

Sustainability Principles for Suppliers and Business partners

At Flügger, we are committed to contributing to a sustainable future and set high standards for the way we conduct our business. We wish to partner with our suppliers to strengthen responsible practices and ethical business behavior and promote sustainable development throughout our supply chain.

These Sustainability Principles for Suppliers are based on the Flügger Code of Conduct and set forth basic principles for supplier conduct when working with Flügger. They are intended to complement the Flügger Code of Conduct, which applies to all Flügger partners and employees of the Flügger Group. For more information, visit [Flügger Code of Conduct](#). These principles are supplemental to any contract between Flügger and a business partner. To the extent that more specific or stringent terms are agreed in a contract, the contractual terms shall prevail.

The principles are based by the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, and the fundamental principles and rights at work defined by the International Labour Organization.

As a supplier to Flügger, you are an important part of our business. We expect you to fully comply with applicable laws and adhere to the principles described below. You are responsible for ensuring that your employees and representatives understand and comply with these principles. We also expect you to use your best efforts to implement these or similar principles into your own supply chain.

ETHICS AND LEGAL REQUIREMENTS

Good business ethics and legal compliance is a matter of course at Flügger. Thus, we expect from our suppliers that:

- You comply with all applicable laws and regulations regarding fair competition and antitrust.
- You do not engage in any form of bribery with your partners, authorities, agents, customers, or any other parties. Furthermore, you do not offer any incentive to any Flügger employee or Flügger employee's family to obtain or retain Flügger business.
- You avoid any conflict of interest when interacting with Flügger employees. Flügger business relationships must be impartial, and all business decisions must be based on the company's interests without regard for personal circumstances or advantages.
- You protect Flügger's confidential information and act to prevent its misuse, theft, fraud, or improper disclosure.
- You enable employees and other stakeholders to report concerns or potentially unlawful activities in the workplace and will treat these reports in a confidential manner. You will investigate such reports and take corrective action if needed.

- You ensure that environmental, social and other sustainability information provided to Flügger is accurate, sufficiently complete, traceable, and supported by appropriate documentation. You do not knowingly provide misleading information, omit material information or make sustainability claims that cannot be substantiated.

HUMAN RIGHTS AND LABOUR RIGHTS

At Flügger, we respect and support the internationally proclaimed human rights. Differences enrich us and we work for everyone's equal rights and opportunities within our business. Thus, we expect from our suppliers that:

- You do not tolerate child labor in your operations or supply chain. You comply with applicable minimum-age requirements for employment and the relevant International Labour Organization standards, applying the stricter requirement where these differ. Any work legally permitted for young workers must not interfere with schooling or jeopardize their health, safety, or development.
- You do not permit actions that restrict workers' freedom of movement. You do not use forced or involuntary labor of any kind and do not tolerate human trafficking or involuntary servitude. Workers must not be required to pay recruitment fees or related costs, provide deposits, or surrender control of passports or other identity documents.
- You treat all employees with respect and safeguard their individual right to freedom of speech.
- You do not discriminate on grounds of age, ethnic, social, or national affiliation, race, gender, sexual orientation, religion, political convictions, disability or for any other reason.
- You ensure that physical, psychological, sexual, or verbal harassment of any employee will not be tolerated under any circumstances.
- You ensure that working conditions comply with national laws, regulations, industry standards and collective bargaining agreements.
- You comply with minimum wages and maximum working hours in accordance with local laws. You ensure compensation of a living wage according to local living conditions and remunerate employees in a timely manner. You ensure that overtime is appropriately compensated and not systematically relied upon, and that employees receive legally required breaks, sick leave, maternity leave, and adequate daily and weekly rest.
- You provide all employees with their terms of employment in writing and inform about the terms and conditions of their employment in a language they understand.
- You ensure that temporary, agency, migrant, and contract workers receive the same fundamental rights and protections described in these principles as directly employed workers.
- You respect employees' right to join, form, or not join a labor union without fear of reprisal, intimidation or harassment. Where employees are represented by a legally recognized union, you establish a constructive dialogue with their representatives. Where freedom of association and collective bargaining are restricted by law, you support lawful alternative

means through which employees can independently express their views and engage in dialogue with management.

- You provide equal opportunities in recruitment, development, and promotion and actively foster an inclusive workplace with diversity and equal treatment.
- You identify, assess, and address actual or potential adverse impacts on human rights within your own operations and, where relevant, within your supply chain, and implement appropriate corrective actions where necessary.
- You provide employees with accessible mechanisms to raise concerns or grievances without fear of retaliation and encourage open dialogue between management and workers.
- You promote these principles with relevant subcontractors and business partners and encourage continuous improvement throughout your value chain.

ENVIRONMENT, HEALTH AND SAFETY

At Flügger, environmental responsibility and the health, safety, and well-being of employees are fundamental to the way we conduct business. Thus, we expect from our suppliers that:

- You comply with all applicable environmental, health and safety regulations.
- You comply with applicable chemical, product safety, and product information requirements. You maintain accurate information on the composition, hazards, and safe use of materials and products supplied to Flügger.
- You identify and responsibly manage hazardous substances, prevent uncontrolled releases and spills, and work to substitute substances of concern where safer and technically feasible alternatives are available.
- You use energy, water, and natural resources efficiently, and continuously work to reduce waste and emissions to air, water, and soil.
- You identify and work to reduce significant greenhouse gas emissions and energy consumption in a manner proportionate to your size, activities and environmental impact.
- You support the transition towards a circular economy by improving material efficiency and, where relevant and technically feasible, increasing recycled content, enabling reuse or refill solutions, and designing products and packaging for recyclability.
- You work to reduce waste throughout the product life cycle. Circular solutions must not compromise product quality, safety, or legal compliance.
- Upon request, you provide Flügger with relevant activity data, greenhouse gas emissions data, and product sustainability information, including the methodologies used, to support Flügger's sustainability reporting, customer requirements, and applicable legislation.
- You promote the responsible management of your products and processes through their entire life cycle and for their intended end use, to customers, contractors, and commercial partners.

- For suppliers providing services on Flügger premises, you comply with our internal and external environmental and health & safety requirements for the site.
- You provide a safe and healthy workplace for your employees and proactively manage health and safety risks to prevent occupational injuries and illness.
- You make the necessary safety conditions available, including relevant training and information, and ensure that managers, team leaders and health and safety representatives have the skills needed to undertake their health and safety responsibilities.
- You conduct operations in ways that prevent harm to public health and the environment.
- You forbid illegal eviction and taking of natural resources, including land use change.
- Where applicable, you comply with the EU Deforestation Regulation (EUDR) and other applicable requirements concerning deforestation and forest degradation. You support Flügger's compliance by providing accurate and timely information and documentation for relevant commodities and products.
- You minimize negative impacts on biodiversity and make your best effort to generate positive impact on biodiversity in your activity.

Compliance with the principles

By accepting these principles, you commit to conduct risk-based due diligence proportionate to your size, sector, activities, and risk profile. This includes identifying and assessing actual and potential adverse impacts connected to your operations, products, services and relevant business relationships, and taking appropriate action to prevent, mitigate and address such impacts. The most severe and likely impacts should be prioritized.

Where you have caused or contributed to an adverse impact, you provide for or cooperate in appropriate remediation. You must not obstruct affected persons from accessing judicial or non-judicial grievance mechanisms.

We expect you to establish appropriate governance, management systems, and controls to promote and facilitate compliance with applicable laws and these principles. Clear responsibilities should be assigned, and sustainability performance should be monitored as part of your continuous improvement efforts. You are also expected to gather and assess reliable information about your suppliers' behavior and retain the necessary documentary evidence.

We ask you to work with us openly, transparently and collaboratively to assess compliance with these Sustainability Principles and identify opportunities for continuous improvement. We reserve the right to perform on-site audits or assessments. In case of a violation or failure to provide sufficient documentation for compliance with the principles, we will require you to develop and implement an improvement plan, including a time frame for the improvement process. We reserve the right to discontinue any relationship for non-adherence to international standards, failure to correct violations or patterns of non-compliance with these principles. Such action does not preclude legal action against the supplier.

Should you have any concerns or become aware of unethical or illegal behavior, you must report this using the Flügger whistleblower scheme, in accordance with the Flügger whistleblower policy, available at [Flügger whistleblower](#).

Situations may arise which are not regulated by the specific guidelines in these sustainability principles. In such situations, you must act in the spirit of the principles. In case of doubt, you can also contact your Flügger contact for advice.

For more information on Flügger's sustainability efforts, please refer to Flügger's Integrated Annual Report.