

PRINCIPLES OF ETHICS

AND EXPECTATIONS FOR EXMET GROUP PARTNERS

1 Introduction

- 1.1 Exmet Group's principles of ethics and expectations for partners (hereinafter "principles of ethics") determine the requirements applicable to all the partners of OÜ Exmet and its subsidiaries (hereinafter "**Exmet Group**") and to third parties who are in a contractual relationship with Exmet Group or who cooperate with Exmet Group (hereinafter "**partner**").
- 1.2 Exmet Group's management model operates on the principle of sustainability, ethics and balance. It cares equally about the sustainability of the natural and social environment and does everything in its power to ensure that its current decisions shape a better tomorrow.
- 1.3 Exmet Group expects its partners to adhere to the same ethical values and cooperate based on common goals. Partners are obligated to conduct their business in compliance with all the relevant national and international laws.
- 1.4 Exmet Group cooperates with partners who share the same ambitions and commitment to sustainability and agree to cooperate in a transparent manner, even if it means meeting higher standards than those prescribed by regulatory requirements.
- 1.5 Exmet Group expects its partners to adhere to these principles of ethics in its business activities both in organisations around the world and in supply chains.

2 Principles of ethics and expectations

- 2.1 **Safe working conditions and well-being of employees.** The partner must provide its employees with working conditions that meet the highest standards of occupational safety and comply with the applicable labour laws and regulations when providing services. Exmet Group prefers a partner that operates on the basis of a certified occupational health and safety management system that complies with the ISO 45001:2018 standard or another equivalent standard. A partner that has not implemented such a management system or its analogue must still meet at least the following requirements.
 - ▶ Respectful, equal and dignified treatment of employees.
 - ▶ Providing employees with a workplace and working conditions that comply with all the relevant legislation and authorisations, including guidance in occupational health and safety, offering training and **providing them with tools**.
 - ▶ **Excluding** the abuse of child labour.

- ▶ Excluding human trafficking and the use of illegal labour.
- ▶ **Prevention of any discrimination.**
- ▶ Ensuring fair, transparently paid and taxed wages for employees and a work volume that complies with the law.
- ▶ **Ensuring the privacy of individuals and freedom of expression.**
- ▶ Giving employees the right to form trade unions.

2.2 Environmental responsibility. When providing services, the partner must ensure efficient use of resources and avoid damage to the natural environment. Exmet Group prefers a partner that operates on the basis of a certified environmental management system that complies with the ISO 14001:2015 standard or another equivalent standard. A partner that has not implemented such a management system or its analogue must still meet at least the following requirements.

- ▶ Continuous reduction of the negative environmental, social and economic impact of their activities.
- ▶ Actively looking for ways to reduce their environmental footprint.
- ▶ Introduction of environmentally friendly working methods, economical use of materials and energy.
- ▶ Reducing CO₂ emissions, where possible.
- ▶ Working together to create sustainable supply chains.

2.3 Quality and life cycle of products and services. Exmet Group prefers a partner that operates on the basis of a certified quality management system that complies with the ISO 9001:2015 standard or another equivalent standard. A partner that has not implemented such a management system or its analogue must still meet at least the following requirements.

- ▶ Ensuring the compliance of their product and service with the highest quality levels and, where possible, ensuring that environmental declarations are available for the products.
- ▶ Elimination of deviations related to the product and service within three weeks. The initial response and initial solution must be provided to Exmet within three working days after the occurrence of the problem.

2.4 Prevention of corruption and ethical business model

- ▶ The partner takes measures to prevent corruption and economic crimes.
- ▶ The partner may not be party to agreements that restrict fair competition.
- ▶ The partner is obligated to comply with sanctions established by the Council of the European Union and sanctions resulting from a resolution of the UN Security Council or other legislation binding on the Republic of Estonia or the partner's country of location/operation. Therefore, any cooperation with persons and enterprises subject to international sanctions must be avoided.
- ▶ The partner is obligated to avoid the handling and delivery of conflict minerals and sanctioned goods and to prevent its own intentional or unintentional participation in money laundering.

- ▶ The partner is obligated to ensure compliance with the laws and directives governing the protection, transfer, storage and access to personal data.
- ▶ The partners of Exmet Group are obligated to use information received from Exmet Group responsibly, strictly complying with confidentiality requirements. Special attention must be paid to the responsibility and safety of the use of information technology, taking all possible relevant information security measures to ensure the protection of confidential information of the partners themselves and of the Exmet Group. If customers or suppliers suspect that confidential information in their possession may be at risk, e.g. as a result of a cyber attack, they must notify Exmet thereof immediately.
- ▶ The partner is obligated to refrain from any cooperation with sanctioned persons and enterprises. In addition, the partner confirms that it always verifies the beneficial owners in business relationships and if they include a sanctioned person or enterprise, it immediately terminates all such relationships.

3 Liability

- 3.1** The partner is responsible for enforcing and verifying compliance with regulatory requirements and the principles of ethics in its operations.
- 3.2** Exmet Group reserves the right to verify compliance with the principles of ethics by combining internal and external assessment mechanisms. The partner is obligated to cooperate and contribute to the audit.
- 3.3** Violation of any principle set out in this document shall constitute a breach of contract.
- 3.4** In case of violation of any requirement specified in the principles of ethics, if it is possible according to the nature of the violation, Exmet Group will give the partner a reasonable deadline to cease the violation and/or compensate for damage. If the partner is unable to do so within the established deadline, Exmet Group may implement legal remedies provided for by contracts and the law.

4 Reporting non-compliance with principles of ethics to Exmet Group

Partners can report violations of regulatory requirements and principles of ethics that have occurred or may occur to Exmet Group through the appropriate reporting channel at ethics@exmet.ee.