

BUSINESS PARTNER CODE OF CONDUCT & ETHICS

Message from the CEO

“ProChema stands for long-term business, trust, continuity, sustainability, organic growth and development. Our stakeholders are a key factor in our strategy, we value and encourage a transparent environment. The Business Partner Code of Conduct expresses the high level of commitment, responsibility, and integrity we expect from all of our business partners.”

Werner Figlhuber

Preamble

ProChema expects all business partners to conduct their operations in accordance with the highest ethical standards, respecting human rights, labor conditions, and environmental sustainability. This Code of Conduct outlines the principles that guide our partnerships. Business partners must ensure that their operations and supply chains are fully compliant with international standards, including the *United Nations Global Compact*, the *International Labour Organization (ILO) conventions*, and *EU regulations*.

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Human Rights / Fair Labor Practices

ProChema requires business partners to respect human rights and ensure fair labor practices in every aspect of their operations and supply chains. This includes:

- *Respect for Dignity and Human Rights:* Business partners must respect the dignity, privacy, and rights of all individuals.
- *Prohibition of Forced Labor:* The use of forced labor, involuntary prison labor, slavery, or human trafficking is strictly prohibited.
- *Prohibition of Child Labor:* Business partners must ensure that child labor is not used under any circumstances.
- *Non-Discrimination:* Business partners must ensure that there is no discrimination based on gender, age, ethnicity, nationality, religion, disability, union membership, political views, or sexual orientation.
- *Safe Working Environment:* Provide a workplace free from harassment, discrimination, violence, or retaliation.
- *Compliant Working Hours:* Ensure that all working hours comply with legal standards and that overtime is voluntary and compensated fairly.
- *Fair Wages:* Ensure wages meet or exceed minimum legal standards and are sufficient to meet basic needs.
- *Right to Freedom of Association:* Respect employees' right to form or join trade unions and engage in collective bargaining without fear of retaliation.

Diversity / Equality / Inclusion

ProChema expects its business partners to promote diversity, equality, and inclusion in their operations.

- *Diversity Reporting:* Business partners must track and report on diversity metrics, including gender representation and pay equity, particularly in leadership roles.
- *Equal Opportunity:* Ensure equal treatment of all employees, without discrimination based on personal characteristics.
- *Inclusive Work Environment:* Ensure an inclusive culture where diverse perspectives are encouraged, and all employees are given equal opportunities to succeed.

Health and Safety

ProChema expects its business partners to provide a safe and healthy working environment.

- *Safe Workplace:* Ensure that employees work in safe conditions, in compliance with all relevant health and safety regulations.
- *Risk Prevention:* Identify, evaluate, and manage risks to prevent accidents and work-related illnesses.
- *Training and Awareness:* Provide employees with regular health and safety training to ensure awareness of best practices.
- *Mental Health and Well-being:* Support the mental well-being of employees by encouraging a work-life balance and offering access to mental health resources.

Environmental Responsibility

ProChema requires its business partners to implement environmentally responsible practices to reduce their environmental impact.

- *Environmental Compliance:* Business partners must comply with all local and international environmental laws, including the *European Green Deal* and *EU environmental regulations*.
- *Measurable Sustainability Goals:* Set measurable environmental goals to reduce carbon emissions, increase the use of renewable energy, and minimize waste. Business partners must demonstrate progress toward these targets through regular reporting.
- *Resource Efficiency:* Maximize resource efficiency by minimizing waste, reducing water and energy consumption, and optimizing the use of raw materials.
- *Climate Impact Assessments:* Business partners should regularly assess the climate impact of their operations and supply chains, with a focus on minimizing their carbon footprint.
- *Resource Efficiency:* Maximize resource efficiency by minimizing waste, reducing water and energy consumption, and optimizing the use of raw materials.
- *Pollution Reduction:* Take steps to minimize environmental pollution, including air, water, and soil contamination.
- *Sustainable Sourcing:* Source materials responsibly, ensuring that environmental standards are met throughout the supply chain.

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Business Ethics

ProChema expects all business partners to conduct business with integrity and transparency, in compliance with international ethical standards.

- *No Corruption or Bribery:* Prohibit bribery, corruption, and any form of improper payment in all business dealings.
- *Compliance with Laws:* Ensure full compliance with all applicable local and international laws, including anti-corruption, anti-bribery, and competition laws.
- *Fair Competition:* Avoid anti-competitive practices such as price-fixing, collusion, or market-sharing agreements.
- *Conflict of Interest:* Disclose any potential or actual conflicts of interest that could affect the business relationship with ProChema.
- *Whistleblower Protection:* Business partners must ensure that mechanisms are in place to allow employees to confidentially report unethical practices without fear of retaliation.

Supply Chain Responsibility

ProChema expects its business partners to ensure that ethical standards are applied throughout their supply chains.

- *Supplier Accountability:* Business partners must ensure that their suppliers adhere to the same standards outlined in this Code of Conduct.
- *Audits and Monitoring:* Business partners should conduct regular audits of their supply chains to verify compliance with labor, environmental, and ethical standards, particularly in high-risk regions..
- *Sustainability and Responsible Sourcing:* Source materials responsibly and ensure that environmental and human rights standards are ensured throughout the supply chain.
- *Conflict Minerals Compliance:* Ensure that sourcing of minerals is compliant with the EU Conflict Minerals Regulation, avoiding contributions to armed conflict and human rights abuses.

Competition and Antitrust Law

ProChema expects its business partners to compete fairly in the market and comply with all applicable competition and antitrust laws.

- *Fair Competition:* Business partners must compete honestly and fairly, avoiding any anti-competitive practices that distort the market.

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- *Prohibition of Collusion:* Business partners must not engage in agreements or exchanges of information with competitors that aim to fix prices, divide markets, or otherwise undermine fair competition.
- *Compliance with Antitrust Laws:* Business partners must adhere to all applicable antitrust and competition laws in the countries where they operate.
- *No Abuse of Market Position:* Business partners must not abuse their market position to exploit customers or suppliers or to eliminate competition.
- *Transparency in Business Practices:* Ensure transparency in all business practices and avoid deceptive or unfair methods that could harm competitors, customers, or ProChema's reputation.

Gifts and Entertainment

ProChema requires business partners to follow strict guidelines regarding gifts and entertainment.

- *Prohibition of Improper Influence:* Business partners must not offer or accept gifts or entertainment that could influence business decisions or give rise to conflicts of interest.
- *Transparency:* All gifts and entertainment must be modest, transparent, and documented.

Confidentiality, Data Protection, and Intellectual Property

ProChema expects its business partners to protect confidential information and respect data privacy regulations.

- *Confidentiality:* Business partners must safeguard all confidential information shared by ProChema.
- *Compliance with GDPR:* Ensure full compliance with the *EU General Data Protection Regulation (GDPR)* and other data protection laws.
- *Respect for Intellectual Property:* Business partners must respect ProChema's intellectual property rights and refrain from unauthorized use.

Accuracy of Records and Documentation

Business partners must maintain transparency and accuracy in all records and documentation.

- *Accurate Record-Keeping:* Ensure that all financial records and transactions are accurate, complete, and reflect the true nature of the business dealings.
- *Compliance with Anti-Money Laundering (AML) Regulations:* Business partners must comply with AML regulations and report any suspicious activity.

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Whistleblower Protection

ProChema requires business partners to provide a safe and confidential channel for employees to report unethical or illegal conduct.

- *Confidential Reporting:* Business partners must establish secure and confidential channels for whistleblowers to report violations of this Code or any unethical behavior without fear of retaliation.
- *Non-Retaliation:* Business partners must guarantee that whistleblowers are not subject to retaliation or negative consequences for reporting violations.

Compliance and Reporting

ProChema reserves the right to audit its business partners to ensure compliance with this Code of Conduct. Business partners are required to report any violations of the Code.

- *Reporting Violations:* Violations of this Code can be reported confidentially via compliance@prochema.com.
- *Audits:* ProChema may conduct audits of its business partners to verify compliance with ethical, environmental, and legal standards.

ProChema reserves the right to change the requirements due to reasonable reasons.

This document must be signed by an authorized representative and returned to ProChema within 30 days.

Please return to QM@prochema.com

Supplier Name

Supplier Address

Signee Name

Signee Function

Signature

Location, Date and Stamp
