

Social Corporate Responsibility Policy

AP Sensing's Social Corporate Responsibility policy sets out the corporate requirements for itself and its employees and sets clear expectations for collaboration and cooperation with customers, suppliers, consultants, and other business partners (hereinafter referred to as "business partners"), in particular to respect human rights and the environment, ethical standards, applicable law and integrity. We expect ourselves, our employees as well as our business partners, to implement and comply with these principles in all areas of business worldwide. We aim to enforce the principles of the International Labor Organization (ILO), the principles of the United Nations Global Compact and applicable national and international laws and industry standards in our upstream supply and service chain. This Social Corporate Responsibility policy serves as the basis for all contractual relationships with AP Sensing worldwide.

Corporate Governance

Conflict of Interests

Although our employees are generally free to engage in personal business and financial transactions and other activities outside AP Sensing, this freedom is not unlimited. We expect our employees to avoid actual or potential situations where loyalties may be divided between company interests and their own, as this can put our reputation and business at risk. Decisions as part of the daily work must be based on what is best for the company. Our employees must not receive any personal profit or advantage other than their compensation in connection with any transaction involving the company. We encourage our employees to bring any doubtful situation to our attention, so appropriate guidance can be provided.

Gifts, Hospitality & Entertainment

Decisions made on behalf of our company must be free from undue influence by Third Parties, as this could lead to a conflict of interest or even perceived as an improper advantage or a bribe. Accepting items or favors could raise concerns about our integrity. Our employees should only accept modest and reasonable gifts, business meals and entertainment that are related to a legitimate business purpose, customary for this purpose and cultural practice, and compliant with local laws.

Fraud & Financial Compliance

Our accounting is processed with generally accepted accounting principles according to the law for every country in which we conduct business. The integrity of our business transactions is ensured by keeping books and records accurate, organized, transparent and complete. These standards are intended not only to protect us against fraud and corruption within the company, but also to ensure that our resources are never used for corrupt or fraudulent purposes outside the company.

Anti-bribery & Anti-corruption

We strictly reject any bribery or corruption as they are against the law and contrary to our company values. Bribery and corruption create unfair competition, impede innovation, and undermine our integrity. Corruption includes bribery, fraud and money laundering, facilitation payments, protection money, but it can also include improper gifts, hospitality or entertainment used for special consideration in return. We fully comply and expect our business partners to comply with applicable laws and policies, including but not limited to those relating to anti-bribery and anti-corruption. We are always alert and investigate suspicious behavior by our business partners and we encourage business partners and employees to report suspicious behavior.

Antitrust & Fair Competition

Our commitment to fair and legal competition ensures long-term sustainability and the integrity of our business in the operating market and the whole industry. We respect these principles throughout the whole supply chain, i.e., in relation to our competitors, suppliers, resellers, and customers. Therefore, we do not conclude illegal agreements with competitors, such as restricting competition or dividing markets, pricing strategies, limitation of output or allocation of customers or goods. Furthermore, we do not engage in and reject any illegal business practices towards our customers and suppliers. Our success is based on fair and truthful performance on the market, maintaining the highest standards of quality and value of our products and services, without the need to use unfair or illegal activities to succeed. We respect others' Intellectual Property Rights and do not infringe any third parties' rights. We strictly reject Reverse Engineering. In the same respect, we expect others to respect our Intellectual Property Rights and abstain from any kind of infringement.

Export & Trade Controls

As an international company we are operating worldwide and are thus exposed to national and international trade controls, including economic sanctions and export controls. AP Sensing is fully committed to complying with these regulations to ensure no critical impact on our business operation, and the avoidance of fines or reputational damage. We respect economic sanctions that regulate with who we may engage and restrict us from doing business with certain companies, individuals, or countries. We comply with export controls regulations restricting the transfer of goods, knowledge, technology, know-how or other items to specific countries or customers or for a specific use. In the same respect we expect our business partners to fully comply with the same requirements set out under applicable export and import laws and regulations, including those of the European Union, the exporting country, and the United States. Our partners and their customers, if applicable, shall be solely liable and responsible in case of non-compliance with these regulations.

Communication, Confidentiality & Marketing

Part of our philosophy is a fair and professional communication with competitors as well as the open, clear and transparent communication with our business partners, whilst respecting their confidential and property information and promoting protection against non-compliant disclosure. Confidentiality is ensured by our company terms and conditions, non-disclosure, or other agreements as well as regular educational measures within the company. Advertising and promotional communications and measures, including comparisons with competitive products or services, are formally substantiated with current factual data before publication.

Any order with AP Sensing is to be treated confidentially. In addition, the business partner must keep secret commercial and technical information and documents which are not generally known, and which become known to him in the course of the business relationship and use them exclusively for the performance of the ordered services. Drawings, models, samples and similar items may not be handed over or made accessible to unauthorized third parties. The reproduction of such items is only permitted within the scope of the copyright provisions and only to the extent that this is necessary for the fulfillment of the obligation's incumbent on the business partner. Any sub-business partners shall be obliged to maintain secrecy accordingly.

Whistleblow

Compliance with legal regulations is of utmost importance for AP Sensing. With the aim of operating and conduct business in a sustainable and long-lasting way, we promote and encourage our employees as well as our business partners to inform us about any suspected, potential or actual misconduct and breach of laws and regulations in order to detect and prevent such behavior. We ensure improvement of law enforcement by implementing effective, confidential and secure reporting channels to effectively protect whistleblowers from retaliation. Please send any information on misconduct or violation of law to compliance@apsensing.com or alternatively to AP Sensing GmbH, Compliance, Herrenberger Str. 130, 71034 Böblingen, Germany.

People & Ethic Governance

Human Rights

We respect and promote the protection of human rights and expressly reject all forms of child, forced and compulsory labor as well as any form of modern slavery and human trafficking. In the same respect we expect and demand the same behavior from our business partners.

Equity, Diversity & Inclusion

Equal opportunities and treatment, diversity and integration are amongst our most important benchmarks for creating a productive, creative, and intercultural working environment. Competitiveness and innovation are the results of such lived principles. We do not tolerate any discrimination or harassment based on religion, race, color, disability, gender, language, national or social origin, age, caste, health, gender, sexual orientation, language, ethnicity, political opinions, union affiliation or other distinguishing characteristics. Hiring new or promoting employees is exclusively based on their qualifications.

Labor Rights

We comply with all relevant legal provisions regarding labor rights, including but not limited to adequate salary, paid time off, holiday and break times, sick leave payment, maternity protection, and youth employment protection.

Health & Safety

Our employees are our most valuable assets, and their health and safety are one of our highest priorities. We recognize our responsibility to keep a safe and secure working environment and fully comply with applicable national regulations in health and safety at work. Through prevention and avoidance of health risks, health and security educational training and health promotion measures, we live these principles and keep our employees satisfied. As a certified company under ISO 45001 we comply with and fulfil the international standard and for health and safety at work.

Donations & Sponsorship

We aim to contribute to society and resources worldwide. AP Sensing makes regular donations to contribute to vulnerable populations and those worth protection, whilst supporting equal opportunity, and helping to reduce its environmental footprint.

Regular donations to CARE Deutschland e.V. (www.care.de) and special grants are also part of our social commitment. We are also aware of our environmental responsibility. For every fiber optic sensing system (DAS/DTS) sold, we plant 100 trees in Malawi. We also plant additional trees each quarter to offset the impact of our AP Sensing business trips. This important contribution to climate protection and forest restoration was promoted further with projects, such as **Passion for Plants** or others with our partner **WeForest** (<https://www.weforest.org/>).

Environment & Sustainability

Environmental Protection

AP Sensing takes responsibility for the environmental compatibility and sustainability of its products, sites, and services. We pay attention to the careful use of natural resources, a continuous reduction of environmental impact and the compliance with environmental protection laws and rules.

AP Sensing and its business partners undertake to always comply with the prohibition of causing harmful soil contamination, water pollution, air pollution, noise emission or excessive water consumption.

Sustainable Environmental Management

We have set in place a sustainable environmental management that comprises all aspects for continuous improvement of environmental performance, such as the establishment, realization, maintenance, and continuous improvement of an environmental management system according to ISO 14001:2015. It helps us improve our environmental performance through more efficient use of resources and reduction of waste, reduced energy and water consumption, and therefore gaining a competitive advantage and the trust of our Business Partners.

IT Security & Data Protection

Keeping our and our Business Partners' information and data secure is of utmost importance to us. We have set in place adequate and appropriate security measures that the information and data is not stolen, corrupted, modified, extracted, disclosed, copied, or misused in any kind of way and not accessible to anyone without proper authorization or approval. Our information security management system is certified under the international regulation ISO 27001:2013.

In the same respect we comply with all applicable Laws and Regulations on Data Protection, i.e., on the processing of personal data. We have implemented specific rules and processes on how to ensure personal data is only kept and processed as long as necessary and kept secure and protected. Our employees and business partners are informed how we use personal data, for how long and what rights they have under the GDPR. Each process is adequately documented to avoid any potential breach or vulnerability. We encourage our employees and business partners to inform and report any actual or potential privacy or security breach or vulnerability, so we can act immediately and accordingly.

Product Conformity & Quality

Human safety is one of our strongest motivations for our work. This is because our equipment is used for fire detection, energy monitoring, monitoring of drilling shafts & reservoirs, among others, and is thus designed for the safety of people and the preservation of the environment.

We comply with legal obligations and government regulations for our products and develop internal standards to enhance the safety of our products. We consider it our responsibility to eliminate the risks and hazards to health, safety, and the environment as far as possible. By implementing relevant and applicable Management systems according to ISO 9001:2015, we can adhere to and comply with quality standards and processes.

Supply Chain

Procurement decisions reflect our best judgment about our suppliers' technology, quality, responsiveness, and delivery capabilities and cost. We carefully select our supplier based on criteria such as component quality, supplier qualification and impression. We strictly reject business with suppliers that violate local laws or basic international principles relating to labor standards or environmental protection. In order to implement a sustainable collaboration with our suppliers, we expect them to comply in particular with the below requirements.

Conflict Minerals

We are committed to identifying the use of "Conflict Minerals" (tin, gold, tantalum, tungsten) in its supply chain and to ensuring this through appropriate measures. Likewise, our business partners are committed to ensuring that materials and components supplied to us do not contain Conflict Minerals as defined in Section 1502 of the U.S. Dodd- Frank Act.

Marking

All products and components must be tested by the manufacturer to make sure they meet all EU-wide requirements for safety, health protection and environmental protection. This is certified by marking them accordingly with the CE marking. They must be accompanied by all documents required for such marking. The same applies accordingly to the UKCA marking obligation for deliveries or final deliveries to Great Britain.

RoHS/REACH

As safety is our highest priority, it is very important to us that our products only contain hazardous substances at the maximum permitted concentration levels. We are committed to compliance with the

European Union Directives: 2002/95/EC (RoHS), or its successor 2011/65/EU (RoHS II), and EC Regulation 1907/2006 (REACH). Likewise, we expect our Suppliers do be compliant under these regulations.

Furthermore, we evaluate our suppliers on the following criteria:

- Based in non-embargo country
- ISO 9001 certified quality management system or equivalent
- PCN management available
- ISO 14001 certified environmental management system or equivalent
- ISO 45001 certified work safety management system or equivalent
- Certified risk management system or equivalent

If you have any questions relating to the content of this policy, please contact our Compliance team under: compliance@apsensing.com

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