



TER Chemicals
DISTRIBUTION GROUP



CODE OF CONDUCT AND ETHICS GUIDELINE

Version 3.0 – March 2025



Introduction

At TER Chemicals Distribution Group, we believe that taking responsibility for a better future for all is the essence of sustainable business.

[Where the male gender is used in this document, this also always includes the female, male or diverse genders. Gender-specific expressions and plural designations are not used for the sole purpose of easier readability. All designations related to persons are thus to be regarded as gender-neutral.]

We have been involved in chemical trade for more than one hundred years and have excellent and sound market expertise in this industry. Our goal is clearly defined: we are the specialty chemical distributor of choice for our suppliers, customers and employees.

We are experts in technical and application-related product solutions and offer holistic solutions for procurement and logistics. In our business partnerships, integrity, reliability and appreciation take top priority.

Competence and trust form the basis of every partnership with TER Chemicals and we are proud to work internationally with partners who stand for the highest product quality and reliability. For our customers, this means certainty in every regard: from compliance with statutory requirements, to ethical conduct along the supply chain and high-quality products with prompt and punctual delivery.

Our mission is to create added value for our business partners, employees and society continuously and on a sustainable basis. To achieve this, an atmosphere of amicable joint collaboration is of the utmost importance for us. This creates a culture based on integrity, equal opportunity, trust and respect in which all participants can feel at home.

For our employees to feel that they can fully develop their potential, ensuring a stimulating and diverse environment goes without saying for us. Our conduct is determined by fair, honest and appreciative actions. We do not tolerate unethical behavior.

The well-being of our employees is of the highest priority for us. With this in mind, our employees and managers all bear joint responsibility for the sustainable quality of their performance, work on the continuous development of the company and are supported in dedicating themselves to their work at the highest level by providing development and education opportunities. Each individual acts in compliance with the law and responsibly towards business partners and each other within the TER Group.

This is also entrenched in our values that we all bring to life at TER Chemicals.

Curiosity, responsibility, passion, reliability, recognition & criticism

form the foundation of our corporate culture and are of major importance for our internal and external communication and ethics. In tandem with our vision, they provide orientation for our everyday actions. This guarantees that our idea of success is always in line with our values.

In order to protect our values and ethical principles, we at TER Chemicals provide this Code of Conduct and Ethics for our employees and managers. It is supplemented by further guidelines and manuals that provide more detail on parts of this Code of Conduct. These are brought to the attention of all employees in accordance with their activities and are always accessible. Together, they form the guidelines for our actions and our conduct.

To fully support all TER Chemicals employees in executing their work ethically based on our values and to enable them to obtain advice and voice any concerns regarding integrity and lawful conduct in the company, we have established two internal procedures. Besides independently selected confidants whose remit is to act as a confidential advisor and link between employees and management, we have also launched an anonymous whistleblower system. This reporting procedure makes it possible for all TER Chemicals employees worldwide to report any irregularities regarding the implementation of our applicable business principles or any of their legal, operational or other matters affecting TER Chemicals as a whole, a local subsidiary or an employee.

We are pleased to share this Code of Conduct and Ethics with you as it is an important component of our sustainability management and the general guidelines with which we aim to globally respect labor and human rights, equal opportunity, combat corruption and conserve the environment.

We expect our business partners to conduct themselves likewise because we can only achieve a sustainable supply chain together.

Andreas Fröh

04/03/2025
Andreas Fröh
CEO

Uta Seiler

04/03/2025
Uta Seiler
CFO

Working Environment

Equal opportunity and anti-discrimination

A diverse culture of equal opportunity, mutual trust and respect is of key importance for us and essential to our success. At TER Chemicals, we promote equal opportunity and prohibit any form of discrimination, be it in the hiring or promoting of employees or in the provision of development programs. At TER Chemicals, all employees are treated equally irrespective of gender, age, skin color, culture, ethnic origin, sexual orientation, disability, religion or world view, or other personal characteristics unrelated to work performance.

Working conditions and occupational safety

Our employees can only perform their duties unhindered in a working environment that is safe, protective and hygienic. Therefore we are committed to complying with the applicable national regulations in terms of working environment and general working conditions at our locations. Our employees regularly receive instructions and training on occupational safety measures. We also comply with the working hours and break times as well as the regulations on night shift as provided for in the ILO Conventions and applicable national law.

Remuneration

A supportive and safe working environment also includes paying a living wage that, at minimum, is in line with national requirements or industry-standard remuneration and enables employees and their families to live a dignified life with decent living and housing conditions. To this we at TER Chemicals also fully commit and expect the same from our business partners.

Forced labor and child labor

We strictly reject any form of human trafficking or of non-voluntary, forced and child labor and have no tolerance for this at our business partners. The employment of persons below the minimum working age as set out in national legal regulations is not tolerated.

Labor rights and human rights

At TER Chemicals any work performed under threat of harm and/or subject to the retention of personal documents is prohibited and we expect the same of our business partners. This also applies to staff employed via external service providers or contractual agreements with independent service providers.

In addition, employees may not be disciplined or discriminated against if they exercise rights under the ILO standards or if they complain about violations to management, the authorities, stakeholder groups or via the whistleblower system.

Protection of personal data and intellectual property rights

At TER Chemicals we respect the fundamental rights and freedoms of our employees and the third parties we do business with. This includes the rights concerning the protection of an individual's personal privacy and the protection of personal data. We ensure that our internal systems and guidelines as well as suitable technical solutions and IT systems prevent unauthorized use of data and unauthorized access by third parties to data. At TER Chemicals and all its affiliated companies, we always comply with the local data privacy laws and regulations. In addition, we respect third-party intellectual property rights at all times and to the fullest extent.

Freedom of association

We know and respect the rights of our employees to freedom of association and freedom of assembly as well to collective bargaining and expect the same of our business partners.

Health and safety

Besides the quality of our products and services as well as our economic success, the health and safety of our employees is one of our key corporate objectives. We therefore only sell products and services that are safe for the health of people and animals when used in accordance with the prescribed/recommended application. Occupational health and safety are integral components of our work processes and are already included in the planning phase in all matters.

When working with our customers, suppliers and third parties we likewise prioritize avoiding harm to the health of people and animals. Activities that are harmful to health or dangerous may only be carried out by specially trained staff or external specialists.

All employees at TER Chemicals promote occupational health and safety in their working environment and comply with the occupational health and safety regulations. In addition, every manager is obligated to train and support their staff in taking this responsibility. Substances harmful to health are only handled by specially qualified personnel and in compliance with national regulations.

Ethical Business Practices

Bribery and corruption

At TER Chemicals, we have a zero-tolerance approach to unethical business practices. Personal integrity and honesty are fundamental principles of our actions and are obligatory for managers and employees in equal measure. Our internal anti-corruption policy provides our employees and business partners with guidance on recognizing unethical business practices, sets out standards for correct conduct and defines the framework for dealing with gifts and hospitality. We comply with all laws and therefore also those regarding the combating of bribery and corruption in all the jurisdictions in which we work and expect the same of our business partners.

This means that we do not tolerate any form of active or passive corruption (e.g. extortion, incentive schemes, promises). Any conduct that could be construed as bribery, e.g. the granting, accepting or agreeing to any form of inappropriate reward and contributions with the goal of influencing or bringing about the conduct or business decisions of other parties is prohibited.

We are committed to implementing and enforcing effective systems to combat bribery and corruption and encourage our employees to use the internal reporting procedure to bring to light potential violations of this guideline.

Money laundering

We actively work to prevent money laundering (the injection of illegally acquired money or assets into the regular and legal economic and financial system). Our employees receive regular instruction and training on the dangers and possible indications of money laundering. Our internal whistleblower system facilitates the reporting of suspicions.

Competitive behavior and antitrust law

A further key component of ethical business practices is compliance with applicable competition law. At TER Chemicals we are committed to promoting and complying with relevant national and international antitrust regulations. We recognize the importance of honesty and fairness in our business and ensure that our employees always act in compliance with the principles of fair competition. We make it possible for our employees to seek advice regarding antitrust issues from our legal department and to report any misconduct via our whistleblower system.

Political engagement

At TER Chemicals, we do not involve ourselves in any political engagement and do not provide financial support to any political party, organization or person. We respect the

rights of our employees to engage in political activities privately. In doing so, it must be ensured that this is not done in the name of the company, TER Chemicals.

Confidentiality and data security

To ensure the secure handling of confidential information belonging to our business partners, we have implemented procedures and systems that ensure secure storage of this data. At TER Chemicals, access to our business partners' confidential information is limited such that employees only have access to the information that they require for their tasks.

Quality and Compliance

Quality management

Our quality is based on the firmly entrenched sense of responsibility of our employees who understand the term “quality” as a task that is achieved jointly. At TER Chemicals, it is essential for us to continuously improve the effectiveness of our processes and management systems. With the goal of delivering safe products and services, we regularly put our processes to the test by means of internal and external audits.

Together we ensure that the products that we sell meet our customers’ highest expectations, that all workflows are planned and monitored, that methodological improvements are used in all functional areas and that any quality issues arising contrary to expectations are consistently identified and remedied.

Quality assurance

We review new products, service providers and manufacturers and subject them to a sample and approval process to meet our requirements and those of our customers. This also includes observing the current regulations for application areas in which our products will be used. In addition, we have numerous system certifications and contacts to international associations who assist us in this.

Chemical compliance

Chemical safety is another key component of our sustainable business strategy and quality assurance at TER Chemicals. All the role players within the supply chain of a chemical product have the important task of controlling risks and ensuring the safe use of chemicals. We take this responsibility very seriously and regularly train our employees in the legally compliant handling of our products and hazardous substances. In addition, we always ensure that we communicate to our customers the relevant hazards of the products required to guarantee safe delivery, use and handling.

Sanctions and export controls

At TER Chemicals, we have established processes and systems that ensure that applicable trade restrictions, export controls, economic sanctions and embargoes are adhered to. We therefore distance ourselves from all activities that may violate the restrictions, export control laws and export regulations applicable to a transaction.

Sustainability, Innovation and Environment

Sustainability and innovation

As a distributor of chemicals, we are cognizant of our special responsibility for a sustainable future. In addition, as a signatory to the UN Global Compact, we are committed to actively drive forward sustainable development in accordance with the Ten Principles and 17 Sustainable Development Goals of the UNGC.

For us at TER Chemicals, sustainable development means meeting the needs of the present in such a way that makes a sustainable future for the generations to come possible. A combination of long-term viability with social justice and environmental protection is of key strategic importance for us and anchored in our conduct accordingly.

Our focus is on developing a sustainable and innovative product portfolio, making a significant contribution to a sustainable supply chain and structuring our organization as a whole more sustainably. Our position, principles and objectives on key environmental issues such as climate change, water, biodiversity, deforestation, air pollution, waste, energy and resource consumption are outlined in TER Chemicals' internal environmental policy.

Together with our employees and business partners, we are committed to developing innovative ideas that represent sustainable alternatives to conventional solutions. We understand the implementation of sustainable development goals as a joint task and create the framework conditions required for this. By means of internal and external evaluations, we regularly review our sustainability management and derive relevant areas of action from these.

Environmental protection and use of resources

At TER Chemicals, our top priority in environmental protection is the safe and appropriate handling of chemicals. Therefore, chemicals listed as persistent organic pollutants in the annexes of the respectively applicable Stockholm Convention are not stored or used in accordance with the associated national legal regulations. Our employees are also regularly informed of the respectively applicable national legal regulations and processes to avoid environmental damage by all types of emissions and effluents.

In accordance with the global climate goals, we are committed to assisting in avoiding and neutralizing harmful emissions along the supply chain. This also includes the careful handling of limited natural resources.

We also commit our business partners to pursue the relevant goals. However, at minimum, we require them to implement the national legal regulations through suitable systems and industrial facilities.

It is important for us and our business partners to ensure that the use of raw materials and consumables in production is designed in a way that any unnecessary use of materials is avoided. Facilities and production processes are to be designed to ensure that, in terms of our ecological footprint, the consumption of energy and water is reduced as much as possible. Using the latest state-of-the-art, environmental emissions are to be avoided as far as possible and materials are to be recycled in accordance with national regulations and where feasible. In addition, waste is to be treated, collected, stored and disposed of in an environmentally friendly manner. We do not import or export hazardous waste.

To protect the health of people, animals and the environment we in our company, and in the selection of our business partners, ensure that the Minamata Convention on Mercury is complied with in the procurement of raw materials and the manufacture of products.

At TER Chemicals, we require our suppliers to ensure that the products supplied to us do not contain any conflict minerals and that no conflict minerals are used in their production. This is our contribution to ensuring that armed groups are not directly or indirectly financed or supported and that human rights are not violated as described in Annex II of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD DDG).

Implementation

We demonstrate our personal commitment to company standards and foster an environment where employees feel comfortable asking questions and raising concerns. We also ensure that our employees are informed about their obligations under the Code of Conduct. This Code of Conduct must be acknowledged and signed by all employees, and its contents are regularly reviewed and trained on.

We remain vigilant against potentially unlawful behavior and take action to prevent such conduct. We are encouraged to report potential breaches of company standards that come to our attention through the appropriate channels.

We report any observed or suspected breaches of law, company principles, or policies. To facilitate the reporting of breaches, TER Chemicals maintains a number of reporting channels, some of which also allow for anonymous reporting:

- Supervisor or another manager
- Trusted individuals

- Whistleblowing tool accessible through the TER Infoweb

We expect the principles of this Code of Conduct to be equally upheld by our partners along the value chain.

The signing of the existing Code of Conduct also entails the acknowledgment of all internal guidelines outlined in this document.