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## Sustainability guidelines for subcontractors

Philotech is a company that is aware of its responsibilities. Philotech wants to promote and ensure innovation and peak performance in a sustainable way together with its suppliers.

These sustainability guidelines for suppliers formulate standards and define the requirements for our suppliers. These constitute compliance with internationally recognised human rights and employees' rights, proscription of child labour and forced labour, compliance with statutory norms and environmental directives as well as preventive protection of the environment and compliance with, and promotion of, ethical business conduct. We also expect that our direct suppliers ensure that these guidelines are complied with by their subcontractors and suppliers. They are called on to pass on the contents of these guidelines to all parties in their supply chain and actively promote compliance with them.

These guidelines are based on our company-wide Principles of Social Responsibility. They are also in alignment with internationally recognised principles and conventions. Beyond that, all the business activities within the supply chain must comply with local laws. Wherever national regulations, international statutory provisions, industry standards and these guidelines address the same subject, the stricter conditions are to be followed in each case.

In fulfilling their contract, the supplier will neither employ anyone who is not in possession of a necessary work permit for foreigners, nor deploy any subcontractor without prior written approval from Philotech nor use an agency for temporary workers. The subcontractor will obtain a written declaration of obligation, in accord with this and the following paragraph, from all its direct and indirect subcontractors before they begin their respective work under their subcontractor contract.

The supplier commits to ensuring observation of, and compliance with, the labour laws by any engaged third parties. The supplier releases Philotech from any liability, or obligation from Philotech towards third parties, due to any violation against the labour laws by the subcontractor or any engaged third parties, where fines, charges and costs apply without limits, except in cases of a deliberate act on the part of Philotech.

In the case of a supplier's non-compliance with a labour law, Philotech is entitled to withdraw from the supplier contract or terminate the contract with immediate effect.

Philotech and the supplier ensure that they themselves and – to their knowledge – the other respective party will not directly or indirectly make payments, give presents or other promises towards its customers, officials or organs that are contrary to the applicable law. And that all applicable laws, regulations and ordinances concerning bribery and corruption are observed.

