

SWAN is committed to the highest standards of sustainability, business ethics and integrity. These are set out in our regulations and apply to all SWAN employees. This Supplier Code of Conduct (also hereinafter referred to as "SCoC") is a natural outgrowth of it and reflects SWAN's desire to extend its commitment to high standards of sustainability, business ethics and integrity to its material suppliers, service providers and other business partners including their affiliates, officers, directors, agents, employees, representatives, subcontractors, and consultants (the "Supplier"). The SCoC is therefore made available to our Suppliers with the goal of strengthening our mutual understanding of how sustainable business should be practiced on a day-to-day basis.

SWAN expects all of its Suppliers and their sub-contractors to adhere to equivalent strict working standards and business ethics. This SCoC states our general principles and sets our minimum expectations regarding the actions our Suppliers taken on behalf of our company and our clients. Suppliers are obliged to ensure that these obligations are already in place. In addition, SWAN and the Supplier may agree on further standards in supply related agreements.

Where compliance with the SCoC could lead to a conflict with or a violation of applicable laws and regulations, the Supplier shall promptly notify SWAN of the situation, and explain how it intends to resolve the conflict while operating in a responsible manner that complies as closely as possible with the letter and the spirit of the SCoC.

This SCoC will apply throughout the SWAN Analytische Instrumente AG, the SWAN Systeme AG and their supplier base.

## **A. HUMAN RIGHTS**

In accordance with the afore mentioned statements, SWAN requests the following business practices from Suppliers at all times, without exceptions:

- respecting the dignity, privacy and rights of each individual as well as rules and regulations;
- no recruitment or employment against the will of a person;
- no tolerance of sexist, coercive, threatening, abusive or exploitative behavior, including gestures, remarks and touching.

## **B. FAIR LABOR CONDITIONS AND CHILD LABOR**

SWAN expects its business partners to ensure fair labor conditions to all Employees and managers, including part-time and temporary workers as well as casual workers such as day labor workers (the "Employee"). Therefore, Suppliers have to adhere to the following provisions:

The Supplier will provide a working environment free of discrimination, harassment, intimidation, or coercion relating directly or indirectly to age, gender, race, color of skin, nationality, social or ethnic origin, language, sexual orientation, marital status, religion or state of health or disability for every Employee. Furthermore, the Supplier will comply with these provisions in any aspect of employment (e.g., recruitment, promotion, and remuneration).

The Supplier will respect the rights of Employees to freely associate and bargain collectively. This means that the Supplier's Employees have the freedom to join, or not to join, an association of free choice as well as establish an association of free choice, to organize and to bargain collectively and individually in accordance with local laws and regulations.

The Supplier will compensate Employees fairly and refrain from offering excessively low wages (“wage dumping”), as exploitative behavior in this respect is at odds with the SWAN principles. Salaries shall be paid regularly. The compensation shall be merchantable and in accordance with relevant national statutory minimum wage rates.

The Supplier is expected to offer its Employees working conditions in compliance with all applicable laws and mandatory industry standards pertaining to regular working hours, and overtime hours, including for breaks, rest periods, holidays, maternity, and paternity leaves. The Supplier shall not require a regular work time over 60 hours per week, including overtime. Employees shall be allowed at least one day off after six consecutive days of work, and any overtime worked shall be voluntary and compensated at premium rate.

The Supplier will not use any forced, compulsory, bonded (including debt bondage) or indentured labor; involuntary or exploitative prison labor; slavery or trafficking of persons is not permitted. Following the ILO Forced Labour Convention, No. 29, the term forced, or compulsory labor shall mean all work or service which is compelled from any person under the menace of any penalty and for which the said person has not offered himself voluntarily.

There shall be no unreasonable restrictions on Employees’ freedom of movement. Supplier may not hold or otherwise destroy or conceal, confiscate, or deny access by its Employees to their personal documents (originals) such as passports, work visa/permits, citizenship, etc. unless required by law. Employees shall be free to leave work at any time or terminate their employment without penalty if reasonable notice is given as per the Employee’s contract. Employees migrating for the purpose of work shall not be required to pay recruitment fees or other related fees for their employment, as this can lead to situations of debt bondage. Should victims of human trafficking be found in the Supplier’s operations, they must be provided with adequate access to remedy.

The Supplier will not tolerate or use child labor in any stage of its general activities other than in accordance with all applicable laws and regulations; with regard to minimum employment age, Supplier will follow the principles of the UN Global Compact and the ILO Minimum Age Convention, No.138. A child in this context is a person younger than 15 years of age, or 14 years of age in accordance with the exceptions for developing countries as set out in Article 2.4 in the ILO Convention No. 138 on Minimum Age. If national legislation has set a higher minimum age, this age will apply.

## **C. OCCUPATIONAL HEALTH AND SAFETY**

The Supplier will provide a safe and healthy workplace for all of its Employees. That means, the Supplier will take measures to prevent workplace violence and harassment, accidents on building sites, in plants and at any other workplaces. Complainants reporting harassment are protected from retaliation and reprisals and unsafe and dangerous conditions will be eliminated immediately. Therefore, hazards and effects of activities, products and services will be assessed and appropriate measures to eliminate or minimize the risks and their effects will be implemented.

## **D. ENVIRONMENTAL RESPONSIBILITY**

### **D.1 Hazardous Substance Management and Restrictions**

The Supplier is committed to environmental protection and will conduct its business in an environmentally sensitive way.

As part of its responsible sourcing program, SWAN may request the Supplier to assess the Supplier's sustainability approach as follows, depending on the level of sustainability risks associated with the Supplier's activities and its products and/or services:

- a) The Supplier shall undergo an external assessment of its sustainability performance at its own expense at least every five years and/or on request by a rating agency to be selected in consultation with SWAN. In the interest of harmonization and comparability of the results, the Supplier undertakes to cooperate in good faith in these assessments.
- b) In the event that the Supplier has already been assessed by an accredited third party company and the assessment has taken place within the last twelve (12) months prior to the commencement of this Agreement or SWAN's last request for assessment, the Supplier may make this assessment report available to SWAN. After analyzing the entire evaluation report, SWAN may, at its sole discretion
  - i. decide that a new assessment is required or
  - ii. accept the assessment.
- c) If the results of the external assessment are below the defined SWAN benchmarks, the supplier agrees to undergo a more frequent external assessment and/or an on-site audit. If an on-site audit is requested, a social and environmental audit will be conducted by a third party at the supplier's expense. Such an audit shall be limited to once per year, unless SWAN is of the justified opinion that the supplier is not complying with sustainable development performance. The supplier must be informed of this prior to the audit. Any on-site audits carried out to date shall be valid for a period of two (2) years. Exceptionally, audits may be requested for any relevant significant change to the supplier, such as a change of production site, etc.
- d) In the event that the result of the external assessment and/or on-site audit is deemed unsatisfactory by SWAN, the Supplier and SWAN shall jointly determine an improvement plan to be implemented by the Supplier. SWAN reserves the right to monitor the correct implementation of this improvement plan on an annual basis.
- e) Compliance with this agreement is considered an essential duty of the supplier. In particular, the refusal to actively participate in the sustainability assessment as described above or the non-implementation of measures jointly defined in an improvement plan shall be considered a material breach of contract. If the Supplier fails to remedy such material breach within a reasonable period of time set by SWAN, SWAN reserves the right to terminate the business relationship with the Supplier. In such a case, SWAN is entitled, at its own discretion, to terminate all or individual contracts with the Supplier extraordinarily for cause.

## **D.2 Handling Hazardous Substances and Restrictions**

If the Supplier uses hazardous substances, it shall comply with all applicable laws and regulations that prohibit or restrict the use and handling of certain substances (e.g. toxic gases such as chlorine). To ensure safe handling, transportation, storage, recycling, reuse and disposal, Supplier shall identify potentially hazardous materials and ensure that they are handled correctly in compliance with applicable labeling laws and regulations regarding recycling and disposal..

## **D.3 Waste Management**

The Supplier shall manage and dispose of non-hazardous waste generated from operations as required by applicable laws and regulations. The Supplier shall minimize environmental pollution and make continuous improvements in environmental protection. SWAN encourages the

Supplier to communicate to its management, Employees, and contractors its commitment to improving the environment, and to provide training on such commitment.

## **E. RIGHT OF AUDIT**

SWAN reserves the right to audit its suppliers by appointment to ensure compliance with the provisions of this Code of Conduct. Failure to agree to such an audit shall be grounds for SWAN to terminate the supply contract with the supplier.

## **F. BUSINESS ETHICS**

### **F.1 Honesty and good Faith**

In all commercial transactions with SWAN, as well as with their own Suppliers, subcontractors and Employees, our Suppliers are expected to act in an honest and good faith manner, across all aspects of their operations, both internally and externally. The Supplier will conduct its business in an ethical manner in accordance with all applicable laws, rules, and regulations. In particular, the Supplier will:

- refrain from any and all forms of extortion and bribery;
- adhere to anti-trust and other competition laws, e.g., not participating in price fixing or bid-rigging and
- disclose to SWAN available information about conflict of interest, including disclosure of any financial interest of a SWAN employee in any aspect of the Supplier's business.

### **F.2 Gifts**

All illegal benefits to third parties directly or indirectly, whether public authorities or in the private sector, are forbidden. The converse applies in respect of receiving such benefits. Facilitation payments are forbidden as well as the offer or acceptance of a gift in cash or cash equivalent. We expect our Suppliers to work according to all international anti-bribery and anti-corruption standards.

### **F.3 Confidentiality**

The Supplier and its Suppliers and sub-contractors will protect all confidential information provided by SWAN and its respective business partners. They must at all times protect any personal data from misuse and comply with all applicable data protection laws and regulations.

## **G. BUSINESS CONTINUITY PLANNING**

The Supplier shall implement and maintain policies to mitigate the risk of business disruptions by exposures to risks including, but not limited to, terrorism, crime, software viruses, cyber-attacks, business threats, labor disputes and strikes, disease, pandemics, natural disasters and major accidents.

**H. PROCUREMENT BY SUPPLIER**

SWAN expects the Supplier to obtain confirmation from each of its sub-Suppliers providing goods or services directly or indirectly to SWAN that the sub-Supplier acts in compliance with this SWAN SCoC.

**I. COMPLIANCE WITH APPLICABLE LAWS, RULES & REGULATIONS**

SWAN Suppliers are expected to comply with all applicable laws, rules and regulations. This means laws, rules and regulations that apply to Supplier's location, but may also include the laws, rules and regulations of other locations depending on the nature of the transaction engaged in with the SWAN affiliate and where that affiliate is located.

**J. CONFLICT MINERALS**

SWAN is also committed to comply with relevant laws and regulations requiring disclosure of and avoiding the use of conflict minerals. All goods delivered to SWAN shall comply with these conflict mineral regulations. Conflict minerals are minerals, such as tin, tantalum, tungsten and gold, originated from conflict-affected areas in order to finance armed conflicts or that are being mined under serious human rights violations.

**K. IMPLEMENTATION & COMPLIANCE**

SWAN expects its Suppliers to self-monitor their compliance with the SCoC, that is published in latest version on the SWAN corporate homepage. In the case of any serious breach of this SCoC by the Supplier, SWAN shall review its arrangements with the Supplier. SWAN reserves the right to terminate its business relationship with any Supplier who is unwilling to comply with this SCoC.

**L. GOVERNMENT, MEDIA AND INVESTORS RELATIONS**

The Supplier shall not instigate any form of publicity or make any statement or submission to investors, the media or government referring to SWAN, without first obtaining prior written permission from SWAN (except where required by Government or under the law). The Supplier must submit any such request to the Communication Department of SWAN for appropriate authorization.

**M. SUPPLIER CONFIRMATION**

This Compliance Declaration must be signed by a duly authorized representative (owner, director or higher) of the respective company and returned to sender within 15 working days of receipt. Wherefore, by its authorized signature below, Supplier confirms receipt of a copy of the SWAN SCoC and agrees to comply with its terms henceforth.

**Code of Conduct for Suppliers  
of Swan Analytical Instruments AG  
and Swan Systeme AG**



**Supplier Name**

(readable in print)

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**Supplier Address**

(readable in print)

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**Signature 1**

Print Name

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Title / Function

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Date

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**Signature 2 (optional)**

Print Name

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Title / Function

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Date

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