

# Environmental, Social and Governance annex

## 1 Introduction

cablex Ltd defines economic, ecological and social principles for its business activities, to which its direct suppliers and sub-contractors must adhere. The aim of cablex Ltd is to disclose any company risk so that any necessary measures can be taken.

This Environmental Social Governance (ESG) annex for suppliers (hereinafter referred to as “ESG annex”) defines these principles. The ESG annex uses the terms “must” and “must not” to refer to minimum requirements with which compliance is mandatory. The term “should” refers to practices that we strongly recommend are implemented by all suppliers.

The term “supplier” refers to any entity that supplies goods, products or services to cablex Ltd or provides services for cablex Ltd. This includes employees of the supplier, sub-suppliers, sub-contractors, manufacturers, importers, agents or companies affiliated with the supplier.

cablex Ltd expects its suppliers to assume their responsibility towards society and the environment. The focus is on the entire end-to-end supply chain – from the manufacturers and delivery partners to the users and the recycling companies.

Compliance with the ESG annex is mandatory for all of those points that are relevant and specifically related to the supplier’s business model and the service actually provided.

## 2 General requirements

cablex Ltd supports and respects the ten principles of the UN Global Compact and the supplier also supports and respects them, regardless of whether they are a member of the UN Global Compact or not. The supplier imposes these minimum requirements on its partners, suppliers and their sub-suppliers.

## 3 Relationship to national and international law

The ESG Contract Annex does not replace applicable laws and regulations of any country in which the supplier operates. It serves to promote, comply with and support these laws and regulations and contributes to their reliable and effective implementation.

In addition to complying with the provisions set out in this contract appendix, the supplier must comply with applicable national laws, regulatory provisions and all contractual obligations agreed between it and cablex.

If the minimum standard of cablex Ltd is higher than the applicable legislation in the relevant country, this minimum standard must be applied.

## 4 Environment

### 4.1 Climate change

The supplier must take measures to address climate change. It should identify, monitor and minimise the greenhouse gas (GHG) emissions from its business activities. The supplier should implement a plan to reduce energy consumption and calculate the GHG emissions from its own operations (Scope 1 and Scope 2 emissions). The calculation of GHG inventories should be carried out in accordance with the GHG protocol. The supplier will provide cablex Ltd with the relevant data upon request.

The supplier should have a complete assessment of its emissions in the value chain (Scope 3). The supplier should set an objective to bring its emissions into line with the Paris Climate Agreement. This objective should be validated by the Science-Based Target Initiative, or an association that verifies the same ambitions.

- The supplier knows their CO2 footprint and reports this to cablex Ltd once a year via the Carbon Disclosure Project
- The supplier also strives to be able to calculate the footprint at product or service level

### 4.2 Environmental protection

The supplier must act in accordance with the relevant local and internationally recognised environmental standards, as well as the applicable local laws. The supplier must minimise its environmental impact and implement measures that contribute to protecting the environment.

The supplier must obtain and maintain all necessary environmental permits (e.g. waste management, transport), approvals and registrations, and keep these up to date.

The supplier should take a precautionary approach to the environmental impact of its business activities. The supplier should take initiatives to promote greater environmental awareness throughout the entire life cycle of the product or service, from raw materials to production, transport and the utilisation phase, to proper disposal/recycling. This should also include the development, introduction and distribution of environmentally friendly technologies.

The supplier must identify, minimise, monitor and control all hazardous air pollutants, wastewater and soil contaminants.

All emissions must be diverted and treated in accordance with international standards and the applicable laws.

The supplier ensures that, in accordance with Swiss legislation, a Swiss mark of conformity, or other mark of conformity recognised by Swiss legislation such as the CE mark, for example, is affixed to the product.

The supplier should implement an environmental management system based on international standards such as ISO 14001, for example.

### 4.3 Circular economy

The supplier should take a proactive approach to the volume of waste it produces in the relevant parts of the entire value chain. Principles from the circular economy should be applied as early as the design phase of systems and products. Other areas to consider include modular design, design for dismantling and end-of-life material recycling from a zero-waste perspective.

The supplier should have systematic processes for waste management, in particular those that result from its work with cablex Ltd. Where possible, priority should be given to reuse and recycling treatment with the aim of contributing to the circular economy. For electrical or electronic equipment, the supplier must comply with European Union regulations on waste electrical and electronic equipment (WEEE).

### 4.4 Conflict minerals and hazardous substances

The supplier must limit the use of materials and resources when procuring or producing goods in order to minimize environmental impact.

If the supplier uses raw materials that may come from conflict areas, it must trace the source of these potential conflict minerals in order to promote transparency along its own supply chain and take effective measures regarding any human rights violations in raw material extraction. Reasonable suspected cases must be communicated to cablex proactively and transparently.

The supplier must comply with all applicable laws, regulations and customer requirements regarding bans or restrictions on certain substances. Hazardous chemicals and other materials contained in products, particularly those included in the European Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) list of substances of very high concern, must be identified by the supplier and managed in a manner that guarantees their safe use, recycling or reuse, and disposal. The supplier must avoid using such chemicals and materials.

If this is not possible, the supplier must minimise their use. Where necessary, the supplier must supply electrical and electronic equipment in accordance with all relevant European Union regulations, including RoHS and REACH.

## 5 Social responsibility

### 5.1 Use of third parties

The supplier must provide each employee with an employment contract in a language that they can understand. This must contain clear provisions regarding the amount of payment, frequency of payment, job description and notice period. In addition, overtime should be paid.

To avoid obligations to employees in accordance with applicable laws and regulations, employees must not be employed on consecutive fixed-term contracts.

### 5.2 Freedom of association and the right to collective bargaining

The supplier implements internationally recognised ILO agreements without violating national legal regulations. They must ensure that their employees, including temporary employees (agency staff) and representatives, can express themselves openly within the company on matters that affect their working conditions.

The supplier must ensure that employees involved in the supply of products and services to cablex have the right to form and join trade unions and collective bargaining in accordance with national law. The supplier may not take any measures that prevent employees from forming and joining trade unions. The supplier should establish relationships of cooperation and mutual trust with local and international trade unions. Employee representatives must not be discriminated against and must be allowed to carry out their representative functions at the workplace and during working hours.

Where legislation restricts the right to freedom of association and collective bargaining, the employer should consider facilitating, rather than impeding, the development of parallel legal means for free and independent association and bargaining.

### 5.3 Child labor

The supplier must actively prevent child labour as defined by the ILO Minimum Age Convention (No. 138, 1973) for admission to employment and the Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour (No. 182, 1999). Furthermore, the supplier must follow the ILO Child Labor Guidance Tool for Business (2015) and the OECD Guidance for Responsible Business (2018). No persons may be employed who have not reached the legal minimum age for employment. Persons under the age of 18 may not be employed for overtime work, dangerous work or night work.

The supplier must ensure, particularly if it operates in a UNICEF-classified risk country, that concerns about child labor in its supply chain can be reported and that the reporting option is easily accessible and anonymous for those directly or indirectly affected (see Section 5.9 Complaints

Mechanism). If the supplier becomes aware of child labor, he must take immediate action to remedy the situation in accordance with the best interests of the child. In addition, justified suspected cases must be communicated to cablex proactively and transparently.

#### 5.4 Forced labor

The supplier must not allow any form of forced labor, compulsory labor, slavery or human trafficking. All employment must be on a voluntary basis and employees must be free to leave the company premises after working hours. The supplier's employees must be allowed to terminate their employment relationship with reasonable notice and without penalty.

The supplier may not require its employees to deposit any funds, it may not withhold payments, it may not impose debts on them and it may not require its employees to provide an official ID, passport or work permit as a condition of employment.

#### 5.5 Diversity and non-discrimination

The supplier must prohibit and combat negative discrimination based on skin colour, gender, sexual orientation, language, disability, religious affiliation, political or other opinion, trade union membership, national or social origin, wealth, birth or other status, and it must promote diversity, equal opportunities and equal treatment in employment and careers.

The supplier must ensure that there is no discrimination at all stages of employment, from the selection of suitable applications, their interview and assessment, to the conditions of employment, remuneration and reasons for termination.

The supplier must treat all employees with respect and must not allow corporal punishment, psychological or physical coercion, or any form of abuse or harassment, or the threat of such treatment.

Employees must have the right to freedom of expression without fear of discrimination or reprisals.

The supplier should have an action plan to increase diversity in its organization. The supplier should also periodically review its human resources processes for bias and discrimination.

#### 5.6 Remuneration

The supplier must provide remuneration that is at least in accordance with the national statutory minimum wage, and must avoid wage deductions as a disciplinary action. Where there are no national legal standards, the remuneration must meet basic needs (ILO C131 – Minimum Wage Fixing Convention). The basis for remunerating employees must be

communicated to them in a timely, comprehensible and verifiable manner.

The supplier should apply the principle of “equal pay for equal work”.

#### 5.7 Working hours

Working hours, including overtime, must comply with the applicable local laws. Where there are no national legal standards, ILO standards must be applied. The supplier must respect the needs of individual employees to rest and recover from work and ensure that all employees have adequate, paid time for rest and recovery from work.

The supplier should compensate for overtime with a supplement to the standard hourly rate of the employee concerned.

#### 5.8 Health and safety

The supplier must act in accordance with the relevant local and internationally recognised health and safety standards, as well as the applicable local laws.

The supplier must take all necessary and legally required precautionary measures against accidents and occupational diseases and periodically check their effectiveness and compliance.

The supplier must ensure that it complies with the general principles of the prevention of risks to health and safety, including identifying, minimising and avoiding hazards, using competent and trained personnel, ensuring effective supervision and providing and maintaining safe equipment and tools, including necessary personal protective equipment.

The supplier should use systems and training to prepare for and respond to accidents, health problems and foreseeable emergency situations. The supplier must have means and procedures in place to record and investigate findings from accidents and emergency situations, and to implement measures derived from them.

The supplier must provide free access to drinking water and clean sanitation facilities.

The supplier must ensure that any accommodation that is provided is clean and safe and meets the basic needs of the employees and, if applicable, their families.

The supplier should implement a health and safety management system based on international standards such as ISO 45001 or similar standards.

#### 5.9 Complaint mechanism

The supplier must have a complaint mechanism that is compliant with the rights at operational level, that allows employees and external stakeholders to raise any concerns about the

supplier's business operations and supply chain confidentially, without fear of retaliation. The mechanism should be easily and anonymously accessible and appropriate to the nature, scale and impact of the business.

The concerns raised should be recorded and processed transparently. If human rights violations, such as the use of child labour, are identified, corrective actions must be taken immediately. The supplier should design a complaint mechanism in accordance with the "Protect, Respect, Redress" reference framework of the United Nations Guiding Principles on Business and Human Rights.

## 6 Governance

### 6.1 Anti-corruption

cablex rejects corruption in any form. cablex acts fairly, honestly and transparently. Cablex Ltd's anti-corruption policy applies to all Group functions and Group companies.

Employees of cablex Ltd may accept, up to a maximum of three times per year, minor gifts, invitations or other benefits that are customary socially, up to a maximum market value each of CHF 100. The line manager of the cablex Ltd employee must provide approval before any invitations to events with a higher market value are accepted.

cablex Ltd may offer suppliers minor and socially customary gifts, invitations or other benefits with a maximum market value of CHF 100 each a maximum of three times per year. If cablex invites the supplier to events with a higher market value, the supplier's responsible body must approve the employee's participation in advance.

Suppliers acting on behalf of cablex may not grant or accept gifts, invitations or other benefits from third parties.

### 6.2 Competition

The supplier complies with competition law. In particular, the supplier does not take part in inadmissible price, quantity and territorial agreements with competitors and second-hand price fixings, nor any agreements on absolute protection for territories.

### 6.3 Taxes

For cablex Ltd, compliance with all national and international tax laws is part of sustainable corporate management. cablex Ltd expects suppliers to apply these principles as well.

### 6.4 Sanctions and embargoes

The supplier complies with all international trade sanctions and warrants that it, or its services and goods (goods, software and technology), comply with the applicable laws and regulatory requirements regarding export/import regulations

(export, import or transit of goods), especially those of the USA, including all sanctions and embargoes.

## 7 Security

The supplier must maintain a security environment that is controlled appropriately, to establish, implement, operate, monitor, review, maintain and improve information security. The detailed and mandatory requirements are set out in the cablex Ltd Security Annex.

## 8 Data protection

The supplier must comply with all applicable data protection laws and any specific data protection and security requirements deemed relevant.

The detailed mandatory requirements are defined in cablex's General Terms and Conditions for Purchasing and the respective contracts including appendices.

## 9 Monitoring, corrective actions and reporting

The supplier shall immediately report any serious violations of these requirements to cablex Ltd and agree with cablex Ltd on a mutually compatible schedule for the corrective measures.

If necessary, on-site audits are conducted to check compliance with the specifications on a case-by-case basis. Any violation of the minimum requirements of this annex or any failure to remedy a significant non-conformity within a mutually agreed period is considered a material breach of contract. In the event of such a violation, cablex Ltd accordingly reserves all legal rights and remedies.