

PIA is committed to its economic, social and ecological responsibilities and respects internationally recognized human rights as well as labour, social and environmental standards. We are guided by internationally recognized guidelines and principles concerning sustainability, in particular the principles of the [United Nations Global Compact](#). Within the PIA Group we follow our sustainability standards, which are formulated in the "[PIA Code of Conduct](#)".

At PIA we strive for open, trustworthy and honest relationships with our suppliers and respect their legitimate interests. We have high expectations of our suppliers in terms of fair prices, top quality, on-time deliveries and legal compliance. In addition, we expect our suppliers to continually improve and optimize their operational processes and technologies. In this context, PIA appreciates the corresponding independent certifications in the areas of quality, environment and occupational health and safety (e.g. norms ISO 9001, ISO 14001, ISO 45001, etc.).

The prevailing document summarizes our core principles and standards for all our suppliers of production materials and non-production-related supplies.

I. Social responsibility

The protection of internationally proclaimed human rights must be respected and adhered to by our suppliers. All forms of forced and compulsory labour, child labour, modern slavery, violence as well as harassment and discrimination of any kind (e.g. in terms of gender, race, skin colour, religion, age, sexual orientation, disability, etc.) are not acceptable at all means and must be eliminated.

Diversity, equity and inclusion shall be values held by our suppliers to support different groups of individuals. Suppliers must comply with the prohibition of evictions and illegal confiscation of land, forests and water. Where applicable, the international recognized rights of minorities and indigenous peoples must be respected and strictly followed as well.

Suppliers who use private or public security forces for protection are obliged to provide control mechanisms to prevent torture, cruel, inhuman or degrading treatment, harm to life and limb and interference with freedom of association.

We expect our suppliers to observe women's rights as well as to give their employees the right to freedom of association, to join a union and to appoint an elected representative. Furthermore, we expect our suppliers to uphold the effective recognition of the right to collective bargaining.

The remuneration and social benefits must meet the legal requirements with regard to minimum wages, overtime and prescribed social benefits, as well as compliance with working hours and vacation times. Occupational safety and hygiene regulations of the respective statutory provisions must be observed at the workplace. Employees shall be regularly informed and trained about applicable health and safety rules and measures.

Only raw materials should be used in the products and components supplied to PIA, whose extraction, transport, trade, processing and export neither directly nor indirectly provides funding to conflicts and human rights abuses. This applies in particular to conflict minerals (e.g. tin, tungsten, tantalum, gold) – in this context, we expect our suppliers to implement procedures that comply with the guiding principle "OECD Due Diligence Guidance for Responsible Supply Chain of Minerals from Conflict-Affected and High-Risk Areas".

II. Ecological responsibility

We expect our suppliers to comply with environmental laws, regulations and standards. Air and water quality as well as noise emissions must at least meet the legal requirements. By conserving natural resources and using state-of-the-art technologies, environmental media such as soil, air and water shall be protected as good as possible.

Suppliers shall strive for economic solutions to improve energy efficiency, minimize energy consumption and increase the use of renewable energy. Any activities which contribute to climate protection and lead to a reduction of greenhouse gas (GHG) emissions and decarbonization, should be the focus.

To keep the ecological footprint as small as possible, the priority should be to avoid wastewater, air emissions and waste. If this cannot be avoided completely, actions aiming for an adequate reduction followed by appropriate monitoring and treatment of wastewater, air emissions and waste (e.g. reuse, recycling, appropriate disposal) must be carried out.

We expect from our suppliers to support the promotion and conservation of biodiversity and stopping deforestation in their sphere of influence. This includes in particular, maintaining soil quality as well as

responsible handling of natural company areas with regard to land use and deforestation by using the guidelines of the High Conservation Value Resource Network (HCV) and the High Carbon Stock Approach (HCSA). We encourage our suppliers to implement standards and best-practice methods to comply with animal welfare, whereas national and international rules regarding animal protection and testing (e.g. EU Directive 2010/63) as well as internationally recognized principles and standards (e.g. Terrestrial Animal Health Code of OIE) shall be followed.

A responsible raw material procurement (responsible sourcing) and handling of hazardous substances and chemicals is important to us. Therefore we ask our suppliers to use responsible chemicals management in order to minimize negative effects on our environment and health and to conserve resources.

The origin of the raw materials used must be carefully checked, whereby hazardous substances and chemicals must always meet legal requirements according to REACH¹ and RoHS². Only raw materials which do not contribute to serious environmental damage, should be used in products and components supplied to PIA.

Hazardous materials and chemicals should be controlled in accordance with safety and environmental legislation. Related activities should focus on the reduction or substitution of hazardous chemicals affecting the human health and environment. Appropriate procedures must be in place to ensure that hazardous substances can be safely handled, transported, stored, reused or disposed of.

III. Ethical business conduct

Our ethical principles are based on loyalty, respect for fellow human beings and the environment, transparency, denial of corruption, fraud and unfair competition.

We expect our suppliers to apply a code of conduct for ethical recruitment that takes into account the highest principles of recruitment ethics, equity, integrity as well as professional and fair practice.

Our suppliers must not tolerate but work against corruption in all its forms, including extortion and bribery. Suppliers must comply with applicable antitrust laws, which prohibit in particular competitors from making agreements and other activities that influence prices or conditions.

We expressly require our suppliers to comply with all applicable export control regulations, economic sanctions and embargoes.

Suppliers must observe the legal requirements for data protection and information security when using any data and information (i.e. collecting, storing, processing, transmitting and passing on information) and we expect them to protect confidential information and use it only in an appropriate manner.

Technology and know-how transfer must be carried out in such a way that intellectual property rights and customer information are respected and protected.

To avoid the delivery of counterfeit parts our suppliers are asked to perform a high level of due diligence and implement adequate quality control. Conflicts of interest shall be avoided, whereby entrepreneurial decisions should be made solely on the basis of comprehensible economic or objective criteria.

In order to meet financial responsibility, all essential business transactions must be documented in a comprehensible manner. Financial records are to be prepared in accordance with applicable law and generally accepted principles of proper accounting.

Disclosed information such as internal and external reports, documents and records should be correct, complete, appropriate and understandable. Suppliers shall not misinterpret any activity as part of their disclosure.

IV. Ensuring compliance, grievance mechanism and consequences of misconduct

We expect our suppliers to manage a whistle-blower system including protection against retaliation so that grievances do not pass unnoticed. With regard to supply chains, we expect our suppliers to identify risks within the supply chains and to take appropriate measures. In case of suspected violations and to ensure the security of supply chains with increased risk, PIA requires disclosure of the relevant supply chains. Suppliers are called upon to make contractual arrangements to ensure all their subcontractors comply with the standards and rules set out in this document. Furthermore, we ask our suppliers to define and implement similar standards towards their own suppliers and to pass on binding sustainability requirements along the supply chain.

A violation of these standards and regulations can be a reason to terminate the business relationship including all associated supply contracts. The suppliers commit to comply with the stated principles and requirements and to act responsibly.

¹ REACH – Registration, Evaluation, Authorisation and Restriction of Chemicals (European Regulation)

² RoHS – Restriction of Hazardous Substances in Electrical and Electronic Equipment (European Directive)