



MEGA-Line racing technology GmbH

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Code of conduct for suppliers

Code of conduct

for suppliers

Preamble

MEGA-Line racing technology GmbH is committed to ecologically and socially responsible corporate management.

By means of our internal code of conduct, we require our employees to respect the principles of ecological, social and ethical behaviour and to integrate them into the corporate culture.

We expect the same behaviour from all our suppliers.

Furthermore, we strive to optimise our corporate actions and our products/services always in the sense of sustainability and call on our suppliers to contribute in the sense of a holistic approach.

Violation of this code of conduct can constitute for MEGA-Line racing technology GmbH grounds to terminate the business relations.

Agenda

- **Part 1 Social responsibility**
- **Part 2 Ecological responsibility**
- **Part 3 Ethical business conduct**
- **Part 4 Implementation of requirements & acknowledgement of the supplier**

Part 1: Social responsibility

Social responsibility

- 1.1 Ethical recruitment
- 1.2 Exclusion of forced labour
- 1.3 Prohibition of child labour
- 1.4 Fair remuneration
- 1.5 Fair working hours
- 1.6 Diversity, equal opportunities and inclusion, as well as prohibition of discrimination
- 1.7 Whistleblowing
- 1.8 Land, forestry and water rights and forced eviction
- 1.9 The use of security staff
- 1.10 Health and safety at work
- 1.11 Dealing with conflict minerals

Part 1: Social responsibility

The "Social Responsibility" area is based on the guidelines of the international Business Social Compliance Initiative (BSCI) and the conventions of the International Labour Organization (ILO).

MEGA-Line racing technology GmbH expressly emphasises a zero-tolerance policy with regard to the violation of human rights or of statutory and other binding regulations.

Should we become aware of such violations, we reserve the right to terminate the business relationship immediately.

The following guidelines are binding on MEGA-Line racing technology GmbH:

Part 1: Social responsibility

Ethical recruitment

The supplier undertakes to conduct all recruitment processes in an ethical and transparent manner. It must be ensured that employees have chosen to engage in their employment and that no unethical practices such as forced labour or fraudulent recruitment methods are used. All employees must be informed in detail about their rights, working conditions and pay.

Exclusion of forced labour

Forced labour, slave labour or similar work must not be deployed. All work must be voluntary and employees must be able to terminate work or employment at any time. In addition, there must be no unacceptable treatment of workers, such as psychological hardship, sexual and personal harassment.

Prohibition of child labour

Child labour must not be used at any stage of production. Suppliers are encouraged to follow the recommendation of the ILO conventions on the minimum age for employment of children.

Fair remuneration

Remuneration for regular hours and overtime must be at least equal to the national statutory minimum wage. Employees shall be provided with all benefits required by law. Wage deductions are not allowed as punitive measures. The supplier shall ensure that workers receive clear, detailed and regular written information on the composition of their remuneration.

Part 1: Social responsibility

Fair working hours

The working hours must comply with the applicable laws or industry standards. Overtime is only permitted if it is carried out on a voluntary basis and in compliance with the legal maximum regulations. Likewise, the respective legal rest and recovery times must be granted. The maximum weekly working time prescribed by law must be observed.

Diversity, equal opportunities and inclusion, as well as prohibition of discrimination

Discrimination against employees in any form whatsoever is unacceptable. This applies, for example, to discrimination based on gender, race, caste, colour, disability, political opinion, origin, religion, age, pregnancy or sexual orientation. The personal dignity, privacy and personal rights of each individual are respected. The supplier is actively engaged in fostering a diverse and inclusive working environment in which all employees are treated equally. Discrimination of any kind is not tolerated.

Whistleblowing

The supplier promotes a corporate culture in which employees can report violations of regulations or ethical principles safely and anonymously. They guarantee that whistleblowers are protected from any form of retaliation.

Part 1: Social responsibility

Land, forestry and water rights and forced eviction

The supplier respects the rights of local communities, particularly with regard to land, forestry and water resources. Any forced eviction without the appropriate consultation and compensation is prohibited.

The use of security staff

When using security staff, the supplier ensures that they respect human rights and have been trained in how to resolve conflicts in a peaceful manner, keeping the ethical standards in mind.

Health and safety at work

The supplier ensures a safe and healthy working environment. Adequate occupational safety systems shall provide for necessary preventive measures against accidents and damage to health that may arise in connection with the work. In addition, employees will be regularly informed and trained on applicable health and safety standards and measures. Employees will have access to sufficient quantities of drinking water and to clean sanitation.

Part 1: Social responsibility

Dealing with conflict minerals

MEGA-Line racing technology GmbH expressly welcomes and supports all legal steps to stop the illegal trade of so-called "conflict minerals" or 3TG minerals (namely tin, tantalum, tungsten and gold) from the Democratic Republic of Congo and the adjacent crisis areas. Here we refer to paragraph 15 (Sec. 1502) of the "Dodd-Frank Act" and the guiding principles of the Organisation for Economic Co-operation and Development (OECD) for the fulfilment of the duty of care for the promotion of responsible supply chains for minerals from conflict and high-risk areas.

Within our company, appropriate processes have been established to take due account of this duty of care. We expect our affected suppliers to actively contribute to this through the following measures:

- ✓ Support in identifying the sources of the 3TG minerals used (by providing appropriate Conflict Mineral Reports (CMRT)) or at least issuing an appropriate declaration on the conflict mineral freedom of the products supplied to MEGA-Line racing technology GmbH
- ✓ Proactive informing of MEGA-Line racing technology GmbH in the event that relevant conflict minerals or questionable sources of supply are identified within the supply chain of the delivered products
- ✓ Proactive measures to identify alternative sources of supply for identified 3TG minerals

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- **Part 2 Ecological responsibility**
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Part 2: Ecological responsibility

Ecological responsibility

- 1.1 Waste water, greenhouse gas emissions, hazardous materials
- 1.2 Waste
- 1.3 Decarbonisation
- 1.4 Renewable energies
- 1.5 Water quality, consumption and management
- 1.6 Air and soil quality
- 1.7 Consumption of raw materials and natural resources
- 1.8 Biodiversity, land use and deforestation
- 1.9 Animal welfare
- 1.10 Noise emissions

Part 2: Ecological responsibility

Waste water, greenhouse gas emissions, hazardous materials

The supplier has processes and systems in place to ensure that applicable laws and regulations are complied with. Required environmental permits or licences for production, emissions, etc. exist or are obtained as needed. The supplier meets all operational and reporting requirements in this area. The supplier also undertakes to monitor and continually reduce their carbon footprint as part of their responsibilities. Measures for minimising emissions are documented and reviewed on a regular basis.

Waste

The supplier follows a systematic approach to identify, manage, reduce and responsibly dispose of or recycle waste. Any chemical or other material which, when released into the environment, presents a hazard shall be identified and handled in such a way as to ensure safety in the handling, transport, storage, use, recycling or reuse and disposal of such substances.

Decarbonisation

The supplier undertakes to take measures for decarbonising their business activities. This includes transitioning to low-carbon technologies, promoting energy-efficient processes and working together with partners and customers to reduce carbon emissions along the entire value chain. Progress with regard to decarbonisation is reviewed and documented on a regular basis.

Part 2: Ecological responsibility

Renewable energies

The supplier promotes the use of renewable energies. They take measures to increase the proportion of renewable energy sources in their production and in their operational activities.

Water quality, consumption and management

The sustainable handling of water is essential. The supplier should optimise their water consumption and take measures to protect the quality of water and to treat waste water in an environmentally-friendly manner.

Air and soil quality

The supplier is committed to reducing harmful emissions which adversely affect the air quality. They comply with international and national limit value and take measures to actively reduce air pollution. The supplier also preserves the quality and fertility of the soil by avoiding harmful practices and initiating soil decontamination measures when damage is identified.

Part 2: Ecological responsibility

Consumption of raw materials and natural resources

The supplier places sufficient focus on the careful use of raw materials and natural resources. It also tries to minimise its energy consumption as much as possible. Generally, the supplier tries to keep its ecological footprint as small as possible.

Biodiversity, land use and deforestation

The supplier minimises negative effects on the ecosystems. Maintaining biodiversity, the sustainable use of land, and protection against deforestation are key obligations.

Animal welfare

The supplier acts in compliance with the recognised animal welfare standards. They avoid unnecessary suffering and promote fair livestock housing conditions in their supply chain.

Noise emissions

The supplier reduces any operations-related noise emissions in order to minimise negative effects on the environment and the surrounding communities.

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Part 3: Ethical business conduct

Ethical business conduct

- 1.1 Fair competition
- 1.2 Confidentiality / data protection
- 1.3 Publication of information
- 1.4 Precise recording of the bookkeeping
- 1.5 Intellectual property and plagiarism
- 1.6 Export controls and economic sanctions
- 1.7 Integrity / bribery, advantage

Part 3: Ethical business conduct

Fair competition

The standards of fair business and fair competition must be respected. In addition, the valid anti-trust laws are applicable which, when dealing with competitors, prohibit in particular collusion and other activities which influence prices or conditions. In addition, these regulations prohibit agreements between customers and suppliers in order to restrict customers' freedom to determine their prices and other conditions autonomously when reselling.

Confidentiality / data protection

The supplier undertakes to meet the reasonable expectations of its client, suppliers, customers, consumers and employees with regard to the protection of private information. The supplier shall comply with the laws on data protection and information security and with the regulations of the authorities when collecting, storing, processing, transmitting and passing on personal information. Existing non-disclosure agreements with MEGA-Line racing technology GmbH must be 100% respected within the statutory provisions.

Publication of information

The supplier ensures that all information relating to business practices, environmental issues and social topics are published truthfully and complete. False declarations are avoided.

Part 3: Ethical business conduct

Precise recording of the bookkeeping

The supplier conducts all financial transactions completely, and in a transparent and clear manner. Their bookkeeping practices correspond to the applicable legal standards.

Intellectual property and plagiarism

Intellectual property rights must be respected; technology and know-how must be transferred in a way that protects intellectual property rights and customer information. The supplier guarantees that all products and services are free from plagiarism. The intellectual property of third parties is respected, and compliance with international standards is ensured.

Integrity / bribery, advantage

The highest standards of integrity shall be applied in all business activities. The supplier must adopt a zero tolerance policy when banning all forms of bribery, corruption, extortion and embezzlement. Procedures for monitoring and enforcing standards shall be applied to ensure compliance with anti-corruption laws.

Export controls and economic sanctions

The supplier follows applicable export controls and economic sanctions. They check their supply chain to ensure that there are no violations against national or international trade restrictions.

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Part 4: Implementation of requirements & acknowledgement of the supplier

MEGA-Line racing technology GmbH trusts in the integrity and compliance with this code of conduct of its suppliers due to the generally long-standing business relationships.

However, the supplier's compliance with this code of conduct is always observed as part of the collaboration. If within the scope of this a justified suspicion arises that guidelines are not being complied with, we reserve the right to carry out an on-site audit after corresponding notice has been issued. The supplier agrees to this.

In addition, we once again draw attention to the zero-tolerance policy in the event of violation of statutory or other binding regulations.

By accepting and confirming an order from MEGA-Line racing technology GmbH, the supplier undertakes to act responsibly and to comply with the principles/requirements listed in this code of conduct. The supplier undertakes to communicate the content of this code to employees, agents and subcontractors in a manner that is understandable to them and to make all necessary arrangements for the implementation of the requirements.

Effectiveness of the supplier code of conduct

With the signature of this document, the principles contained therein regarding

- ✓ **Social responsibility**
- ✓ **Ecological responsibility**
- ✓ **Ethical business conduct**
- ✓ **Implementation of requirements**

become effective.

Claims of third parties cannot be inferred from this declaration.



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