

# AIR COST CONTROL

## CODE OF CONDUCT, ETHICS & COMPLIANCE

### Suppliers

**Total customer satisfaction is our primary driving force.**

**AIR COST CONTROL is committed to:**

- A deep commitment to understanding our customers' needs, serving them with dedication, and prioritizing strong, long-term business relationships;
- Delivering personalized service through award-winning performance, expert technical support, uncompromising confidentiality, and ongoing service optimization.

**Below, you will find the AIR COST CONTROL's Supplier Code of Conduct, Ethics & Compliance.**

#### 1- COMPLIANCE WITH LAWS

The supplier is obliged to comply with all legal requirements applicable to its product and business activities, such as applicable laws, industry regulations, contractual conditions and generally recognised international standards. These include, in particular, the protection of human rights, safety, health and environmental protection, the prohibition of child and forced labour, antitrust and competition law, data protection and the prevention of money laundering and corruption. In addition, the business supplier must pay particular attention to ensuring compliance with the applicable import and export laws as well as sanctions and embargo regulations.

The supplier must comply with the applicable laws, regulations and this Code of Conduct itself. The supplier must also require compliance with these laws and regulations from persons with whom it works in the context of supplying the A2C company.

The supplier must recognise the fundamental rights of its employees and is obliged to comply with them. The following requirements apply regardless of whether it is an actual employment relationship, temporary work, subcontracting, remote work or another form of employment. In addition, the supplier must ensure that there are no abusive labour conditions, neither in its own company nor at affiliated companies, suppliers and subcontractors.

#### 2- HUMAN RIGHTS

The supplier is expected to conduct their business and operations in a way that respects human rights by treating their own workers, and those working for their suppliers, with dignity and promoting fair employment practices. This includes providing fair and competitive wages, prohibiting harassment, bullying and discrimination, prohibiting use of child, forced, bonded or indentured labour or prison labour and not engaging in trafficking of persons for any purpose.

The supplier is expected to identify risks and actual adverse human rights impacts related to their activities and through their business relationships.

He should take appropriate steps to reduce risk and ensure their operations do not cause or contribute to human rights abuses and to remedy any adverse impacts directly caused, or contributed to, by their activities or through business relationships.

### **2.1 Child labour**

The supplier must ensure that child labour is not used in the performance of work. The term “child” refers to any person under the minimum legal age for employment where the work is performed, and/or the minimum working age defined by the International Labour Organization (ILO), whichever is higher.

All workers under the age of 18 must be protected from performing work that is likely to be hazardous or that may be harmful to their health, physical, mental, social, spiritual, or moral development.

### **2.2 Modern slavery including human trafficking, forced, bonded or indentured labour**

The supplier must prevent any involvement in all forms of modern slavery, including human trafficking, forced, bonded or indentured labour. All work should be voluntary on the part of the employee.

The supplier is expected to provide all employees with a written contract in a language they understand clearly indicating their rights and responsibilities with regard to wages, working hours, benefits and other working and employment conditions.

The supplier should not retain any form of employee identification (passports or work permits), nor destroy or deny access to such documentation, as a condition of employment unless required by applicable law.

The supplier must not charge employees fees, recruitment costs or deposits, directly or indirectly, as a precondition of work.

The supplier must respect the right of workers to terminate their employment after reasonable notice and to receive all owed salary. Suppliers must respect the right of workers to leave the workplace after their shift (see also Wage, Benefit and Working Hours).

## **3- EMPLOYMENT PRACTICES**

### **3.1 Harassment and bullying**

The supplier is expected to ensure that their employees are afforded an employment environment that is free from physical, psychological, sexual, and verbal harassment, intimidation or other abusive conduct.

### **3.2 Diversity and inclusion**

The supplier is expected to foster a diverse and inclusive work environment where employees are treated with dignity, respect and fairness, regardless of their race, colour, religion, gender, age, ethnic or national origin, disability, sexual orientation or preference, gender identity, marital status, citizenship status, political preference or other personal characteristic.

The supplier is expected to provide equal employment opportunity to employees and applicants for employment without discrimination and comply with all non-discrimination laws and regulations. The supplier must ensure

employment, including hiring, payment, benefits, advancement, termination and retirement, based on ability and not any personal characteristics.

### **3.3 Wages and benefits**

The supplier must pay workers at least the minimum compensation required by local law and provide all legally mandated benefits. In addition to payment for regular hours of work, workers must be paid for overtime at such a premium rate as is legally required or, in those countries where such laws do not exist, at least equal to their regular hourly payment rate.

The supplier must not permit deduction from wages as a disciplinary measure nor permit any other deductions which are not provided by national law.

### **3.4 Working hours**

The supplier is expected to operate in consideration of the International Labour Organisation (ILO) standards regulating working, resting hours, maximum consecutive days of work and annual leave. Hours worked beyond the normal work week shall be voluntary and the supplier must provide a rest period of at least 24 consecutive hours in every seven day period to all their employees.

## **4- INTEGRITY & BUSINESS ETHICS**

A2C pursues a zero-tolerance policy when it comes to unethical business behaviour. The supplier must comply with all applicable national and international laws and regulations, in particular with regard to corruption, competition law, conflicts of interest and money laundering.

### **4.1 Conflict of Interest**

The supplier is expected to avoid all conflicts of interest or situations giving the appearance of a conflict of interest. The supplier will provide immediate notification to all affected parties in the event that an actual or potential conflict of interest arises. This includes a conflict between A2C and personal interests or those of close relatives, friends or associates.

### **4.2 Hospitality and invitations**

The supplier is expected to compete on the merits of their products and services. The supplier must not use the exchange of business courtesies to gain an unfair competitive advantage. In any business relationship, The supplier must ensure that the offering or receipt of any gift or business courtesy is permitted by applicable laws and regulations, and that these exchanges do not violate the rules and standards of the recipient's organization, and are consistent with reasonable marketplace customs and practices. No cash gifts or cash equivalent should be offered or accepted.

### **4.3 Prohibition of fraud, corruption and bribery**

The supplier is obliged to prohibit any form of fraud, corruption and bribery. The supplier may not directly or indirectly participate in corruption and bribery or tolerate them in any form. Corruption, attempts at corruption and attempts at blackmail are not tolerated in any way. It is also prohibited to grant, offer or promise anything of value to a government official or private sector counterparty in order to influence a government action or gain an improper advantage. Corruption and bribery are defined as any direct or indirect

advantage offered, accepted or received with the intention or result of influencing the decision-making process of a business supplier or a public official

## **5- ENVIRONMENT, HEALTH & SAFETY**

### **5.1 Substances and chemical management**

The supplier is expected to communicate to A2C up to date information in regards to environmental, health and safety (EHS) matters of their products to enable safe usage of the products in the whole life cycle.

The supplier is further expected to cooperate with A2C to enable downstream requirements in relation to suppliers' products and/or services to be fulfilled. In addition, the supplier is expected to anticipate future regulatory constraints on some chemicals/substances in order to ensure continuity of supply (REACH, ROHS, Conflict mineral,...etc)

### **5.2 Sustainable product and process development**

A2C expects its supplier to make an equally clear commitment to active environmental and climate protection.

The supplier must comply with the applicable statutory provisions and international standards and undertakes to work in an environmentally friendly and sustainable manner as well as to avoid or reduce substances and materials in its production chain that are harmful to people and nature wherever possible. The supplier supports its suppliers and business suppliers in complying with these standards.

The supplier regularly monitors and evaluates the environmental impact of its business activities and:

- is committed to taking measures to reduce its direct and indirect CO2 emissions;
- to reduce waste and emissions and recycle materials at every stage of production;
- to use energy and other resources sparingly;
- to avoid environmental hazards during the design, manufacture, operation and disposal;
- to improve water quality, reduce consumption and promote reuse;
- to measure its environmental performance (including energy consumption and emissions) and continuously improve it.

If the supplier identifies environmental hazards, it mobilises all necessary resources to eliminate them as quickly as possible.

## **6- PRODUCT SAFETY**

The products and services supplied by the supplier must be safe and must not endanger people or the environment. In particular, they must comply with the agreed specifications and the legal guidelines applicable to the products and services with regard to product safety, labelling and packaging.

The supplier is obliged to clearly communicate information on safe use and to draw attention to hazards that may arise for people and the environment when using products and services.

The supplier must comply with the legal regulations for substances of very high concern. The supplier must ensure that its procurement and production processes comply with REACH and RoHS regulations. Suppliers must be able to trace the substances used at any time and provide the necessary documentation.

## 7- INFORMATION PROTECTION

### 7.1. Confidentiality and protection of intellectual property

The supplier must respect and protect the intellectual property rights of A2C or third parties and must oblige its employees to do the same.

The supplier and its employees (or comparable persons) who have access to confidential information, such as information about research and development projects, production processes, business plans, financial data, marketing and sales strategies, customer data, the introduction of new products and company mergers or acquisitions, are obliged to treat this information as strictly confidential.

The supplier must instruct its employees, vendors and subcontractors accordingly and ensure that confidential information is stored and used correctly and professionally. At the request of A2C, the Supplier must sign a non-disclosure agreement (NDA).

### 7.2. Data protection

A2C and the Supplier must exchange personal data such as names, telephone numbers, email addresses and other personal data within the scope of their business relationship to the extent that this is necessary, proportionate and appropriate. The parties process this personal data in accordance with the applicable laws. In particular, they shall observe the requirements of the European General Data Protection Regulation (GDPR), insofar as this is applicable. The parties must take particular care to ensure that no unauthorised third parties gain access to this personal data without the consent of the data subjects.

The parties must process personal data in strict confidence and exclusively for the contractual purposes. The party processing personal data is responsible for the lawfulness of the processing and for safeguarding the rights of the data subjects. It is important that personal data is only collected when it is appropriate, proportionate and necessary to do so.

## 8- GLOBAL TRADE AND EXPORT CONTROL

### 8.1 Sanctions, embargoes and export control regulations

The supplier must comply with all applicable national and international (re-)export control regulations. For any transfer of goods, work and services, the supplier must comply with the (re-)export control regulations of the government of the European Union, the United States of America and Singapore.

Before any transfer of goods, work and services, the supplier must in particular check whether and take appropriate measures to ensure that:

- no violation of an embargo imposed by the European Union, the United States of America and/or the United Nations is committed through such a transfer, through the brokering of contracts for these goods;
- work or services or by making other economic resources available in connection with such goods, work and services, also taking into account the restrictions on domestic business and the prohibitions on circumventing these embargoes;

- such goods, work and services are not intended for use in connection with armaments, the petroleum industry, nuclear technology or weapons, if and to the extent that such use is subject to a prohibition or authorisation, unless the necessary authorisation is granted; and
- the provisions of all applicable sanctions lists of the European Union and the United States of America on trade with companies, persons and organisations listed therein are taken into account.

At A2C 's request, the supplier must immediately provide A2C with all information about the respective end customer, the respective destination and the respective intended use of the goods, work and services supplied by A2C , as well as regarding any export control restrictions, insofar as this is necessary for the performance of export control checks by authorities or A2C .

The supplier must indemnify A2C against all claims, proceedings, actions, fines, losses, costs and damages arising from non-compliance with export control regulations and must compensate A2C for any resulting losses and expenses.

## 9- MAINTAIN ACCURANTE RECORDS

The supplier is expected to create, store and maintain business records, and not alter any record entry to conceal or misrepresent the underlying transaction represented by it.

The supplier is expected to have in place appropriate related controls to ensure the above activities are accurately and securely performed. All records, regardless of format, made or received as evidence of a business transaction must fully and accurately represent the transaction or event being documented. Records should be retained based on the applicable retention requirements.

## 10- CYBERSECURITY

Given the critical importance of digital security in today's global environment, all suppliers must actively implement and maintain robust cybersecurity practices.

### **Risk Management**

The supplier shall conduct systematic risk management for all relevant IT systems and processes to identify, assess, and mitigate potential threats.

### **Security Measures**

The supplier must implement appropriate security controls, including but not limited to firewalls, antivirus protection, encryption, multi-factor authentication, patch management, access controls, and regular vulnerability assessments or penetration tests, training, to protect IT systems and data against unauthorized access, manipulation, or loss.

### **Incident Reporting**

The supplier is required to report any IT security incident to the client within 24 hours of detection and cooperate fully in resolving and managing the incident, including providing root cause analysis and corrective actions.

### **Standards**

The supplier shall align its IT security practices with internationally recognized standards such as ISO 27001, NIST, UK Cyber Essentials, AirCyber or equivalent frameworks.

## 11- UPDATE THE CODE OF CONDUCT

A2C reserves the right to review this Code of Conduct on a regular basis and to amend it if necessary. The supplier is informed about important changes. The latest version of the Code of Conduct can be found on the A2C website: [www.aircostcontrol.com](http://www.aircostcontrol.com)

### **CONCLUSION**

The Supplier agrees that it shall comply with the principles of the A2C Code of Conduct either by applying this A2C Supplier Code of Conduct or by ensuring that the Supplier's own code of conduct and current sustainability practices towards its supply chain are consistent with the principles set out in the A2C Supplier Code of Conduct.

The Supplier shall take the necessary actions to flow down the A2C Supplier Code of Conduct principles to its affiliates, subsidiaries and to their subcontractors involved in business with A2C . These A2C Supplier Code of Conduct principles shall be incorporated into any routine sustainable business practices.

The A2C Supplier Code of Conduct will be part of the tendering process documentation and its adherence by the Supplier will be one of the mandatory criteria that will be assessed by A2C during the selection process.

Upon signature of this A2C Supplier Code of Conduct or by accepting any Purchase Order placed by A2C, the Supplier accepts that this document shall be a commitment to the principles set out herein for all existing Contracts (if any), and for all business and contractual relationship with A2C .

The A2C Supplier Code of Conduct represents a minimum standard of best practices. It shall be governed by the law of the Contract (if any).

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**By accepting a Purchase Order from A2C, I acknowledge that I have read, understood, and agree to comply with the Air Cost Control Code of Conduct, Ethics & Compliance. I also commit to reporting any actual or suspected violations of this Code to the appropriate authorities.**