

supply chain code of conduct



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„We believe that joint actions for sustainable development will contribute to ensuring a better future for our planet and the society we live in. If you have read our principles, you accept our values and you are becoming part of our supply chain in a responsible and conscious way, accept them as proof of your commitment. Such testimony means a lot to us. “

Paweł Jarski
Chairman of the Board
Elemental Holding S.A.

The Elemental Group is a global organization whose activities are an important element on the path to building sustainable development. Our goal is to become a global leader in the recycling segment of spent automotive catalysts (SAC), to become a European leader in the recycling segment of printed circuit boards (PCB), batteries and accumulators, and to strengthen our Group’s position in the region as a leader in the recycling segment of waste electrical and electronic equipment (WEEE). To achieve this, we consistently implement the latest technologies in our plants, improve management processes, increase the network of collecting waste streams and improve competence of our team.

PURPOSE OF THE CODE

Ensuring due diligence and compliance with the principles of sustainable development in our supply chain is for us a key element in building the success of our Group. With our suppliers and customers in mind, we have developed this Supply Chain Code of Conduct (hereinafter referred to as the “Code”).

The Code establishes common, high ESG standards and practices for the entire Elemental Group supply chain.

SCOPE OF THE CODE

The principles and obligations resulting from the Code apply to all suppliers and recipients of the Elemental Group, i.e. all entities which concluded an agreement or purchase order with any company of the Elemental Capital Group (hereinafter referred to jointly as the „**Counterparties**“). The principles described in the Code also apply to all business partners of the Counterparties who cooperate with them and support them in fulfilling their contractual obligations towards the Elemental Group Companies.

Each Counterparty, when starting or conducting cooperation with the Elemental Group, undertakes to read and comply with the principles of the Code and to ensure that standards in their supply chain are complied with at least at the level specified in this Code.

LEGAL BASIS OF THE CODE

The Code was created based on international regulations and guidelines applicable to ethical business conduct:

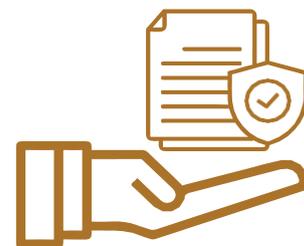
- Universal Declaration of Human Rights;
- International Labour Organization Conventions;
- UN Guiding Principles on Business and Human Rights;
- OECD Guidelines for Multinational Enterprises on Responsible Business Conduct;
- OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas;
- OECD Due Diligence Guidance for Responsible Business Conduct;
- London Platinum and Palladium Markets' Responsible Sourcing Guidelines for Platinum and Palladium;
- Regulation (EU) 2024/1624 of the European Parliament and of the Council of 31 May 2024 on the prevention of the use of the financial system for the purpose of money laundering or terrorist financing;
- Directive of the European Parliament and of the Council on corporate due diligence for sustainable development and amending Directive (EU) 2019/1937.



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This Code is consistent with the Elemental Group Code of Ethics, which is an overarching internal document defining the standards and values applicable in the Organization along with the „Basic Principles“ specified in the Supply Chain Management Policy; these documents / principles should also be known and observed by all Counterparties of Elemental Group Companies.





PRINCIPLE OF OPERATING IN ACCORDANCE WITH THE LAW

Our Counterparties are required to comply with all applicable local, national and international laws and regulations, including recognized human rights standards, environmental standards, social standards, and corporate governance as set out in particular in international conventions. Whenever it is legally required for a specific type of activity, Counterparties are required to obtain and hold relevant licenses/permits or other types of permits authorizing them to conduct a given business activity.

ETHICAL BUSINESS

We expect our Counterparties to conduct their business in an ethical, honest and transparent manner, in accordance with the principles described in this Code.

1. Counteracting corruption

In the Elemental Group, we follow the principle of „zero tolerance for corruption acts“. Counterparties may not directly or indirectly offer, accept or promise bribes or anything of value, or use any other forms of corruption, such as paid influence, extortion, falsification of records, influence trading, nepotism or cronyism. Counterparties are obliged to take actions aimed at preventing corrupt practices.

We recommend that Counterparties adopt the Anti-Corruption Policy. A document that regulates these issues and sets out the standards adopted in the Elemental Group is the Anti-Corruption Policy. The Anti-Corruption Policy can be found on the Parent Company's website and the websites of the subsidiaries.

2. Cooperation with entities from high-risk countries, subject to sanctions or conflict-affected

The Group does not accept cooperation with Counterparties covered by sanctions (also when these sanctions concern persons representing a given entity or when they concern a product/service that is the subject of a transaction between the Counterparty and a Group Company).



The Group permit cooperation with Counterparties from conflict-affected and high-risk areas and from high-risk third countries, provided that the standards set out in this Code and the Elemental Group Code of Ethics are met and the outcome of the Counterparty's due diligence process is positive, as long as this process applies to a given entity in accordance with the principles adopted in the Elemental Capital Group.

3. Prevention of money laundering and terrorism financing

Our Counterparties are obliged to ensure that the laws prohibiting money laundering or terrorism financing are observed within the scope of their business. Furthermore, we expect our Counterparties to cooperate only with business partners who have a good reputation, conduct business in accordance with the law and use funds originating only from reliable and legal sources, and who do not aim at using illegal practices leading to tax avoidance or circumvention of tax regulations.

4. Fair competition

The Elemental Group companies carry out their operations based on the principle of fair competition, therefore we expect our Counterparties to conduct their business based on fair market principles and to comply with applicable competition and antitrust laws and regulations. It is prohibited to enter into agreements or arrangements regarding prices, market division or any other actions that violate the principles of fair competition or lead to the abuse of a dominant position on the market. Counterparties are obliged to treat all their business partners with due respect.

5. Avoiding conflicts of interest

Our Counterparties are obliged to avoid conflicts of interest, i.e. situations in which private interests of a Counterparty, a person or entity associated with it, or activities undertaken by it conflict with or may directly affect decisions made by it or influence the impartiality of the Counterparty in connection with cooperation under an agreement concluded with an Elemental Group Company.

In the event of a conflict of interest or suspected conflict of interest during cooperation, the Counterparty undertakes to refrain from making decisions or performing activities that could violate the Company's interests and to immediately inform the Company thereof.



ENVIRONMENTAL PROTECTION

We expect Counterparties of the Elemental Group to operate in a sustainable and environmentally responsible manner, minimizing the negative impact of their activities on the environment. We also expect that all activities they undertake in the field of environmental protection will be suitable to the form and scale of their operations, as specified by the law.

We expect Counterparties to take systematic measures for efficient use of natural resources, sustainable transport, production, and minimization of harmful emissions into the air, water and soil. We also expect that our Counterparties will use relevant management systems allowing them to ensure that products they supply meet applicable requirements in terms of quality and safety and have been manufactured in a way posing the lowest risk to the environment. Our Counterparties should take care of natural resources by minimizing their negative impact on biodiversity, climate change and water shortages, in particular by monitoring their impact and taking actions aimed at reducing the negative impact, including by lowering the carbon footprint. We recommend that Counterparties measure the carbon footprint of their organization at least in scope 1 and 2.





HUMAN RIGHTS

People are the pillar of our Organization's business, therefore respect for human rights and freedoms is a core requirement that needs to be satisfied in order to establish any cooperation. We expect our Counterparties to fully respect human rights and freedoms (including the right to human dignity, freedom, personal security, health care, freedom of thought, speech, religion and political opinions, equal rights for women and men) expressed in the OECD Guidelines on Business And Human Rights, the OECD Guidelines for Multinational Enterprises and the International Bill of Human Rights, which includes, among other documents, the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights.

ETHICAL WORK

Counterparties of the Elemental Group should respect diversity and provide a work environment free from discrimination and harassment, ensuring equal opportunities regardless of age, gender, race, origin, religion, nationality, disability, identity, gender expression, union membership or political views. The use of child labor and forced labor in any way whatsoever is strictly prohibited. Work of minors under 18 years of age is only possible in conditions that ensure a required level of safety. In addition, Counterparties should recognize and respect the freedom of association of employees and refrain from any practices that hinder or restrict the exercise of a given right by employees. Counterparties should also offer their employees and collaborators fair remuneration and working hours consistent with applicable laws and local living conditions.

SAFE AND HYGIENIC CONDITIONS OF WORK

Counterparties are obliged to provide all their employees and collaborators with safe and healthy conditions of work, consistent with applicable occupational health and safety standards. In particular, Counterparties should ensure the occupational health and safety standards adopted in the Occupational Health and Safety Policy applicable in the Elemental Group.



Our Counterparties should also strive to ensure a work-life balance, which is a manifestation of a partnership relation and respect for employees and collaborators.

LOCAL COMMUNITIES

Counterparties should take care of the well-being, identity, culture and religion of indigenous people and the local communities. Counterparties should monitor the impact of their operations on the health and safety of the local community and, where necessary, take relevant measures to minimize any negative effects thereof.



IMPLEMENTATION OF THE PRINCIPLES

On each occasion of establishing (continuing) cooperation, each Counterparty will receive the Code of Conduct in the Supply Chain and will be obliged to read it and comply with the principles contained therein. Confirmation of compliance with the principles contained therein may be expressed in the form of a separate statement or be included in the agreement, depending on the type of Counterparty.

AUDIT AND SITE VISITS

The Elemental Group Companies, if this is needed in view of the circumstances established when reviewing the Contractor, reserve themselves the right to conduct audits or site visits in order to verify compliance of the Counterparty's operations with this Code of Conduct in the Supply Chain. Having said so, all audits should be conducted in a way that is as little disruptive or intrusive as possible in the Counterparty's current business activity. The Counterparty is obliged to pro-actively cooperate and ensure proper assistance during the audit process.

If any non-conformities are identified as a result of the audit, the Counterparty is obliged to take relevant corrective actions to mitigate the risks to cooperation with an entity from the Elemental Group. Counterparty's failure to implement corrective actions may result in termination of cooperation with the Elemental Group Companies.

CONSEQUENCES OF NON-COMPLIANCE

Failure to comply with the principles of this Code, including the provision of false or misleading information by the Counterparty regarding the analysis of the supply chain or the business relationship, may result in termination of cooperation with the Elemental Group.

Should a violation of the principles of this Code or provision of unreliable information by the Counterparty result in third parties or entities pursuing claims against the Elemental Group Companies, the Counterparty undertakes to indemnify the Elemental Group entities and to repair any resulting damage.

REPORTING IRREGULARITIES

As part of the compliance management system applicable in the Elemental Group, we encourage our Counterparties to report irregularities and cases of violations of the principles of this Code observed within the framework of existing relations with the Elemental Group Companies using the communication channels specified in the Whistleblowing Procedure adopted by the given Elemental Group Company with which the Contractor cooperates.

CONFIDENTIALITY AND DATA PROTECTION

Counterparties are obliged to protect all received personal data and confidential information, including analyzes, contracts, financial data, and to provide the means necessary to minimize the risk of breach of security of such data and information. Unlawful dissemination of economic information regarding operations of the Elemental Group Companies, which has not been shared to the public and has exposed them to financial damages, may involve the Counterparty's liability for damages.

UPDATES AND REVISIONS

This Code is subject to mandatory review at least once every two years and in the event of the entry into force of significant changes in legal regulations to which the Code refers, or when such a change is conditioned by a change or introduction of another specific internal policy/procedure in the Elemental Group, or if there is another important reason.



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