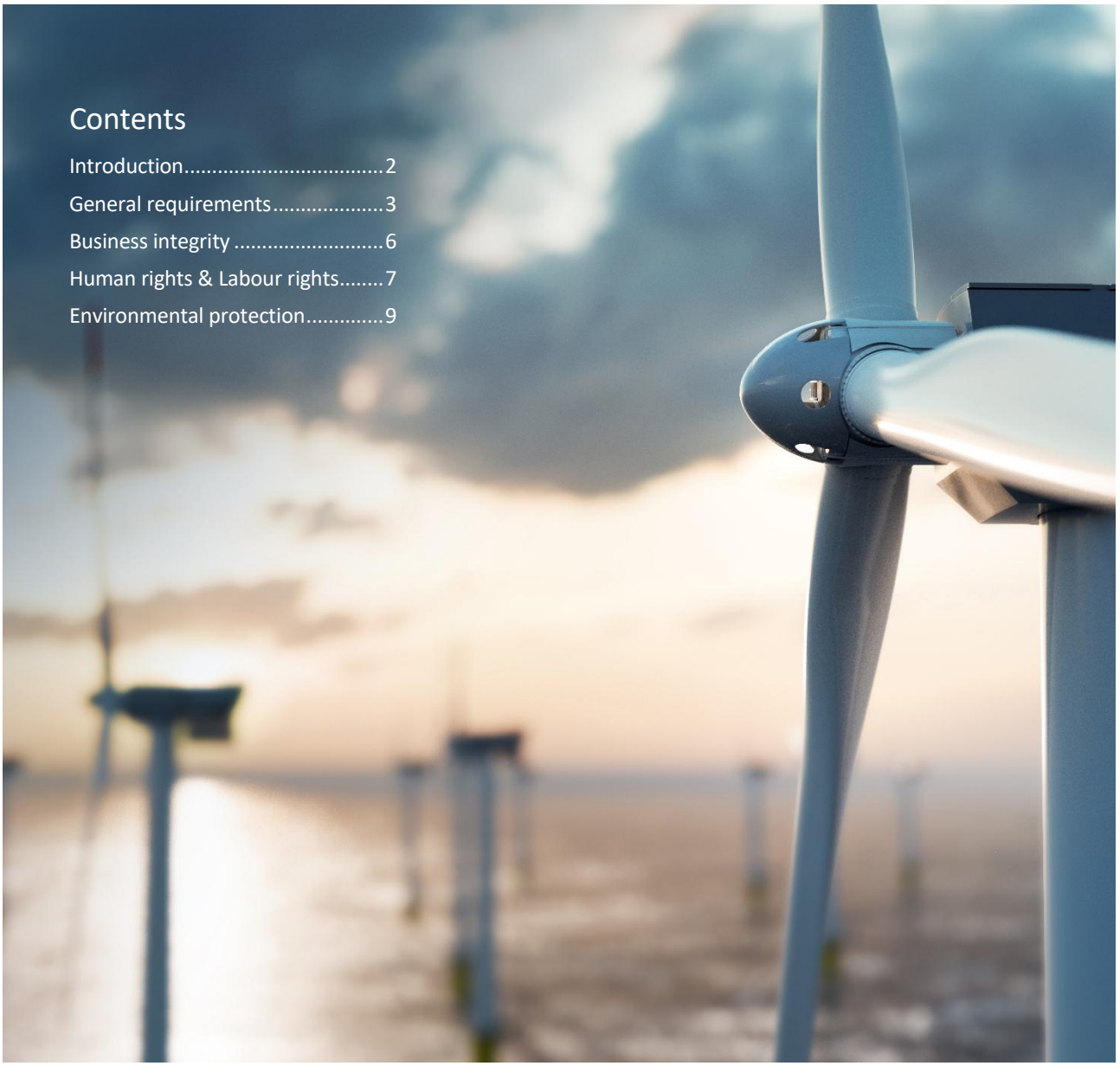
Code of conduct

for Business Partners of the Indutrade Group

Milltech
Your Sustainable CNC Sub-Contractors

Indutrade



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Introduction

Collaboration for sustainability
We want to develop close relationships with partners that share our approach to doing business. We are committed to conducting business in a responsible, ethical, and sustainable manner and we expect the same commitment from our suppliers, subcontractors, and business partners.

This Code of Conduct for business partners has its starting point in the fundamental values expressed in internationally accepted norms and guidelines. This Code reflects our ambition to promote business integrity, respect for human rights and labour rights, as well as environmental protection in our value chains. We expect our business partners to actively uphold and integrate the principles of this Code into their operations and supply chain.

We realise that achieving a business climate where sustainability is integral to the way we do business requires a team effort. We believe that responsible sourcing is a shared responsibility, and we are committed to working collaboratively to uphold these principles and continuously improve. We therefore invite business partners to a joint commitment to establish and cooperate in maintaining a human rights and environmental due diligence process. The processes shall be appropriate to each party's size and circumstances, in accordance with the standards set out in the OECD Guidance for Responsible Business Conduct and the United Nations Guiding Principles on Business and Human Rights.

Speak up
Information sharing is key to achieving common progress. Business partners and business partners' employees who suspect a violation of this Code, should contact their buyer representative. Alternatively, they can turn to the Indutrade Group's external whistle-blower function where one can submit an anonymous report:
report.whistleb.com/en/indutrade

Code of Conduct for Business Partners of the Indutrade Group Version 2.0. This version is valid from August 22, 2025.

General requirements

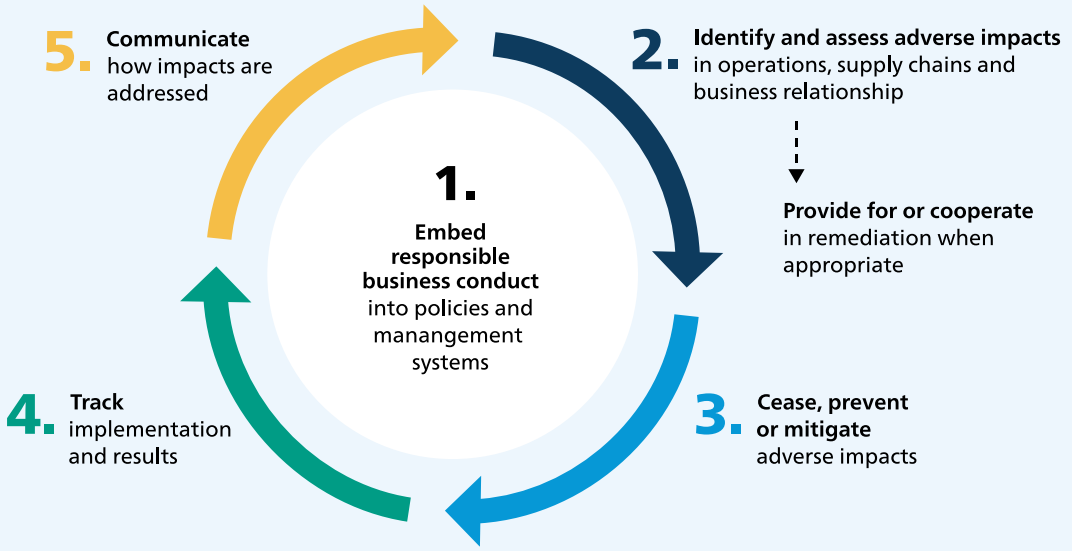
Applicability

- This Code is an agreement between the Indutrade subsidiary and the business partner.
- The business partner shall comply with all the requirements of this Code. These requirements apply to all employees at all levels within the business partner's organisation, including permanently employed staff, seasonal employees, workers employed through intermediaries, migrant workers, temporary employees, students, and all other individuals carrying out assignments on behalf of the business partner.
- Business partners shall use their best efforts to ensure that their suppliers and sub-suppliers engage in and support the obligations set out in this Code.

Compliance with laws and regulations

- Business partners shall operate in accordance with this Code and fully comply with applicable laws, regulations, and collective agreements in the countries where they operate. Business partners shall have all necessary permits and licenses needed and cooperate with authorities and relevant stakeholders to comply with regulations.
- In cases of discrepancies between the requirements of this Code and legislation, the provisions that ensure the highest level of protection for individuals and the environment shall be prioritised and actively pursued.

Human rights and environmental due diligence process



Human rights and environmental due diligence refer to the processes that companies implement to identify, prevent, mitigate, and account for the adverse impacts of their operations on human rights and the environment. This concept was first introduced in the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

Due diligence

- Business partners shall systematically assess the material risks and impacts of their activities on the people, environment and local communities across the supply chain.
- Business partners shall have systems in place to carry out human rights and environmental due diligence on their own operations and supply chains, in accordance with the standards set out in the OECD Guidance for Responsible Business Conduct and the United Nations Guiding Principles on Business and Human Rights. The human rights and environmental due diligence process shall be an on-going, risk-based process that is appropriate to the size and circumstances of the party implementing it to identify, prevent, mitigate, cease, minimise, track and remedy adverse impacts on the areas covered by this Code. Stakeholders shall be engaged throughout the due diligence process.
- Business partners shall forward requirements that include human rights and environmental due diligence obligations, to direct suppliers, at least corresponding to the obligations included in this Code, appropriate to the size and circumstances of both parties. Business partners shall keep records of such written contracts and make them available upon request.
- Business partners shall identify the presence of high-risk raw materials within their supply chains, including but not limited to conflict minerals, other high-risk minerals, wood, rubber, iron, steel, and other relevant high-impact commodities[1]. Business partners shall make every reasonable effort to achieve full traceability to the source or processing location of those raw materials, continuously enhance their tracking systems and implement appropriate measures to mitigate associated risks.
- The business partners' management is responsible for ensuring compliance with this Code and shall have strategies and processes to implement the requirements, allocate sufficient resources to ensure compliance and ensure continuous improvement in its implementation. Business partners are responsible for ensuring that relevant employees involved in the performance of the contract are aware of the requirements outlined in the Code.
- Business partners must establish a grievance procedure at the workplace, available in relevant local languages. The aim of such a procedure is to enable open communication between management and employees and ensure that employees can have their complaints investigated and remediated. This also includes making available channels which can be used by employees and stakeholders to anonymously raise concerns or non-compliances without fear of reprisals.

[1] The "High Impact Commodities List" (HICL) identifies commodities whose production is associated with significant environmental impacts. These commodities are noted for having sensitive social, environmental, and economic impacts due to where and how they are produced, harvested, and/or processed. (Resources – Science Based Targets Network)

Transparent information sharing

- Business partners are expected to measure, monitor, and transparently report their progress on material sustainability topics. We are committed to sharing data related to the areas outlined in this Code and, in return, expect the same level of transparency from our business partners, upon request. Business partners shall, upon request, provide reports on the implementation of their Human Rights and Environmental Due Diligence process(es).
- Business partners shall notify the buyer as soon as reasonably possible, upon becoming aware of a severe adverse impact. Severe adverse impacts include forced labour, child labour, working conditions that pose a danger to life, serious environmental harm, grand corruption, attacks on environmental and human rights defenders, and other activities that have a severe adverse impact on people, the environment and society.
- Business partners shall cooperate in transparently answering questions and self-assessments or accept visits or audits by the buyer or independent third parties. Business partners shall also, to the best of their ability, support the buyer to conduct follow-up activities in their supply chain.
- Business partners have the right to refuse requests for human rights and environmental due diligence related information if such requests would compel the disclosure of trade secrets or other protected intellectual property. In such situations, the business partner must provide alternative sources of assurance.

Remediating actual adverse impacts and corrective action

- If a business partner has caused or contributed to an actual adverse impact, they shall, in consultation with affected stakeholders, develop and implement a corrective action plan.
- The corrective action plan shall aim to restore affected stakeholders, as far as possible, to the position they would have been in had the adverse impact not occurred. It shall also ensure remediation that is proportionate to the impact, which may include apologies, restitution, rehabilitation, or financial and non-financial compensation. Additionally, the plan must prevent recurrence of the adverse impact and mitigate the risk of further harm.

Business integrity

Anti-corruption

- Business partners shall not be involved in any form of corrupt conduct. Corruption is defined as "the abuse of entrusted power for private gain" and extends to both financial and non-financial gains. Corrupt conduct includes bribery, receipt of improper gifts and entertainment, facilitation and protection payments, fraud, extortion, money laundering and nepotism, for example employment of a family member.
- No one who works under the business partner's name or any of its subsidiaries' names may grant, offer, receive, request, promise, or promote payments, gifts or other improper benefits that could influence or may be perceived to influence the objectivity of a business or governmental decision. Business partners shall establish procedures to prevent corrupt behaviour.
- Business partners shall only offer or receive gifts, meals, entertainment, and other forms of hospitality, if they are compatible with applicable laws and reasonable both in value and as a legitimate business courtesy. It should be noted that higher standards may apply in different countries, in which case such higher standards should be adhered to.

Conflicts of interest

- Business partners shall always act in the best interest of the buyer and their own company and avoid conflicts of interest. A conflict of interest arises when private interests, personal relationships or external activities affect or give the impression of affecting the performance of the work duties.

Fair competition

- Business partners must comply with all applicable competition laws, which prohibit agreements or arrangements between competitors that restrict fair competition. This includes price-fixing, market and customer allocation, cartel formation, and the abuse of a dominant market position. This shall also apply to the exchange of sensitive information or any other conduct that unlawfully restricts or may restrict competition.

Trade compliance

- Business partners shall ensure that no business is conducted with sanctioned countries, individuals, or entities and that all exports comply with applicable laws and regulations. Upon request, business partners must maintain and provide accurate trade data and documentation related to their products.

Taxes

- Business partners shall adhere to the tax rules that apply in the respective countries and municipalities that the operations are based in and pay the taxes that result from such. Business partners shall not be involved in any form of tax fraud, tax evasion or other illegal financial schemes, nor engage in tax structures that lack business logic for the purpose of avoiding tax.

Inside information

- Inside information is non-public information of a precise nature and which, if made public, would be likely to have a significant effect on the price of financial instruments issued.
- If a business partner has inside information they are prohibited to trade or amend shares or instruments, disclosing such information, or encouraging others to trade.

Non-public information and personal data

- Patents, copyrights, trademarks, trade secrets, ideas, processes and inventions are valuable company assets. Business partners shall safeguard and protect the buyer's intellectual property rights.
- Business partners shall safeguard personal integrity and ensure that personal data and disclosures that the company may obtain or use in its operations are handled in accordance with applicable laws and rules.

Responsible use of IT and emerging technologies

- When business partners develop and use artificial Intelligence, machine learning, autonomous and intelligent systems or similar technologies (collectively "AI") it must make sure that the technology is reliable and developed in accordance with globally recognised ethics standards.
- Business partners shall implement robust IT security measures to protect systems, data, and communications from cyber threats. This includes ensuring secure data handling, access control, and compliance with applicable cybersecurity regulations and industry best practices.

Human rights & Labour rights

General

- Business partners shall respect all internationally recognised human rights, as set out in the International Bill of Human Rights, the United Nations Convention on the Rights of the Child, and the principles concerning fundamental rights set out in the ILO Declaration on Fundamental Principles and Rights at Work.

No child labour

- Business partners shall not participate in, or benefit from, any form of child labour, whether directly or through their supply chain. The minimum working age should not be less than the age for completing compulsory schooling and in no event less than 15, unless the exceptions recognised by the ILO apply.
- Business partners located in countries with a high risk of child labour must have a child labour prevention and remediation plan in place that prioritises the child's best interests, ensuring appropriate support, such as education and rehabilitation, if child labour is identified.
- Young workers between the ages of 15 and 18 may work under conditions that do not impact statutory schooling or conflict with local legislation. Young workers must be protected from performing tasks that can be harmful to their physical or psychological health, safety, morals and development. Young workers must not be employed in night shifts, regardless of the work tasks.

No bonded or forced labour

- Business partners shall not engage in, or be complicit in, any form of servitude, forced, bonded, indentured, trafficked, or involuntary labour, including state-imposed forced labour, whether directly or through their supply chain.
- Business partners shall not charge employees any fee in connection with recruitment and shall not be demanded to hand over original personal identity documents, or pay monetary deposits, as a condition for employment.
- Business partners shall ensure that all employment is voluntary, respect workers' freedom of movement, and guarantee that workers can freely terminate their employment in accordance with legal notice periods.

Freedom of association and collective bargaining

- Business partners shall recognise employees' fundamental right to freely associate and be represented by labour unions, as well as their right to refrain from union membership.
- Business partners shall respect employees' and unions' right to engage in collective bargaining. Where legal restrictions limit freedom of association and collective bargaining, alternative and independent forms of worker representation shall be actively encouraged.

Wages and benefits

- Business partners shall pay salaries, including benefits and leave, in accordance with applicable laws and collective agreements (also where a pay rate for production, quota or piece work is established). In cases where no collective agreements exist, business partners shall adhere to applicable industry norms that, as a minimum, supports a decent standard of living. Business partners shall promote living wages for workers that provides
a reasonable standard of living.
- Business partners shall provide employees with a written employment agreement in a language they understand, clearly outlining terms and conditions, including salary, benefits, working hours, overtime pay, and notice periods. Business partners shall not rely on consecutive short-term contracts to avoid fulfilling employment obligations, including pensions and holiday pay. Employees must have the right to resign without penalty or salary deduction. Wage deductions shall only be permitted under conditions explicitly allowed by law or collective agreements and shall never be used as punishment or disciplinary measures.
- Business partners shall strive to identify, prevent, mitigate and remedy pay and benefit disparities for equal or similar work, irrespective of personal identity, including gender.

Decent working hours

- Business partners must maintain reasonable work schedules that prevent excessive strain on employees' physical and mental health to ensure the well-being of workers. Business partners shall always adhere to and uphold all applicable laws and collective bargaining agreements regarding working hours, rest periods, overtime, and various forms of leave, including annual, sick, and parental leave, as well as any other applicable leave regulations.
- Overtime work must be voluntary and compensated fairly.
- A maximum 48-hour workweek applies unless exceptions outlined in ILO conventions no. 1 and no. 30 apply.

No discrimination, violence or harassment

- We encourage business partners to promote diversity and equal opportunities among employees.
- Discrimination in any hiring and employment practices based on racial or ethnic origin, colour, sex, sexual orientation, gender identity or expression, disabilities, age, language, religion or other belief, political or other opinion, national or social origin or any other status covered by union regulation or national law is not tolerated.
- Business partners shall ensure that employees are treated with dignity and respect. Workers shall not be subject to any form of violence, harassment, and inhumane or degrading treatment in the workplace, as well as threats of violence and abuse, including corporal punishment, verbal, physical, sexual, economic or psycho-logical abuse, mental or physical coercion, or other forms of harassment or intimidation.

Health and safety

- Business partners shall provide a safe and healthy work environment for their employees. They shall establish clear responsibilities and management systems to identify, assess, and mitigate workplace hazards.
- Regular workplace risk assessments shall be conducted, documented, and updated to prevent accidents, injuries, and work-related physical or psychological health issues and illnesses. Active employee participation in identifying and addressing health and safety risks, should be encouraged. Employees shall be able to report concerns, injuries, and incidents without fear of retaliation. Preventive measures shall be implemented to minimise workplace hazards.
- Where risks cannot be eliminated, business partners shall provide employees with appropriate, effective, and tailored personal protective equipment free of charge.
- Employees shall receive regular and relevant training on health and safety and emergency preparedness, including ergonomics, the use of personal protective equipment, fire safety, evacuation procedures, and first aid.
- High-risk work conditions, accidents, work-related injuries, and illnesses shall be promptly addressed, remedied, and prevented from recurring through corrective actions.
- Employees must have free access to clean drinking water and hygienic toilet facilities. If applicable, food storage and dining areas must be safe and hygienic.
- Any provided residential facilities must be clean, safe, and meet all basic needs, including reasonable personal space, adequate lighting, drinking water, hygienic toilets, hot water, and proper heating and cooling. Workers must be free to choose their place of residence. Employer-provided accommodation must be affordably priced and allow workers unrestricted access to and from their living quarters at all times.

Local communities and indigenous people

- Business partners must avoid and address any negative social, economic, or environmental impacts related to land or resource acquisition, resettlement (whether voluntary or involuntary), or other limitations on communities' access to or use of land and natural resources. They shall respect local communities' right to a safe, clean, healthy, and sustainable environment and pay special attention to vulnerable groups, including – but not limited to – women, children, persons with disabilities, and minorities.
- Business partners shall respect the rights of indigenous peoples to their lands, territories and resources, which they have traditionally owned, occupied, used, or acquired. Business partners shall engage in transparent and respectful consultation with local communities and indigenous people. The right to free, prior, and informed consent must be upheld before any project that may affect their lands or rights is initiated.

Conflict affected areas

- Suppliers shall ensure that any minerals used in their supply chain, including but not limited to tin, tungsten, tantalum, and gold (3tg), are sourced responsibly and do not contribute to human rights abuses, armed conflicts, or unethical practices. Suppliers must take appropriate measures to identify the origin of these minerals, implement due diligence processes in line with internationally recognised standards, and establish traceability or a chain of custody. Upon request, suppliers shall provide relevant documentation to demonstrate compliance. Engaging in the sourcing of conflict minerals from high-risk areas without proper due diligence is strictly prohibited.

Use of private and public security forces

- Where business partners employ security personnel (including contracted personnel), they shall ensure that operating procedures are established to avoid inappropriate use of force or violence.

Environmental protection

General

- Business partners shall use the precautionary principle and select products that are the least harmful to the environment and health.

Climate change

- Business partners shall calculate and report greenhouse gas (GHG) emissions from both own operations (scope 1 and 2) and relevant parts of the value chain (scope 3), according to the GHG Protocol. Business partners shall also strive to set targets and work to reduce their carbon footprint with the aim of aligning with the Paris Agreement and the Science Based Targets initiative (SBTi).
- Business partners are encouraged to calculate and share CO_2 footprint and material content of key products.
- Business partners shall strive to increase the proportion of renewable energy used in operations and value chain. Business partners shall, if needed, consider climate adaptation measures as part of their climate efforts.

Resources, waste and emissions

- Business partners shall provide high-quality products and services with a long service life, continuously developing more sustainable and circular solutions and share what actions have been taken (e.g. share of reused or recycled material content, improved recyclability, possibilities for prolonged lifetime, refurbishment).
- Resources such as energy, land, and raw materials shall be used efficiently and sustainably to minimise environmental impact and support long-term resource availability.
- Business partners must ensure the responsible sourcing and use of minerals, metals, and other high-impact commodities by adhering to strict environmental standards, minimising their ecological footprint, and promoting sustainable extraction, processing, and recycling practices.
- Business partners shall ensure the safe handling, transportation, and storage of waste while striving to continuously reduce overall waste generation and increase the proportion of waste that is reused or recycled.
- Business partners shall, where relevant, implement efficient and sustainable water management processes, including measures to minimise consumption and promote water recycling and conservation.
- Emissions to air, water, and soil shall be prevented, controlled, and continuously reduced through best available technologies and environmentally responsible practices.

Biodiversity and ecosystems

- Business partners shall avoid and minimise negative impacts on biodiversity and ecosystems, including those caused by land-use change, resource exploitation, and invasive species. If damage occurs, appropriate restoration measures shall be implemented.
- Business partners shall not engage in or contribute to illegal or harmful environmental activities. They shall have processes in place to ensure that they do not contribute to deforestation or exploitation of areas of high biodiversity value.

Chemicals and substances of concern

- Business partners shall follow applicable requirements and local procedures for use, storage, labelling, transport and disposal of chemicals.
- Business partners shall strive to continuously reduce the use of substances of concern. The use of Substances of Very High Concern (SVHC), Substances of High Concern (SHC), shall be minimised, with a clear plan for substitution where feasible.
- Business partners shall conduct risk assessments prior to handling any chemical products and ensure compliance with all necessary safety procedures

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