



TKH Code of Supply

As reflected in the TKH Code of Conduct, TKH and its subsidiaries (hereinafter 'TKH') stands for responsible business. TKH is committed to high standards of social and environmental responsibility and ethical conduct, in all aspects of our operations. This commitment extends to our supply chain, and we expect our suppliers to share our values and adhere to the principles outlined in this TKH Code of Supply.

Global Compact

This Code of Supply has been developed with recognition of the importance of the ten principles of the UN Global Compact. The Code of Supply addresses the issues included in the Compact in the areas of human rights, labor, environment, and anti-corruption.

Scope of application

This TKH Code of Supply includes the minimum standards that are expected of suppliers with whom TKH does business. The TKH Code of Supply is applicable to all workers and employees of any of those Suppliers, including permanent, temporary, contract agency and migrant workers. TKH expects its suppliers to cascade these principles down their supply chain, encouraging their own suppliers and subcontractors to adhere to this Code. In particular, we require our strategic suppliers, defined as those with an annual purchase volume exceeding €1 million, to formally sign and commit to this Code of Supply.

Conduct towards business

- Legal Compliance: suppliers are expected to comply with all relevant international legislation as well as the applicable laws, regulations, and permits in the countries where they operate.
- Quality Management: the Supplier shall maintain an effective Quality Management System (in accordance with the requirements of ISO 9001, or national equivalent).

Conduct towards environment

- Environmental compliance: our suppliers comply with all applicable national laws, regulations and standards to protect the environment.
- Environmental Management System: our suppliers are expected to establish and maintain a suitable Environmental Management System (in accordance with ISO 14001, or national equivalent).
- Chemical substances: suppliers that work with substances of (very) high concern, must comply with the European REACH (Registration, Evaluation, Authorization, and Restriction of Chemicals) regulation.
- Minimizing environmental impact: Our suppliers aim to use (raw) materials, energy, and other natural resources efficiently, while minimizing waste, greenhouse gas emissions, and noise.

Conduct towards labor and human rights

- Employee rights: our suppliers respect and comply with the fundamental rights granted to all employees under applicable national statute.
- International labor standards: we expect our suppliers to fully recognize and comply with the labor standards issued by the International Labor Organization (ILO) and applicable national laws and regulations.
- Freely chosen employment: employment should be freely chosen in accordance with the Universal Declaration of Human Rights.
- Forced and child labor: we expect our suppliers to prohibit and refrain from any kind of forced or child labor within their organization.



- Equal treatment and discrimination: we expect our suppliers to promote equal opportunities and prohibit discrimination based on gender, age, ethnicity, nationality, sexual orientation, disabilities, union membership, political affiliation or religious conviction.
- Humane Treatment: we expect our suppliers to provide a safe and respectful work environment, where workers are treated with dignity. No harsh or inhumane treatment of workers is allowed, including sexual harassment, abuse, coercion, or verbal abuse, nor is any threat of such treatment tolerated.
- Freedom of association and collective bargaining: we expect our suppliers to respect employee's rights with regard to collective bargaining and freedom of association.
- Working hours: we expect our suppliers to fully comply with applicable national statute on working time.
- Wages and benefits: we expect that the employees of our suppliers receive a remuneration which is in line with applicable national statute. Furthermore, TKH expects suppliers to strive towards paying a living wage, defined by the ILO as the wage level that is necessary to afford a decent standard of living for workers and their families, taking into account the country circumstances and calculated for the work performed during the normal hours of work.
- Grievance mechanisms: suppliers shall have systems in place to enable fair, and anonymous grievance reporting and follow-up without fear of reprisal. This includes worker whistleblower protections.

Conduct towards occupational health and (consumer) safety

- Health and safety compliance: we expect our suppliers to ensure a safe working environment and therefore to fully comply with applicable national statute governing health and safety at work.
- Health and safety management system: our suppliers are expected to establish and maintain an appropriate occupational health and safety management system (in accordance with ISO 45001, or national equivalent).
- Working conditions: we expect our suppliers to protect the health and safety of employees and contract labor and minimize any adverse work conditions.
- Consumer safety: our suppliers are expected to ensure their products are safe for consumers and comply with the EU Directive on Restriction of Hazardous Substances (RoHS).

Conduct towards business ethics

- Integrity: our suppliers operate with fairness and integrity towards its stakeholders and refrains from unethical conduct.
- Anti-corruption and bribery: we expect our suppliers to have zero-tolerance for corruption and to ensure compliance with all relevant United Nations (UN) and Organization for Economic Co-operation and Development (OECD) conventions, and anti-corruption laws.
- Gifts and hospitality: our suppliers are expected to ensure that their employees, subcontractors, and agents do not offer, promise, or grant any advantages to TKH employees or related parties to secure an order award or preferential treatment in their business transactions.
- Conflict of interest: suppliers will declare any conflict of interest in any business dealings with TKH and will actively seek to avoid such conflicts.
- Anti-trust and fair competition: our suppliers shall compete fairly and comply with applicable competition and anti-trust laws, avoiding agreements or practices that restrict competition, such as price-fixing, market allocation, or abuse of dominant position.
- Prevention of fraud: our suppliers are expected to conduct their work in a reliable and honest way. Our suppliers must have internal control systems in place to detect, prevent and respond to fraud and money laundering.

Conduct towards Conflict Minerals



- Ethical sourcing of minerals: TKH is committed to not directly source minerals from Conflict-Affected and High-Risk Areas. Therefore, we expect that our suppliers have conducted reasonable due diligence regarding the supply of (components of) products and hereby confirms that none of the products sold to TKH have any conflict minerals (tin, tantalum, tungsten, and gold) that have been directly sourced from Conflict-Affected and High-Risk Areas.

Management, monitoring and evaluation

- Request information: TKH may request information from suppliers to verify compliance with this Code. Suppliers are expected to respond to such requests in a timely and transparent manner.
- Desktop and on-site assessment: TKH reserves the right to conduct regular assessments, which may include self-assessments, on-site audits, and other monitoring activities. For our strategic suppliers, the assessment process will involve an initial desktop assessment, where they will complete the TKH Code of Supply Self-Assessment questionnaire, followed by an on-site assessment, tailored to the findings and results of the desktop assessment.
- Non-conformities:
 - A supplier who cannot comply with this code should notify TKH of their non-compliance, providing details and indicating their plans for future compliance.
 - If non-conformity issues are found, the supplier will take preventive actions and implement written objectives, targets and implementation plans to improve their social, labor, ethical and environmental performance.
 - TKH may reconsider its relationship with a supplier that does not comply with this Code.
- Continuous improvement: TKH expects suppliers to continuously improve their performance in line with this Code of Supply.

Contact

Any questions related to this Code of Supply can be addressed to the Sustainability Team, at phone number: +31 (0)53 573 29 00.

This Code of Supply is an important part of our business operations, and we expect our suppliers to comply with its principles. We appreciate cooperation and look forward to working with our suppliers to maintain a responsible and sustainable supply chain.

TKH subsidiary: _____

Contact person: _____

Declaration to be signed by Supplier:

Company name: _____

Contact person: _____

Function: _____



Date: _____

Signature: _____