

SUPPLIER SUSTAINABILITY POLICY

At SILIKO we consider sustainability to be an essential part in all our business operations and we are committed to a Code of Conduct which describes how we do business. SILIKO actively supports the ten principles covering human rights, labor, the environment and Business ethics.

SILIKO supports and follows the requirements of legislation and its customers and forwards their requirements to its tier1 suppliers and expects that these binding requirements/standards are forwarded by our tier1 suppliers along the supply chain.

As part of our work to achieve a more sustainable world, SILIKO has implemented certain governing principles for our suppliers. These principles are based on the UN's Global Compact principles. The purpose of these principles is to ensure that we collaborate with suppliers who share our values regarding sustainability and we expect that our suppliers, as a minimum, follow our sustainability principles when conducting their own business. This is the starting point for entering into and maintaining a business relationship with SILIKO. These principles are included in this Supplier Sustainability Policy which applies to all suppliers providing materials, products and/or services to SILIKO Company.

Workers/employees are considered to be all people who are working for the supplier, whether directly employed, subcontracted or employed by other agency. SILIKO expects the supplier to monitor its own suppliers in order to ensure commitment to environmental and social responsibility.

COMPLIANCE

SILIKO has a process in place to follow-up compliance of suppliers' sustainability work. Suppliers may be asked to answer a self-assessment questionnaire regarding their social and environmental performance. SILIKO or a third party assigned by SILIKO reserves the right to conduct reviews and/or on-site audits of our suppliers to ensure compliance with this Policy. Supplier agrees to cooperate in order to facilitate such reviews or audits.

SUSTAINABLE PRINCIPLES

The supplier shall comply with applicable legislative and regulatory requirements.

Labor and Human Rights

No person shall be employed who is below the minimum legal age for employment. It is forbidden to use children under the minimum legal working age or fifteen (15) years old; whichever is higher, as labor. Employees under eighteen (18) years of age shall not carry out hazardous work.

The Supplier shall not engage in or support the use of any form of forced, compulsory or illegal labor. Work must take place on a voluntary basis, and personal documents and possessions must not be confiscated in order to force somebody to work. As a minimum, statutory wages and benefits must be paid and applicable working hours/time legislation must be followed.

Employees shall have freedom of association, they are free to form and join, or not to join, trade unions and to bargain collectively. Privacy must be insured. No employee shall be discriminated on grounds of their gender, marital or parental status, ethnic or national origin, sexual orientation, religious belief, political affiliation, age, or disability. Ethical recruiting, women's rights, rights of minorities and indigenous peoples, diversity, equity and inclusion principles must be respected.

Supplier must plan use of private or public security forces to protect the business project if, due to a lack of training or control on the part of the company, the deployment of the security forces may lead to violations of human rights.

Health & Safety

The suppliers shall provide a safe and healthy working environment and take all practicable steps to prevent incidents and injuries. Occupational hazards and injuries shall be documented and necessary measures shall be taken to prevent accidents from reoccurring.

The suppliers shall ensure that all employees are provided with necessary instructions, training and personal protective equipment free of charge necessary for facilitating safe work methods.

Business ethics

All forms of corruption and bribery are unacceptable. Supplier must support fair competition and anti-trust and work against corruption and bribery in all its forms, including but not limited to extortion, fraud, money laundering and facilitation payments. Supplier must maintain and advertise financial responsibility (accurate records), prevent conflicts of interest and protect harmful and unethical disclosure of information and respect intellectual property.

Supplier should plan, implement, control and report processes, appropriate to the organization and the product, for the prevention of counterfeit and/or suspect counterfeit parts use and their inclusion in products delivered to the customer and participate in and support export controls and economic sanctions in general.

Use and promotion of whistleblowing system and protection against retaliation must be demonstrable.

Environment

The business must be run in such a way that serious discharges and emissions to the ground, water and air are systematically prevented. Suppliers shall work in a systematic, goal-oriented and proactive manner to support sustainable resources management, reducing the impact to air quality, water quality and reducing water consumption and insuring waste minimization. Reuse and recycling shall be implemented in all areas where possible. It must be demonstrable that the supplier conduct in the sense of decarbonisation of a supplier's value chain.

Respecting land, forest and water rights and oppose forced eviction must be identified. It must be ensured proper handling with ecosystems to maintain biodiversity, sustainable land use and prevent deforestation and protection and improvement of soil quality. Animal welfare, in so far as supplier actions have an impact on this matter, shall be considered.

The noise emissions shall be significantly below the legally defined values and in accordance with the wishes of interested parties.

Suppliers shall monitor and reduce greenhouse gas (GHG) emissions and improving energy efficiency through strategic planning and use of renewable energy sources and systems. They must take care of responsible chemical management by understanding the materials used for their products, using science-based approaches to assess, manage, and communicate potential hazards and risks to assure that products will be safe for their intended and anticipated use, as well as foreseeable misuse.