

Corporate Governance

ESCATEC's Corporate Governance & Compliance Policies

Introduction

Today's world continues to present highly complex challenges with partners and services interconnected globally. The importance of corporate governance and fostering a successful company culture continues to grow daily.

ESCATEC is committed to good corporate governance. It sets our long-term strategy and ensures lasting value and success for our customers and partners.

These policies help us to align business operations and values between our company, our partners and our customers. With it, we create an environment of trust, transparency and integrity for mutual sustainable growth.

Good labour practices

Our Human Resource policy is developed with great respect to fundamental human and labour rights. It ensures that we provide a safe and high standard of place of work. The objectives of our Human Resources policy are to:

- Achieve high ethical standards through uncompromising integrity, adhering to the labour laws and all other official external requirements.
- Provide fair assessment, remuneration and employment conditions in order to be competitive both in our services to our customers, as well as in the labour market.
- Ensure a safe, clean, respectful and ethical workplace that enables us to take care of the environment under our influence.

Corporate Social and Environmental Responsibility

We do business in a responsible way. We require all our partners to comply with the ESCATEC Group code of conduct and fulfil local governmental rules and regulations.

Our Corporate Responsibility and business ethics have been nurtured on every level of the company as well as in our engagement with external stakeholders. As a Swiss owned company, we are committed to upholding the highest standard of ethical values, culture and responsibility found in our code of conduct, outlined in our corporate policy. We also expect the same of our suppliers.

Our focus on acquiring only the best talent and empowering them to excel has made us one of the world's leading EMS companies.

ESCATEC's social and environmental responsibility principles are guided by the United Nations Global Compact (UNGC) Ten Principles, and we continuously strive to uphold and integrate these principles into our business practices, operations, and stakeholder relationships

ESCATEC Code of Conduct

We conduct our business with uncompromising integrity, providing a safe, clean and ethical workplace, taking care of the environment under our influence and contributing to our community. We have nurtured fairness, impartiality, with integrity over the years.

The ESCATEC Group Code of Conduct and Ethical Business Policy (Ethics Policy) have been established to promote honest and ethical conduct, including fair dealing and the ethical handling of situations of potential conflict of interest.

We:

- Promote full, fair, accurate, timely and understandable disclosure.
- Promote compliance with applicable laws and governmental rules and regulations,
- Ensure the protection of ESCATEC's legitimate business interests, including corporate opportunities, assets and confidential information, and to deter misconduct.

Quality and Product Compliance

ESCATEC Quality Policy is designed to ensure that all operations are planned and executed in accordance with international legislation and internationally recognized quality standards, underwritten by the following key objectives:

- Continuous improvement in quality and reliability of our products,
- Compliance with product statutory and regulatory requirements,
- Provision of on-time delivery with a commitment to achieving total customer satisfaction,
- Focus on quality leadership in all our business activities with our customers,
- Supply of technically competent design and development services to our customers.

United Nations Global Compact Membership

ESCATEC joined as member of the United Nations Global Compact in June 2013, a treaty based on the ten principles of which cover human rights, labour standards, the environment and anti-corruption.

We intend to advance those principles within its sphere of influence. ESCATEC is committed to making the United Nations Global Compact and its principles part of the strategy, culture and day-to-day operations of the company, and to engaging in collaborative projects which advance the broader development goals of the United Nations.

ESCATEC Conflict Minerals Policy

Conflict Minerals refers to tin, tantalum, tungsten and gold and their derivatives columbite-tantalite (coltan), cassiterite, gold and wolframite. These minerals, commonly known as the 3TG (tin, tantalum and gold), have been determined by the US Secretary of State to be financing armed conflict in the Democratic Republic of Congo (DRC) and bordering countries (Covered Countries).

In August 2012, the US Securities and Exchange Commission (SEC) issued the final rule under Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Conflict Minerals Rule). This rule requires public trading companies to annually report 3TG(s) and their origin, used in products they manufacture. This disclosure greatly reduces the profits of armed groups in the DRC and Covered Countries and protects human rights, labour abuses and environmental degradation.

In addition, the European Union has issued a Conflict Minerals regulation under Regulation (EU) 2017/821, which will take effect as of January 1, 2021. This new regulation is based on well-established rules from the Organisation for Economic Co-operation and Development (OECD) and will support EU-based customers wanting to stem the trading of Conflict Minerals.

As an active member of the United Nations Global Compact (UNGC), ESCATEC fully supports the goals of ending violence, human rights violations and environmental damage in the Covered Countries. Therefore, ESCATEC is committed to comply with all applicable legal requirements under the US Conflict Minerals Rule and EU Conflict Minerals Regulation.

Our overall conflict minerals program is based on the OECD Guidance, and we cooperatively work with our customers and supply chain partners/suppliers in implementing Conflict Minerals compliance programs.

We expect all our supply chain partners/suppliers to provide us with completed conflict minerals declarations using the latest Conflict Minerals reporting template either through our compliance partner(s) or directly with our purchasing/procurement teams. We will reconsider our willingness to partner with or continue business with any supply chain partners/suppliers who do not comply with these expectations.