

## SKAN Supplier Code of Conduct

SKAN AG together with its associated companies (collectively "SKAN") supports and demands the observance of social and ecological values from its suppliers and service providers ("Supplier") and strives to support the implementation of these values and to carry out conscientious management of the supply chain in the fields of ethics, labour rights, health and safety as well as environment.

The following SKAN Supplier Code of Conduct ("Code of Conduct") defines the requirements of SKAN for the Suppliers. SKAN expects from the Supplier that in addition to the standards contained in this Code of Conduct the applicable laws and regulations are observed at national and international level.

### 1. Treatment of employees

#### 1.1 Human and labour rights

The Supplier obligates himself to observe internationally recognised human rights and the labour rights of the applicable national and international laws and regulations. In particular, the supplier observes the core labour standards of the International Labour Organisation (ILO).

#### 1.2 Child labour

The Supplier obligates himself to observe the minimum age specified by ILO Convention No. 138 and to prohibit and refrain from any form of child labour in his company.

#### 1.3 Discrimination

SKAN expects that the Supplier supports equal opportunity and equal treatment and prohibits discrimination during the hiring of employees as well as during promotion or granting furthering education. No employee may be discriminated against due to gender, age, skin colour, culture, ethnic origin, sexual identity, disability, religious affiliation or ideology. The Supplier obligates himself to not tolerate any physical, psychological, sexual or verbal abuse.

#### 1.4 Forced labour

Under no circumstances may the Supplier use forced labor or otherwise benefit from forced labor in accordance with ILO Convention No. 29 on Forced Labor and ILO Convention No. 105 on the Abolition of Forced Labor.

#### 1.5 Freedom of association

SKAN expects that the Supplier respects the rights of the employees to establish an employee's representation, to join one and to conduct collective bargaining in accordance with ILO Convention No. 87 and 98 and in accordance with national legislation.

## 1.6 Remuneration and working hours

The Supplier obligates himself to establish working hours and remuneration for his employees in accordance with the applicable national and regulations.

## 1.7 Health protection and occupational safety

SKAN expects that the Supplier observes the applicable national and international laws and regulations concerning health protection and occupational safety. In particular, the Supplier obligates himself that he implements and applies an appropriate occupational safety management (e.g. in accordance with OHSAS 18001). On the one hand, this encompasses the containment of actual and potential occupational safety risks and, on the other hand, the training of employees to take optimal precautions against accidents and occupational illnesses.

## 2. Environmental protection

### 2.1 Sustainability

The Supplier obligates himself to observe the applicable environmental laws, regulations and standards. In particular, the Supplier strives to minimize environmental impacts and dangers and to observe environmental protection in daily business operations.

### 2.2 Conflict minerals

The Supplier obligates himself to take appropriate measures to avoid use of raw materials in his products that directly or indirectly finance armed groups that violate human rights.

## 3. Business integrity

### 3.1 Prohibition of corruption and bribery

The Supplier ensures that all forms of corruption and bribery or other types of granting advantages are refrained from. In particular he ensures the observance of the conventions of the United Nations (UN) and the Organisation for Economic Cooperation and Development (OECD) for fighting against corruption and the pertinent anti-corruption laws.

### 3.2 Invitations and gifts

SKAN expects that his Suppliers do not misuse invitations and gifts for undue influence. Invitations and gifts to SKAN employees or related parties are only permitted if the occasion and scope are appropriate, i.e. they are of low value and are conducted according to locally generally accepted business practice. Likewise, the Supplier does not expect any inappropriate advantages from SKAN employees.

### 3.3 Avoiding conflicts of interest

SKAN expects that the Supplier makes decisions in regard to their business activity with SKAN based solely on factual criteria. Conflicts of interest with private issues or further business or other activities as well as related parties or organizations must be avoided at the outset.

### 3.4 Free competition

The Supplier behaves fairly in the competition and ensures that his company observes the valid antitrust laws. Suppliers neither participate in antitrust agreements with competitors nor do they improperly exploit a possibly market dominating situation.

### 3.5 Money laundering

The Supplier obligates himself to observe the pertinent legal obligations to prevent money laundering and to not participate in money laundering activities.

### 3.6 Data protection and property

The Supplier respects the intellectual property of others. Additionally, he complies with the applicable data protection regulations and takes all appropriate measures to protect and preserve confidential and internal information or trade secrets of his business partners. In particular he may use such information only for purposes permitted by the contracted agreements.

### 3.7 Foreign trade, export control and customs regulations

The Supplier shall comply with foreign trade regulations as well as export control and customs regulations. Appropriate measures must be taken to ensure that transactions with third parties do not violate applicable economic embargoes or violates trade, import and export control regulations or regulations to combat the financing of terrorism.

## 4. Supplier relations

SKAN expects that the Supplier communicates all principles and requirements described here to his subcontractors and subsuppliers and takes these into account when selecting them. The Supplier supports his subcontractors and subsuppliers to observe the described standards on human rights, work conditions, corruption prevention and environmental protection in the course of fulfilling their contractual obligations.

## 5. Compliance with the SKAN Supplier Code of Conduct

The Supplier agrees to the Code of Conduct without reserve. Compliance with the present principles and requirements lies in the responsibility of the Supplier. Upon request by SKAN, the Supplier will present appropriate documentation to confirm the comprehensive compliance with

the Code of Conduct. SKAN further retains the right to conduct audits on site upon prior notice by a third party contracted by SKAN.

If the Supplier does not comply with conditions of the Codes of Conduct and fails to implement appropriate measures for improvement within an agreed period, this presents a significant breach of contract. In this case SKAN can terminate the business relation extraordinarily without notice and to the exclusion of any liabilities or obligations.

SKAN will review this Code of Conduct on a regular basis and make changes where necessary and appropriate. Important changes will be communicated to the Supplier. The most recent version of the Code of Conduct can be found on the homepage [www.skan.ch](http://www.skan.ch).

## 6. Confirmation

The signatories hereby confirm having read, understood and accepted the content of the present SKAN Supplier Code of Conduct and obligate themselves to fulfil the stated requirements in its entirety.

Company: \_\_\_\_\_

_____ Signature	_____ Signature
_____ Name	_____ Name
_____ Title	_____ Title
_____ Date	_____ Date