



## comer industries

The **Act on Corporate Due Diligence in Supply Chains** (*Lieferkettensorgfaltspflichtengesetz – LkSG, hereinafter the German Supply Chain Act*) mandates that companies adopt responsible practices across their entire value chain, ensuring the safeguarding of human rights, environmental protection, and ethical conduct in all business operations.

Following a due diligence process concerning human rights and environmental protection, Comer Industries has integrated the arrangements of the German Supply Chain Act, extending its monitoring and control mechanisms throughout the supply chain supporting its operations in Germany, with the aim of preventing any risk of violation of human rights obligations or environmental-related risks. Furthermore, the Company is actively working toward compliance with the upcoming European Corporate Sustainability Due Diligence Directive (CSDDD), to ensure full adherence ahead of its future application.

Based on prescriptions reported in the German Supply Chain Act, the assessment has been conducted applying criteria based on type of process, product and country and evaluating the risks in the following areas:

- the prohibition of the employment of personnel under the age at which compulsory schooling ends, in accordance with the local law and ILO Convention No. 138, and with the prohibition of worst forms of labour for personnel under 18 years of age in accordance with the ILO Convention No. 182;
- the prohibition of the employment of persons in all forms of forced labour, slavery, practices akin to slavery, serfdom or other forms of domination or oppression in the workplace;
- the occupational health and safety obligations, applicable under the law of the place of employment;
- the equal treatment and adequate living wage obligations, applicable under the law of the place of employment;
- ensure the freedom of association/collective bargaining in accordance with the applicable law of the place of employment and Universal Declaration of Human Rights, ILO Convention No. 87 and 98 the anti-corruption obligations;
- the prohibition of causing any environmental degradation (such as harmful soil change, water or air pollution, harmful emission or excessive water consumption) and to unlawfully evict or take land, forests and water;
- the prohibition of the manufacture of mercury-added products, the use of mercury and mercury compounds in manufacturing processes and the treatment of mercury waste contrary to the Minamata Convention provisions;
- the prohibition of hiring or using private or public, employed or third-party, security personnel for the protection of Company resources;
- the prohibition of the export of hazardous wastes and the import of hazardous wastes from a non-party to the Basel Convention.

As result of the risk analysis, Comer Industries has not identified any significant risk to human rights or environmental-related risk and any case of violation of human rights or environmental-related obligations.

Comer Industries has established a process to ensure that all suppliers are aligned with the Company's standards on human rights and environmental responsibility, from the onboarding as long as the supply relationship is in place. In fact, each supplier is required to formally acknowledge and commit to complying with applicable legislation and criteria as outlined in Comer Industries' Supplier Code of Conduct. In the event of a violation, Comer Industries initiates a structured clarification process. In the event that the issue is not resolved, the Company reserves the right to terminate the collaboration and select an alternative supplier.

Comer Industries has established a compliant process for reporting or raising any concerns about behaviors or information that are inconsistent with the human rights or any other requirements in the Supply Code of Conduct, by identifying a communication channel provided by an external independent Company and accessible from the Comer Industries website. The web portal is available across all countries in which Comer Industries operates and applies to all stakeholders engaging with the Group and all information received are managed in absolute confidentiality, in accordance with current legal regulations.

The actions described above actively contribute to the implementation of the principles expressed in the *Integrated Quality Sustainability and Product Responsibility Policy* and are part of the action plan for achieving the Company goals on *Sustainability Procurement*.