



SPIHEROS

**Business Partner
Code of Conduct**

Preamble

“Integrity and quality in everything we do”

Dear valued business partners

Integrity, respect, and **ethical conduct** are not just something we aspire to, they are the core principles guiding us in our day-to-day work around the world. What we expect of ourselves is what we expect from valued business partners like you. Spheros is committed to the universal principles of human rights, fair working conditions, environmental protection, and the fight against corruption. These principles are reflected in our **Code of Conduct and Ethics**, which describes the policies, principles, and rules followed by Spheros.

Acting with integrity is essential to managing the dynamic changes in our legal, social, and geopolitical landscape. This is why we only work with business partners who have our full confidence. You will meet these requirements by reading, understanding, and complying with our **Code of Conduct for Business Partners**. This Code of Conduct is binding for all our suppliers, agencies, intermediaries, brokers, service providers, resellers, distributors, consultants, and joint venture partners.

What does that mean in practice? Whenever and wherever you work for Spheros, you will take a zero-tolerance approach to bribery and corruption, uphold human rights, ensure fair working conditions and individual integrity, ensure workplace safety, support environmental protection, follow fair sales and marketing practices, respect confidentiality, competition, and intellectual property, and refrain from any illegal conduct. No business activity, large or small, is exempt from these general principles.

Speak up whenever you see or suspect unethical behavior. We take all reports of misconduct seriously and prohibit any form of retaliation against anyone who raises a concern.

Please take the time to read this Code of Conduct carefully and refer back to it throughout our continued collaboration. Thank you for your attention! We look forward to working with you.

Kind regards,

Mark Sondermann, CEO Spheros Group

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1. Consistent integrity

What we do, how we do it, and with whom we do business matter very much to Spheros

Spheros is committed to impeccable business ethics and consistent integrity. We endeavor to work only with business partners who adhere to the same standards of integrity and, of course, applicable laws and regulations that we do.

Our joint success in the long term depends on how consistently we all follow laws, regulations, ethical principles, and our own voluntary commitments. This also includes how quickly we identify and mitigate risks.

This **Code of Conduct for Business Partners** reflects the **Spheros Code of Conduct and Ethics** that applies to all employees and managers at Spheros. It states what Spheros expects from its business partners with respect to doing business ethically, lawfully, and fairly. It applies to all of our business partners and their employees, including but not limited to suppliers, service providers, subcontractors, brokers, customers, distributors, trade associations, universities, and research institutes, as well as all agencies and intermediaries working for or on behalf of Spheros, regardless of what they do and where they operate in the world.

In this respect, Spheros' extensive selection process for its business partners includes continuous compliance due diligence as well as complete adherence to this Code and all applicable regulations.

If local laws are less restrictive than this Code, our business partners must comply with this Code, even if what they are doing is actually legal. If local laws are more restrictive than this Code, our business partners must always comply with these laws as a minimum.

This Code may be updated from time to time or supplemented with additional guidelines, but it cannot take into account all situations that may arise. c

2. Ethics and human rights in the supply chain

We firmly believe that everyone has the fundamental right to live and work in a safe, respectful, inclusive, positive, and clean environment.

We follow the United Nations Universal Declaration of Human Rights.

As such, Spheros works with business partners who follow the same basic principles and take effective measures to prevent or mitigate the negative effects of their business activities on human rights.

Zero tolerance for forced labor, child labor, and human trafficking

Our business partners must comply with regulations that prohibit any form of child labor, forced or involuntary labor, human trafficking, servitude, and coercion to work. This includes, for example:

- Demanding, under threat of penalty, that employees provide work or services involuntarily;
- All forms of slave-like practices, such as demanding excessive fees, withholding identification documents, servitude, bonded labor, the use of force or other methods of control, oppression, economic or sexual exploitation, or humiliation.

With regard to child labor:

- The minimum age of employment must correspond to German law, which is not less than 15 years;
- Employees under the age of 18 enjoy special protection and are not permitted to perform any work that could jeopardize their safety, health, or well-being, such as overtime or night shifts.

Fair living wages and benefits

Our business partners are required to comply with all applicable laws and regulations on wages, benefits, and work hours, including overtime. Furthermore, our business partners are not permitted to withhold or deduct wages as a disciplinary measure nor to impose financial burdens on employees in connection with recruitment costs.

We expect our business partners to provide fair and competitive living wages and benefits, either directly or indirectly through employment agencies, on a timely and regular basis. Our business partners are also required to comply with all regulations on overtime and maximum working hours, rest periods, work schedules, paid overtime, maternity/paternity leave, and sick leave and family leave.

Occupational health & safety

Our business partners should maintain safe and healthy workplaces for their employees and implement responsible health and safety practices that meet or exceed legal requirements. This includes, among other things, suitable protective equipment as well as access to clean restrooms and drinking water. Our goal is to continuously improve working conditions and promote occupational health and safety in order to prevent occupational safety incidents.

Freedom of assembly

Our business partners must uphold the right of employees to unionize at their own facilities and throughout their supply chain. Establishing or joining a union must not constitute grounds for discrimination or retaliation. Unions should be able to act freely in accordance with local law. This also includes the right to strike and the right to collective bargaining. Our business partners must never forcibly restrict their employee's freedom of assembly.

Zero tolerance for discrimination, harassment, and bullying

Employees must be treated fairly and with dignity and respect. With a zero-tolerance policy for all forms of discrimination, harassment, and bullying in the workplace, everyone should have equal opportunity with respect to hiring, training, and promotion, and such decisions should be made solely on the basis of performance, qualifications, and job-related requirements.

Respect for local communities and land rights

Our business partners must consider the welfare of the local communities in which they operate as well as respect the rights of those communities. Our business partners must recognize the land rights of individuals, indigenous peoples, and local communities in accordance with local laws and international standards. Furthermore, our business partners must not participate in the unlawful expulsion of indigenous peoples from their land.

3. Regulatory and technical compliance

Every day, we strive to offer our customers the highest level of quality and reliability. We comply with all applicable standards and regulations.

We are committed to developing products that meet the highest standards of quality. We believe that technology, quality, and compliance go hand in hand.

Product safety and quality

To ensure the development of quality products, Spheros employs product development gates and continuous quality assurance for its processes. It is therefore important that we work with business partners who are equally committed to strict quality controls in their own processes and those of their suppliers. Products, services, and technologies must always be provided in accordance with legal requirements as well as the specifications agreed with Spheros. Inform us immediately with regard to any actual or potential risks that may affect your products, services, and technologies, whether they have been provided to Spheros already or are still to be provided.

Compliance with environmental regulations

We want to work with business partners who comply with environmental regulations, who care about sustainability, and who value clean technologies, both with respect to the product itself and in terms of production, delivery, and distribution. Suppliers support Spheros in determining direct and indirect emissions related to your products and their production. We expect our business partners to care about being energy-efficient, using renewable energies, promoting the conservation of resources, reducing waste, and correctly handling hazardous substances at their own facilities and throughout their supply chain.

Promotion of responsible mineral sourcing

Conflict minerals are certain types of raw materials (such as tin, tungsten, tantalum, and gold) that originate from specific regions associated with human rights violations and violent conflicts. Conflict minerals are known to fuel wars and cause human rights violations.

Spheros helps its customers meet their obligations under conflict minerals regulations and expects its business partners to source all conflict minerals and materials responsibly, to cooperate with us, and to provide us with any information we request.

Import/export controls and economic sanctions

Spheros undertakes to strictly comply with all applicable laws and regulations related to export controls and economic sanctions.

Import and export controls serve to protect national security interests, enforce international law, defend human rights, maintain peace and security, prevent armed conflict, and impose consequences for misconduct. Any violation of these laws may have serious repercussions on our business and may result in business interruptions and the loss of export privileges, among other consequences.

Spheros must know which products, components, and technologies supplied by a business partner are subject to restrictions, as this may affect our own ability to import, export, or re-export products or technologies.

Spheros requires its business partners to:

- Comply with import and export control regulations;
- Provide clear, truthful, and accurate information on the origin, export classification, and export restrictions of the products/materials, services, software, etc. supplied to Spheros;
- Obtain any necessary export permits;
- Immediately inform Spheros of any changes that occur, or provide any relevant information that may affect or interrupt Spheros' business activity.

In addition, depending on the respective export control program or applicable regulations, customers and distributors may be required to confirm in writing the end use and/or end user of the Spheros products or Spheros technologies they purchase or distribute.

We also strive to work with business partners who are committed to complying with applicable economic sanctions and align their business activities accordingly.

Economic sanctions, including but not limited to embargoes, trade restrictions, and financial sanctions, are imposed by governments or other organizations (e.g., the United Nations, the European Union, the United States, etc.). Sanctions restrict or even prohibit companies from doing business with certain countries, individuals, or organizations.

To avoid the risk of violating applicable sanctions, our business partners must therefore take the following precautions at a minimum:

- Ensure that no order accepted by or given to Spheros violates applicable economic sanctions, whether in relation to persons, companies, end users, locations, products, or technologies;
- Conduct suitable due diligence of their own stakeholders (including their customers, banks, logistics companies, suppliers, etc.);
- Ensure that Spheros does not violate, directly or indirectly, applicable sanctions programs;
- Immediately inform Spheros of any suspected activity that could disrupt or impair Spheros' business operations.

Data protection regulations

Our highest priority is to ensure and maintain adequate protection for the personal data entrusted to us by our employees, customers, suppliers, etc.

Our business partners are therefore obliged to comply with applicable local laws and regulations on the collection, use, transfer, and disclosure of personal data, as well as to ensure that they are in compliance with Spheros' contractual provisions and rules for data protection. As such, our business partners must take suitable security measures to sufficiently protect the personal data from Spheros which may be processed, accessed, or viewed.

4. Doing business with integrity

Who we are as a company is determined by how we conduct ourselves on the market and how we treat our business partners.

We believe that ensuring fairness, mutual respect, and integrity between business partners is the foundation for our long-term success and for mutually beneficial relationships. We advocate for uniform competitive conditions, fair trade, and honest competition on a free market.

Fair competition and antitrust law

Our competitive advantage should be the benefits of our excellent service, products, and technologies. To ensure fair competition, we must have zero tolerance for unlawful conduct intended to unfairly discriminate against consumers, displace competitors from the market, or force customers and suppliers to accept unfair terms and conditions.

We require our business partners to prohibit and actively prevent anti-competitive practices, whether in relation to unlawful exchanges of information, illegal arrangements with competitors (particularly when they are helping Spheros on projects: e.g., contractors, service providers, interns, etc.), the abuse of a dominant position, or any unlawful conduct that could adversely affect the competition.

Our business partners are never permitted to form cartels with competitors, to participate in price fixing, market division, and bid rigging arrangements, or to exchange sensitive business information with their competitors in order to restrict competition.

Preventing conflicts of interest

Business decisions and transactions involving a Spheros company must never be influenced by personal or family interests. Furthermore, the decision-maker must not gain any personal benefit from these business decisions and transactions. Similarly, our business partners are not permitted to lend money from other business partners nor to accept personal advantages of any kind.

Combating bribery and corruption

Interactions with third parties must be free of corruption or bribery of any kind. Spheros' employees and business partners are not permitted to directly or indirectly promise or provide anything of value to customers, suppliers, or third parties, including public officials and authorities, or to demand or accept anything of value from such in order to receive an order, influence a relationship, or secure an unfair or unlawful advantage. Our business partners are prohibited from giving influence, gifts of cash or cash equivalents, facilitation payments, or other benefits to public officials for routine governmental duties.

Furthermore, our business partners are required to observe and comply with all applicable laws and regulations on combating corruption and bribery. The following applies in particular:

- Our business partners are not permitted to offer anything to Spheros employees, or accept anything from Spheros employees, which goes beyond legitimate, infrequent, low-value business courtesies that are intended only to establish or maintain friendly business relationships.
- Our business partners are not permitted to offer gifts or invitations, or give or promise donations, to third parties in Spheros' name or on behalf of Spheros, neither directly nor indirectly via agencies or intermediaries.
- In particular, our business partners must not give or promise anything of value to any person with actual or potential influence over a decision-maker. Most importantly, this rule applies if this decision-maker is a government official, even if they do not gain any obvious benefit.

Spheros expects its business partners to exercise reasonable due diligence to prevent and identify any direct or indirect corruption in all of their business agreements. In situations where you, as a business partner, wish to employ an agency or intermediary in order to assist you in meeting an obligation to Spheros, you must obtain prior approval from Spheros.

Combating money laundering and criminal activity

We expect our business partners to refrain from any activity that directly or indirectly contributes to supporting armed groups or criminal and terrorist activities. Our business partners must exchange goods and services only for acceptable and lawful forms of payment, and our business partners must closely monitor payments, invoices, and other transactions.

Protecting assets and confidential information and data

Spheros is very serious about the confidentiality and protection of its assets (in particular intellectual property, trade secrets, know-how, patents and trademarks, and non-public business and strategic information) as well as the protection of business data. This also includes the data entrusted to Spheros by its business partners.

Spheros wants to work with business partners who observe applicable regulations on the protection of intellectual property and the protection of non-personal data and who are committed to complying with these regulations. This is especially true for business partners who act as data processors on behalf of Spheros.

Therefore, the following applies:

- Our business partners are not permitted to use Spheros' material and intellectual property, confidential information and data, patented technologies, documents, or other materials without written permission or beyond the scope of the work performed for Spheros.
- Our business partners are not permitted to make public statements about or on behalf of Spheros or in relation to Spheros' projects or customers, either in writing or in any verbal form, regardless of whether these statements are made via traditional media, social networks, or other public forums. Furthermore, our business partners are not permitted to issue public statements or communications that would lead to the disclosure of confidential information about Spheros, Spheros' customers, or other stakeholders. Any requests or invitations to conduct an interview regarding Spheros must be addressed to Spheros' Communications Department.

5. Effective compliance

Spheros relies on trust & close cooperation.

Compliance with our **Business Partner Code of Conduct** and applicable regulations will always be a requirement for each of our business partners, regardless of what they do and where they operate in the world.

Spheros welcomes joint efforts with its business partners which are intended to establish good business ethics and greater regulatory compliance by means of transparency, prevention, and **continuous improvement**.

As a business partner, you are therefore responsible for the following:

- Ensuring that this Code is properly distributed, communicated, understood, and followed throughout your business and supply chain (in particular by those employees, contractors, etc. who are entrusted with activities, contracts, or assignments related to Spheros);
- Creating and maintaining a culture of integrity and compliance within your organization;
- Implementing any programs and measures necessary to ensure compliance with this Code, such as regular training, suitable risk assessment processes, internal controls and management systems, due diligence and suitable selection procedures for subcontractors, and the immediate mitigation and elimination of compliance risks or omissions;
- Informing Spheros without delay in the event that regulatory non-compliance or other issues are identified.

We reserve the right to conduct ad hoc or regular due diligence with respect to our business partners. To this end, we require you to answer, upon request, any questions from Spheros with regard to your compliance with the requirements of this Code in a complete, truthful, and transparent manner, and to provide any relevant documents upon request.

Violations of this Code and applicable laws, as well as the failure to take necessary preventive and corrective measures, will result in consequences. Spheros will not hesitate to suspend or terminate business relationships, in whole or in part, if the respective business partner does not comply with the rules and requirements of this Code.

Reporting issues

We are all personally responsible for doing our part to ensure integrity. Whenever our business partners suspect that something is wrong, they should NOT be silent, but raise their concerns.

Spheros encourages its business partners to speak up and ask for help if they have any doubt concerning compliance with the regulations that affect Spheros. In particular, this applies if our business partners observe suspicious behavior or suspect that an action violates this Code or other applicable regulations.

You may reach out to your contact person at Spheros, contact compliance@spheros.com or use our confidential Whistleblowing Hotline.

You can be assured that any concerns raised will be considered, promptly reviewed, and investigated as necessary. Retaliation against anyone who reports a concern is a violation of our Code. Spheros takes this very seriously. If one of our business partners believes that retaliation has occurred, they should immediately report this to our Legal & Compliance department (compliance@spheros.com).



**Speak
U!** Prevention & Detection
is our best compliance shield
to avoid fraud and illegal practices

You can contact our **Spheros Whistleblowing Hotline**:

<https://spheros.hinweisgeberexpertemeldeplattform.de/en>

Email: info@hinweisgeberexperte.de

Phone: +49 89 21 52 74 33 (Mon-Fri, 9am - 5pm CET)

Mail: Compliance Beratung + Service Rechtsanwaltsgesellschaft mbH;
Maximilianstraße 24; 80539 Munich, Germany



SPIHEROS

Legal & Compliance

Spheros Germany GmbH
Friedrichshafener Straße 7 | 82205 Gilching, Germany