

Sustainable Supply Policy

1. General Principles

Optotune strives to incorporate sustainability in all direct sourcing processes, maintains compliant and social operations and optimizes the use of natural resources. As Optotune Group, we therefore have an equally significant responsibility for the environment and society all along our supply chain. We take this responsibility seriously by using standardized risk analyses, tools and processes to select our international partners and determine how we work with them. We also have internal and external control mechanisms in place. These enable us, amongst others, to fulfill our duty of care with regards to product compliance and human rights in the context of conflict minerals. We continuously improve our Sustainable Supply Policy (“Policy”) with our suppliers by aiming to:

2. Incorporate Sustainability

- 2.1. Assess all direct suppliers on environmental & social criteria with standardized supplier assessment tools
- 2.2. Ensure that all our direct suppliers implement a quality management system which meets the requirements of ISO 9001 standards or higher and conducting a regular supplier quality risk assessment for relevant direct suppliers.
- 2.3. Reserve the right to end supplier relationships in the event of serious and/or repeated infringements of this Policy

3. Maintain Ethical and Social Operations

- 3.1. Achieve that all direct suppliers have signed the Optotune Supplier Code of Conduct or otherwise submit their own code, which meets our requirements in particular related to prohibition of forced and child labor, a respectful and non-discriminatory treatment of all employees as well as the payment of fair wages.
- 3.2. Support all our direct suppliers to use reasonable efforts to promote our Policy amongst their suppliers.
- 3.3. Periodically provide training to our sourcing functions on relevant compliance topics, which may include anti-corruption, anti-money laundering and anti-bribery

4. Optimize Natural Resources & Circularity

- 4.1. Propagate within our supply chain on integrating environmental systems such as ISO 14001 certifications
- 4.2. Encourage direct suppliers to adopt a more circular approach within their own business models with the goal of reducing their resources used
- 4.3. Increase the coverage of commodity materials sourced within the region of operation

5. Mitigate Conflict Mineral Risks

- 5.1. Keep alignment with the Responsible Minerals Initiatives’ objectives
- 5.2. Ensure all applicable direct suppliers conduct the due diligence of their 3TGs sourcing
- 5.3. Ensure all applicable direct suppliers have completed CMRT

6. Require Supplier Product Compliance

- 6.1. Track and manage product-related compliance certificates and declarations from suppliers, suppliers’ environmental certificates, results from the audit conducted, and external ratings
- 6.2. Address cases of non-compliance with appropriate steps/remedial actions, e.g. work together with the affected suppliers to find a mutual solution within an appropriate time frame
- 6.3. Limit the use of hazardous and chemical substances according to the latest RoHS and REACH regulations

Definitions

3TGs

The specific minerals considered in the legislation are identified as Tungsten, Tantalum, Tin and Gold.

CMRT

The Conflict Mineral Reporting Template is a free, standardized reporting template developed by the Responsible Minerals Initiative (RMI) that facilitates the transfer of information through the supply chain Optotune Taiwan Ltd.

Optotune Group

Optotune Group consists of all Optotune Affiliates such as Optotune Switzerland AG, Optotune Slovakia s.r.o, Optotune Taiwan Ltd.

Optotune Supplier Code of Conduct

The Optotune Supplier Code of Conduct defines the basic requirements placed on suppliers of goods and services of the members of the Optotune Group concerning their responsibilities towards their stakeholders, affected groups and the environment.

REACH

The Registration, Evaluation, Authorization and Restriction of Chemicals is a European Union regulation originally dating from 18 December 2006 which is periodically updated. REACH addresses the production and use of chemical substances, and their potential impacts on both human health and the environment.

RoHS

The Restriction of Hazardous Substances Directive 2002/95/EC, short for Directive on the restriction of the use of certain hazardous substances in electrical and electronic equipment, was adopted in February 2003 by the European Union, and is being periodically updated.