

Suppliers Code of Conduct

The term "supplier" also refers to traders, subcontractors and service providers.

AES is committed to ensure all its business transactions comply with the applicable laws and regulations, as well as business ethics standards and principles, and to developing a culture of accountability, integrity and sustainability.

This code of conduct defines our expectation of the suppliers we do business with. Suppliers must conduct their business in accordance with this code of conduct. Suppliers are also expected to pass these principles on within their own supply chain, go beyond legal requirements and assume social and ecological responsibility acting in an ethical manner.

§ 1 Compliance with the Law

Suppliers are obliged to comply with all laws and regulations applicable to them in their jurisdiction, and further include all local laws and regulations that apply outside their home country in which they do business and or provide services to.

§ 2 Human Rights

Suppliers are expected to conduct their business in a manner that respects human rights. This includes treating their own employees and those of their sub suppliers with respect and dignity and further promote fair labour conditions. Suppliers are expected to recognise potential and actual human rights abuses in connection with their business activities and through their business relationships. They are required to take appropriate steps to mitigate such risks, ensure that their activities do not lead or contribute to; human rights abuses, and remedy any adverse impacts directly caused or contributed by their activities or business connections/relationships.

2.1 Child Labour

Suppliers must ensure that child labour is never used for the provision of their services. The term "child" means any person below the minimum legal age for employment in the country in which work is carried out and/or below the minimum age for employment as defined by the International Labour Organisation (ILO), whichever is higher. Employees under the age of 18 must be protected from doing activities that are potentially dangerous or may jeopardise their physical/mental health and their social, spiritual and moral development.

2.2 Modern Slavery

Employees must complete work activities voluntarily. Forced labour, bonded or indentured labour and prison labour are not/never acceptable. This also applies to human smuggling. Supplier employees' are expected to receive a written employment contract, in a language which is clearly written and understandable stating their rights and obligations with respect to wages, hours, benefits and any other terms and conditions of their employment. Suppliers must never withhold any form of proof of identity (passport and work permit etc.) or destroy or deny access to any such documents in the context of the employment, unless required by applicable law. Suppliers may not directly or indirectly demand fees, recruitment costs or a deposit from their employees as a condition of their employment. The right of employees to terminate their employment after a reasonable period of time must be respected. Employees have the right to receive the full salary to which they are entitled. Suppliers must respect the right of employees to leave the workplace at the end of their shift (see also wages, benefits and working hours).

§ 3 Working Conditions

3.1 Harassment and Bullying

Suppliers are expected to provide their employees with a working environment free from physical, psychological, sexual or verbal harassment, intimidation or any other abusive behaviour.

3.2 Diversity and Inclusion

Suppliers are expected to foster a diverse and inclusive work environment where employees are treated with dignity, respect and fairness regardless of race, colour, religion, gender, age, ethnic or national origin, disability, sexual orientation or preference, gender identity, marital status, nationality, political affiliation or any other personal characteristics. Suppliers must provide equal opportunity for employees and applicants in terms of non-discriminatory employment and shall comply with all anti-discrimination laws and regulations. Suppliers must ensure that employment, including hiring, compensation, benefits, termination and retirement, is based on employees' skills, not on their personal characteristics.

3.3 Wages and Benefits

Suppliers are obliged to pay their employees the local statutory minimum wage and provide all legally prescribed additional benefits (e.g. overtime).

Deductions from wages as a disciplinary measure or other deductions that are not included in national law are not permitted.

3.4 Working Hours

Suppliers are required to comply with the International Labour Organisation (ILO) standards, which regulate working hours and breaks, the maximum consecutive amount of working days and annual leave. Working hours in excess of the regular weekly working hours (overtime) are voluntary and suppliers must grant their employees at least 24 continuous hours off per seven-day period.

3.5 Social Dialogue and Freedom of Assembly

Suppliers are expected to respect the right of employees to organise freely and communicate openly with management about working conditions without fear of harassment, intimidation, punishment, interference or reprisals. The right of employees to exercise their statutory rights of organisational freedom, including the right to join or not join an organisation of their choice within the appropriate national legal framework, must be recognised and respected.

3.6 Disciplinary and Complaint Procedures

Suppliers are expected to have a disciplinary process in place to deal with matters relating to employees' work, behaviour or absences. A grievance procedure must be available to employees in relation to concerns or problems in the workplace or to appeal against a disciplinary decision.

3.7 Migrant Workers

The term "migrant worker" refers to a person who will work, is working or has worked for pay in a country of which they are not a national. Suppliers must ensure that migrant workers are employed in full compliance with the immigration and labour laws of the host country.

§ 4 Integrity & Business Ethics

4.1 Anti-Corruption Laws

Suppliers must comply with all anti-corruption laws and regulations applicable to their duties and business activities with AES. Suppliers are expected to exercise due diligence to prevent and detect corruption in any form of business relationships, including but not limited to purchase contracts, partnerships, joint ventures, offset contracts and the engagement of third parties such as intermediaries or consultants.

4.2 Illegal Payments

Suppliers may not offer, promise, make, accept or agree to accept improper payments or benefits of monetary value - in relation to public officials, neither political parties, candidates for public office nor any other persons. This also prohibits so-called "facilitation payments" or "bribes" that are intended to expedite or ensure the completion of routine official procedures such as visa applications or customs clearance, unless it is an official and legally permissible fee for which a receipt is issued. Payments for personal safety are permitted if there is an immediate risk to health or safety. Suppliers are prohibited from offering or agreeing to receive illegal payments from customers, suppliers, any of their authorised representatives, agents or other persons. Suppliers are expected to prohibit their employees from directly or indirectly accepting, paying and/or promising money or benefits of monetary value with the intention of exerting undue influence or obtaining an improper advantage. This also prohibits such action in places where it does not violate local law.

4.3 Fraud and Deceit

Suppliers must never obtain any advantage through fraudulent action, deception/false pretences or allow any other person who represents them to do so. This also includes fraudulent acquisition or theft, or any kind of misappropriation, of property or information.

4.4 Competition and Antitrust Laws

Suppliers must never enter into formal or informal agreements that distort competition, lead to price collusion or tenders, limit supply or divide/control markets. They are never permitted to exchange existing, current or future price information with competitors. Suppliers are prohibited from participating in any anti-competitive behaviour or activity that unlawfully hinders or influences free competition.

4.5 Gifts/Commercial Favours

Suppliers must ensure that offering or accepting gifts or favours in every business relationship is only permitted under applicable law. In addition, this exchange must not violate the rules and standards of the recipient and be in line with standard market practice. No monetary gifts or benefits of monetary value may be offered or accepted. Suppliers are expected to compete solely on the basis of their products and services. The exchange of commercial favours must never be used to gain an unfair competitive advantage.

4.6 Insider Trading

Suppliers and their personnel are not permitted to use documents or non-publicly disclosed information received in the course of their business activities with AES as a basis for stock exchange transactions or to enable third parties trading in shares or securities of another company.

4.7 Conflicts of Interest

Suppliers are expected to avoid any conflicts of interest or situations that appear as a potential conflict of interest. Suppliers must notify all parties concerned in the event of an actual or potential conflict of interest. This also includes a conflict of interest between AES and the supplier's own interests or those of family members, friends or employees.

§ 5 Environmental and Occupational Health and Safety

5.1 Suppliers are expected to conduct business in such a way that they actively manage environmental risks across all business processes, products and supply chains. Ecological aspects should be incorporated into product design or service.

Furthermore, suppliers must conduct their activities in such a way as to protect the health, safety and well-being of their employees, business partners, visitors and any persons who may be affected by their activities. The aim is to prevent fatal accidents, work-related injuries and/or damage to health and minimise safety risks. Suppliers must take reasonable steps to create hygienic working conditions and ensure that employees' work performance and safety are never impaired by alcohol, narcotics, legal and illegal drugs.

5.2 Substance and Chemical Management

Suppliers must provide AES with up-to-date information on environmental, occupational health and safety issues affecting their products enabling the safe use of these products throughout their life cycle. They must also work together with AES in fulfilling downstream requirements, which, relate to the supplier's products and/or services. In addition, suppliers are expected to respond proactively to any regulatory restrictions on certain chemicals/substances in the future in order to ensure uninterrupted supply.

5.3 Sustainable Product and Process Development

AES suppliers should actively support AES's sustainability strategy and do their utmost to develop, manufacture and provide innovative products and processes having the lowest possible environmental impact over their lifetime. Suppliers are expected to reduce the impact of their operations in conjunction with climate change, improve the efficiency use of energy, water and natural resources, minimise waste and use of hazardous substances, ship goods with appropriate outer packaging and promote the use of reusable/recycled packaging materials, for example by reducing single-use plastic, and managing their air emissions responsibly.

§ 6 Product Safety

Suppliers are expected to actively support AES' product safety through their own processes and organization, as well as to maintain airworthiness and safety regulations.

6.1 Security Commitment

Suppliers are expected to ensure that each and every one of their employees is fully committed and aware that the lives of passengers, airline personnel and colleagues depend on them personally taking product safety seriously.

6.2 Safety First

Suppliers must ensure that the 'safety first' policy is observed and practiced at all levels of their organization and that each individual employee does their personal best to ensure that product safety is never compromised.

6.3 Attention and Information Exchange

Suppliers must report all safety issues to AES properly and in accordance with the applicable regulations. Suppliers assist in the analysis of safety issues. Suppliers assist in accident/incident investigations as required by any applicable regulations.

6.4 Safety Improvements

In accordance with policy for the safety management system, suppliers are expected to proactively report any events that could potentially affect product safety and/or the safe operation of any products to AES. Further details can be found on our homepage <https://aes-aero.com>.

§ 7 Information Protection

7.1 Sensitive, Confidential and Proprietary Information

Suppliers must adequately protect all sensitive, confidential, proprietary information. Supplier must comply with all applicable privacy and data protection laws and regulations in its dealings with AES.

Suppliers must protect sensitive, confidential and proprietary third-party information, including personal data, from unauthorized access, destruction, use, modification and disclosure, utilizing suitable physical and electronic security procedures. This also includes mitigating risks arising out of information systems through the implementation of appropriate IT cybersecurity programs.

7.2 Intellectual Property

Suppliers must comply with all applicable laws regarding the protection of intellectual property rights. This also includes protection against disclosure.

§ 8 Global Trade and Export Control

8.1 Import

Suppliers must ensure that their business practices comply with all applicable laws, policies and regulations that govern importing parts, components, technical data and services.

8.2 Export Control

Suppliers must ensure that their business practices comply with all applicable laws, directives and regulations, including the US and EU legislation and other national regulations, along with sanctions and embargoes legislation. Suppliers must provide true and accurate export control classification and other related information. They

must obtain export licences or other authorisations where required and provide such certification when necessary.

8.3 Responsible Procurement of Raw Mineral Materials

Suppliers must comply with laws and regulations applicable to the direct or indirect sourcing of critical materials and minerals from conflict areas (if included in the products purchased). These minerals include "conflict" minerals (tin, tungsten, tantalum and gold), rare earths and other minerals or metals (e.g. bauxite, cobalt, titanium, lithium).

Suppliers must support efforts to end the use of materials from conflict areas that directly or indirectly contribute to the financing and support of armed groups and/or those committing serious human rights violations. Suppliers are expected to exercise due diligence and provide AES with evidence of their sources and chain of custody certification for these mineral raw materials upon request. They must advise AES if there is any potential doubt as to the origin and/or production of these raw materials. If the proven chain of custody for the material is "untraceable" or otherwise unknown, the supplier is expected to either obtain the necessary certificates or stop using the sourced raw mineral material.

8.4 Counterfeit Components

Suppliers are expected to develop, implement and maintain effective methods and processes appropriate for their products in order to minimise the risk of counterfeit components and the materials they supply. Effective processes should be used to detect report and remove counterfeit components and materials from circulation and prevent these items from re-entering the supply chain. If counterfeit components and/or materials are discovered or suspected, the recipients of the components and/or materials in question must be informed immediately.

8.5 Tax Payments

Suppliers must ensure that they comply with all applicable tax laws and regulations in the countries in which they operate. They must operate in an open and transparent way with the tax authorities. Under no circumstances shall suppliers intentionally and unlawfully evade taxes or be accused of such evasion. Third-party protection. Suppliers shall implement effective controls to minimize the risk of tax evasion or participation in tax evasion and provide appropriate training; support and whistle-blowing procedures to ensure employees effectively implement them and report any suspicions.

8.6 Invoice Procedures

Suppliers must have fair and reasonable invoicing procedures and must pay undisputed, proper invoices in a timely manner and in accordance with the agreed payment terms and applicable law.

§ 9 Maintaining True Records

Suppliers must keep, store, maintain records, and not alter any entry to conceal or misrepresent any underlying transaction.

Appropriate controls must be put in place to ensure that the activities are carried out correctly and safely. All records, regardless of format, created or received to document a business transaction must fully and accurately document the transaction or business process. Records shall be retained based on the applicable retention requirements.

§ 10 Governance

10.1 Speak-up Culture and Protection for Whistleblowers

Suppliers are expected to provide employees and third parties with access to reporting channels through which legal or ethical concerns can be reported or guidance sought without fear of retaliation, including the option of remaining anonymous. Suppliers are obliged to take action against disciplinary measures, preventing them, recognizing them and terminating them.

10.2 Consequences for Code Violations

In the event of a violation against this code, business relations, if applicable, will be reviewed and corrective measures will be initiated in accordance with the terms of the corresponding contract[s].