



SUPPLIER CODE OF CONDUCT



Contents

1. INTRODUCTION TO THE SUPPLIER CODE OF CONDUCT	3
2. RESPONSIBLE BUSINESS CONDUCT AND ETHICS	3
2.1 Tax and customs regulations.....	3
2.2 Fair Competition and Antitrust law Compliance.....	3
2.3 Foreign trade legislation.....	4
2.4 Economic sanctions and money laundering prevention.....	4
2.5 Conflict of interest.....	4
2.6 Prevention of Corruption	4
2.7 Conflict Raw Materials	4
2.8 Counterfeit parts.....	4
2.9 Intellectual Property Rights.....	4
2.10 Accounting principles.....	4
3. RESPONSIBLE WORKING CONDITIONS AND PROTECTION OF HUMAN RIGHTS.....	5
3.1 Equal opportunities.....	5
3.2 Respect of individuals and non-discrimination.....	5
3.3 Hiring.....	5
3.4 Working conditions and safeguard of Human Rights.....	5
3.5 Ensuring Health and Safety	6
3.6 Information Security and data protection	6
4. ENVIRONMENTAL SUSTAINABILITY AND CLIMATE PROTECTION	6
4.1 Climate Protection / Reduction of Greenhouse Gas Emissions	6
4.2 Protection of Water Resources.....	6
4.3 Circular Economy, and Waste Management	6
4.4 Biodiversity.....	6
4.5 Hazardous Materials.....	6
4.6 Recycled Material	7
4.7 Material Compliance.....	7
5. DUE DILIGENCE AND COMPLIANCE MANAGEMENT SYSTEM.....	7



UFI Filters Group Supplier Code of Conduct

1. INTRODUCTION TO THE SUPPLIER CODE OF CONDUCT

UFI Filters Group is fully aware of its responsibility as a global company and the associated responsibilities towards society and the environment.

For us, acting sustainably includes considering environmental, economic and social aspects along the entire supply chain and incorporating them into our decision-making.

These goals are pursued along the supply chain through UFI Filters Group's sustainable procurement process, to ensure that suppliers both seize and support our focal points and goals for sustainability – in the three environmental, social and economic dimensions.

The UFI Filters Code of Ethics (GPOL-01) forms the basis of this Supplier Code of Conduct and contains standards regarding business ethics, human rights, occupational safety, and environmental protection and safety that must also be adhered to by our suppliers.

The Supplier Code of Conduct is divided into the following areas:

2. Responsible business conduct and ethics
3. Responsible working conditions and protection of human rights
4. Environmental Sustainability and Climate Protection
5. Due Diligence and Compliance Management System.

The Supplier Code of Conduct communicates the basic principles of cooperation to all business partners and regulates them with binding effect. This strengthens the common understanding of how to implement these principles in day-to-day business. The principles and standards defined in the Supplier Code of Conduct form an obligatory part of our cooperation.

The Supplier Code of Conduct applies to all suppliers of the UFI Filters Group and forms an integral part of the contractual relationship between each company of the UFI Filters Group and its suppliers.

Each supplier must observe the Supplier Code of Conduct whenever providing their deliveries and services to an undertaking of the UFI Filters Group.

2. RESPONSIBLE BUSINESS CONDUCT AND ETHICS

2.1 *Tax and customs regulations:* The Supplier complies with the provisions of tax and customs laws, which include regulations on corporate tax, income tax and value-added tax, as well as the customs duties and excise tax to be paid on imports of goods. Correct and timely declaration of taxes and duties is a basic principle for UFI Filters Group.

2.2 *Fair Competition and Antitrust law Compliance:* Well-functioning and free competition is one of the fundamental pillars of our social and economic system. The Supplier is committed to ensuring fair competition in the markets and to following applicable antitrust and competition laws.



2.3 Foreign trade legislation: Strict compliance with regulations of foreign trade legislation is a basic principle for global companies like UFI Filters. Export controls laws must always be observed by Supplier when exporting both tangible and intangible goods as well as services. Fundamental restrictions are placed on goods and products that can also be used for military purposes. Furthermore, certain goods and countries fall under special restrictions, such as arms embargoes. Every Supplier ensures strict compliance with regulations under foreign trade laws applicable to their area.

2.4 Economic sanctions and money laundering prevention: As a global corporation, UFI Filters Group comply with national and international economic sanctions and support the community of states to fight against money laundering and terrorism financing. The Supplier complies with all requirements in these areas.

2.5 Conflict of interest: The supplier makes business decisions independently and makes sure to keep business interests strictly separate from private interests.

2.6 Prevention of Corruption: UFI Filters Group does not tolerate any type of corruption and is strongly and consistently committed to comply with all anti-corruption legislation. For this reason, UFI Filters Group has adopted the Anti-Bribery Policy (GPOL-02) aimed at preventing breaches of anti-bribery and anti-corruption legislation. The Supplier will not seek, accept, offer or grant unfair advantages. Advantages are any kind of gratuity that the beneficiary has no claim to, and which objectively improves the beneficiary's economic, legal or personal situation. An advantage is unfair when it is not customary and inappropriate in light of all the circumstances of the particular case.

2.7 Conflict Raw Materials: The Supplier is committed to identify and replace materials and products containing minerals from conflict-affected and high-risk areas and avoid the use of such minerals. The supplier shall investigate the source of these minerals and undertake due diligence measures in their supply chains to ensure that conflict minerals are only sourced from mines and smelters outside of conflict-affected and high-risk areas, or use smelters and refiners validated as conformant to an independent third party responsible mineral sourcing validation program. The supplier is also required to extend the responsible sourcing and due diligence requirements to sub-tier suppliers and report any identified risk in the supply chain.

2.8 Counterfeit parts: The Supplier develops, implements, and maintains methods and processes appropriate to its products and services to prevent the risk of introducing counterfeit parts and materials into products.

2.9 Intellectual Property Rights: Supplier respects intellectual property rights. The supplier performs the transfer of technology and know-how transfer in such manner that all intellectual property rights of UFI Filters Group are protected.

2.10 Accounting principles: The Supplier commits to create accurate and verifiable records, and not alter any record entry to conceal or misrepresent the underlying transaction represented by it. All records, regardless of format, made or received as evidence of a business transaction must fully and accurately represent the transaction or event being documented.



3. **RESPONSIBLE WORKING CONDITIONS AND PROTECTION OF HUMAN RIGHTS**

3.1 *Equal opportunities:* The UFI Filters Group is extremely committed to providing equal opportunities to all their Employees, both on the job and in their career advancement. The Supplier shall ensure that in every aspect of the employment relationship, such as recruitment, training, compensation, promotion, transfer and termination, its employees are treated according to their abilities to meet job requirements and all decisions are free from any form of discrimination, in particular, discrimination based on race, gender, sexual orientation, social and personal position, physical and health condition, disability, age, nationality, religion or personal beliefs.

3.2 *Respect of individuals and non-discrimination:* The Supplier is committed to guarantee respect of individuals and to prevent discriminatory behavior of any kind. The Supplier ensures the respect of personal rights regarding race, class, nationality, religion, sexual orientation, disability, age, political or trade union affiliations.

The UFI Filters Group requests all addressees of the Supplier Code of Conduct to follow the legal requirements regarding the dignity of men and women at work, avoiding and reporting any form of sexual or moral harassment. Any Supplier is committed to prevent any bullying or violent behavior (psychological abuse, harassment, persecution, demotion, marginalization, humiliation, slander, ostracism, etc.) carried out by superiors or colleagues on workers.

3.3 *Hiring:* Supplier ensures that hiring is made according to the appropriate labor legislation where applicable. Once hired, every employee and worker should receive details of their remuneration, rules and procedures to avoid health and safety risks, and internal rules about data privacy and use of computer equipment.

3.4 *Working conditions and safeguard of Human Rights:* The Supplier prioritizes and respects human rights.

- a) *Fighting against child labor* - prohibition of all forms of child labor. The use of child labor is unacceptable and can harm children's education, health, mental or social development. The Supplier fights slavery and human trafficking and is committed to constantly undertake all reasonable and practical steps to ensure that our standards are implemented throughout the businesses of our suppliers.
- b) *Providing fair compensation and benefits in compliance with applicable law* – Supplier strives every day and commit to ensure that the compensation for its Employees is set at a level that is both fair and liveable.
- c) *Fighting against forced labor and modern slavery* – Supplier is totally against compulsory and forced labor, slavery and human trafficking. The Supplier is proud to combat slavery and human trafficking.
- d) *Recognizing and respecting the right to work and freedom of association* - Workers, without distinction, have the right to join or form trade unions of their own choice and to bargain collectively. Supplier adopts an open attitude towards the activities of trade unions and their organizational activities. Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- e) *Respecting the local legislation and business practices relating to working hours and paid leave* – Supplier complies with the relevant national regulations and agreements on working hours and on regular paid vacations to ensure the highest degree of safety and well-being for employees.
- f) *Respecting the local communities and indigenous people* - Supplier is aware that its decisions can have significant impacts, direct and indirect, on the indigenous people and the local communities in which it operates. Accordingly, Supplier shall take all reasonable steps to inform those communities of relevant actions and projects and shall promote an open dialogue to ensure that their legitimate expectations are taken into due consideration and seeks to contribute to the social, economic and institutional development of indigenous people and local communities.



3.5 Ensuring Health and Safety: Supplier is committed to take care of the moral integrity and physical wellbeing of its employees and of all other individuals who act on behalf of the Supplier. The Supplier recognizes health and safety in the workplace as a fundamental right of employees and workers and a key element of sustainability. To that end, it promotes responsible and safe behavior and adopts all measures required by technological changes to guarantee a safe and healthy work environment. The Supplier believes in and actively promotes the dissemination of a culture of accident prevention and risk awareness among workers, in particular through the provision of adequate training and information.

3.6 Information Security and data protection: Supplier is aware of the primary importance of the protection of personal data and information security systems and strongly believes that it is essential that internal company matters and sensitive information are treated as confidential and protected against unauthorized attack.

The Supplier takes the highest attention to the implementation of appropriate standards for the processing of information and personal data at its premises, as well as for their storage and preservation in accordance with established security measures, to avoid risks of illegal use, destruction and loss or unauthorized access or processing and it assures the privacy of personal data in accordance with local legislative provisions and the authorization of the employee, third party or external stakeholder concerned.

4. ENVIRONMENTAL SUSTAINABILITY AND CLIMATE PROTECTION

4.1 Climate Protection / Reduction of Greenhouse Gas Emissions: The Supplier implements a strategy to reduce Greenhouse Gases emissions in order to contribute to UFI Filters' commitments in line with its Customers and Stakeholders. If prompted by UFI Filters, the supplier regularly reports on its progress, especially with regards to its carbon emission footprint at corporate level.

To achieve this strategy, the supplier shall implement actions to reduce the use of energy by efficiency plans, or by using energy from renewable sources.

In case UFI Filters sets specific binding targets for product carbon footprint and circular economy for materials – and components – as part of the awarding process, they are binding during project execution.

4.2 Protection of Water Resources: The Supplier takes action to reduce water consumption and the generation of wastewater. In addition, measures are taken to prevent the contamination of surface water or groundwater.

4.3 Circular Economy, and Waste Management: The Supplier takes actions to reduce the environmental impacts of its products and services during their life cycle (i.e., conception, development, production, transport, use and recycling), and implements measures to minimize consumption of energy and natural resources. The supplier ensures that no waste is disposed illegally and takes actions to eliminate and minimize waste generation by means of improvement, replacement, reuse and recycling of materials.

4.4 Biodiversity: The Supplier does not contribute to or benefit from illegal conversion of natural ecosystems through its business activities, i.e., preventing illegal deforestation such as the conversion of natural forests into usable areas.

4.5 Hazardous Materials: The Supplier implements processes and procedures to properly identify, manage, handle, dispose and replace hazardous materials.



4.6 Recycled Material: The Supplier provides UFI Filters with information about its use of secondary materials at product level via IMDS. The supplier shall increase the use of recycled material as much as possible.

4.7 Material Compliance: The Supplier respects legislation or regulations applicable in the production countries and also in the countries/regions where the product or part is sold or used (e.g. European Union) in terms of prohibition, restriction, registration, authorization and/or traceability of substances of concern for human health or the environment (e.g. REACH, RoHS, ELV, TSCA (Toxic Substances Control Act)). Substance of very high concern (SVHC) based on the European REACH regulation must be avoided in products and parts. In order to track and follow-up on substances of concern and critical materials, Material Data Sheet (MDS) registration is mandatory via IMDS in due time for all parts and materials delivered to UFI Filters.

5. DUE DILIGENCE AND COMPLIANCE MANAGEMENT SYSTEM

The Supplier implements and maintains a risk management process to identify, prevent, mitigate, and account for risks and impacts on the environment and people. Every supplier is responsible for ensuring that its employees, representatives, and agents comply with this Supplier Code of Conduct in their business dealings with UFI Filters Group.

UFI Filters reserves the right to verify the compliance with this Supplier Code of Conduct by means of self-assessment questionnaire and audits at production locations in the supply chain. UFI Filters reserves the right to take appropriate measures against Suppliers that do not fulfil these requirements, up to and including suspension or termination of the supply relationship.

If not already existing, the Supplier shall implement an internal reporting channel for its employees to ensure that violations of applicable laws and regulations can be reported. The supplier shall ensure the protection of the reporter and that employees who report a violation do not need to fear any negative consequences for themselves.

UFI Filters Group has established on its website a Whistleblowing platform where any violations of these requirements can be reported to UFI Filters by any partner in the supply chain.