to communicate the content of this code in a comprehensible manner to employees, agents, and subcontractors and to take all necessary measures to implement the requirements.

This Code of Conduct comes into effect on June 12, 2024.

SEMPA SYSTEMS GmbH



Dr. Jörg Koch
Managing Director