Responsible Sourcing and Supply Chain Policy

Group policy

xstreco

Contents

Approved by	The Board of Directors of Xstreco AG
Issued by	Executive management
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Version	2.1

1 Introduction

1.1 Purpose and Scope

1.1.1 Purpose of the Policy

This policy sets out the requirements that apply to the sourcing of goods and services by the Group. It covers supplier assessment and classification, due diligence on minerals from conflict-affected and high-risk areas, contractual standards, remediation and disengagement, and the routes by which a supplier may raise a concern.

1.1.2 Scope and Applicability

This policy applies to all employees, directors, officers, and contractors under Xstreco's direct supervision, working for any Xstreco office or industrial asset directly or indirectly controlled or operated by Xstreco worldwide. Where the Group holds an interest in a joint venture that it does not control or operate, it uses its influence to encourage conduct consistent with this policy.

2 Policy Statement

2.1 Group’s Stance on Responsible Sourcing and Supply Chain

This policy requires that social, environmental and ethical factors be weighed in procurement decisions and in supplier relationships. Suppliers are required to meet the standards in the Supplier Code of Conduct and to take reasonable steps to cascade them through their own supply chains. The Supplier Code of Conduct sets the minimum standards, covering human rights, labour rights, environmental protection and anti-corruption.

2.2 Legal Implications

This policy is structured against the OECD Due Diligence Guidance for Responsible Business Conduct and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, the UN Guiding Principles on Business and Human Rights, ISO 20400 Sustainable procurement and the ILO fundamental Conventions. Those instruments, other than the ILO Conventions, are standards and frameworks rather than binding law; they bind the Group only where a contract or a financing agreement so requires. The ILO fundamental Conventions bind the States that have ratified them and take effect for the Group and for its suppliers through the national law of those States. Where the Group falls within Articles 964j to 964l of the Swiss Code of Obligations and the associated ordinance, it applies the due diligence and reporting those provisions require on minerals from conflict-affected areas and on child labour. Peru has no supply chain due diligence statute equivalent to the Swiss provisions; the Peruvian labour, mining and customs legislation applicable to the Group’s suppliers and contractors and to the goods and services procured applies to them directly. Non-compliance with this policy, and the conduct it prohibits, may result in reputational damage, legal penalties, and internal disciplinary action.

3 Key Principles and Guidelines

3.1 Specific Principles or Guidelines

This policy requires the following principles to be applied:

(a) Supplier Onboarding and Risk Classification: Suppliers are classified by risk on engagement, and the due diligence applied is proportionate to that classification.

(a) Conflict Minerals and High-Risk Areas: Enhanced due diligence is required where sourcing is from a conflict-affected or high-risk area.

(b) Remediation and Disengagement: Non-compliance is addressed with the supplier, and the relationship may be suspended or terminated where remediation fails.

(c) Grievance Mechanisms for Suppliers: A route must be available by which a supplier or other stakeholder may raise a concern, and the identity of the person raising it kept confidential except where disclosure is required by law or is necessary for the enquiry, and then only to the extent necessary.

(d) Transparency and Reporting: Sourcing practices, due diligence and outcomes are documented so that the information required for any disclosure the Group makes can be produced from those records.

3.2 Examples and Applications

(a) Adverse Supplier Assessment Result: Where an assessment of a supplier identifies a labour violation, a corrective action plan must be required of the supplier, its terms and timescale recorded, and its implementation followed up.

(b) Sourcing from High-Risk Regions: Enhanced due diligence is required before engaging a supplier that operates in, or sources from, a conflict-affected or high-risk area, or whose activities present an elevated human rights risk.

(c) Conflict Minerals: Where the Group sources minerals, reasonable steps are taken to establish their origin and risk-based due diligence is conducted against the Annex II risks, drawing on the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

(d) Undisclosed Subcontracting: Where a supplier uses an unauthorised subcontractor, the matter is assessed and, where it requires investigation, investigated, and full disclosure and corrective action are required.

4 Roles and Responsibilities

4.1 The Board

Oversight of this policy rests with the board. The board approves this policy and each revision of it.

4.2 Executive Management

Executive management issues this policy, provides the means required to apply it, and is accountable to the board for its application. Where this policy requires a matter to be escalated, it is escalated to executive management.

4.3 Responsibility for This Policy

Responsibility for the day-to-day application of this policy is assigned within the Group. This policy requires that the assignment be recorded in the Schedule of Policy Assignments, an internal document, be kept current, and be made known to those subject to this policy. Where this policy refers to the compliance function, it means the person or persons holding that assignment at the relevant time, whether or not a separate department exists.

4.4 Those Who Direct the Work of Others

Anyone who directs the work of others is responsible for applying this policy in the work they direct, for making those they direct aware of it, and for passing on a concern raised with them.

4.5 Everyone Subject to This Policy

Everyone subject to this policy must comply with it, must raise a concern where they believe it has been or may be breached, and must co-operate with any enquiry into such a concern.

4.6 Counterparties

Counterparties must meet the standards in this policy where their contract with the Group so provides, and may raise a concern through the channels in section 5.1.

4.7 Those Responsible for Procurement

Those responsible for engaging a supplier or contractor are responsible for the due diligence this policy requires before the engagement, for including in the contract the supplier's obligation to meet the Supplier Code of Conduct and to take reasonable steps to cascade its standards through its own supply chain, and for keeping the record on which that due diligence was based. The depth of the due diligence is proportionate to the risk the engagement presents.

5 Reporting and Monitoring

5.1 Reporting Mechanisms

5.1.1 Internal Reporting

A concern under this policy may be raised with a line manager, with any member of executive management, or with the compliance function. A concern may also be raised through the web reporting form at xstreco.com/report, by writing to compliance@xstreco.com or codeofconduct@xstreco.com, both of which reach the compliance function, or by telephone on +41 41 562 32 90, asking for the compliance function. Retaliation against a person who raises a concern in good faith is prohibited.

5.1.2 External Reporting

A person who is not employed by the Group may raise a concern through the web reporting form at xstreco.com/report, by writing to compliance@xstreco.com or codeofconduct@xstreco.com, by telephone on +41 41 562 32 90, or by post, marked 'Confidential - Compliance', to the address at the end of this document. A concern may be raised in English or in Spanish. A name and contact details are not required, and a concern raised without them is assessed in the same way. The Group's website provider records basic technical data with every submission, so a report made through the form is not technically anonymous, and a call is not anonymous; a report sent by post can be.

5.2 Monitoring Procedures

This policy requires that its application be kept under review, and that a record sufficient to show how it has been applied be kept. In particular, this policy requires:

(a) that compliance with this policy be reviewed on the cycle stated in section 8;

(b) that concerns raised under this policy, and the way in which each was resolved, be recorded;

(c) that the risk this policy addresses be reassessed whenever the Group's activities change materially;

(d) that matters which are unresolved, which recur, or which are systemic be escalated to executive management and, where the law requires it or it is otherwise appropriate, to the competent authorities;

(e) that those subject to this policy be able to demonstrate, from the records kept, that its requirements were met.

The means used to meet these requirements are proportionate to the size of the Group and to the scale and nature of its activities at the time, and are extended as those change.

6 Training and Awareness

6.1 Awareness on Appointment

This policy requires that everyone subject to it be made aware of it on appointment and be given the instruction needed to apply it in their role. The form and the depth of that instruction are proportionate to the role.

6.2 Continuing Awareness

This policy requires that awareness of it be refreshed on the cycle stated in section 8, and whenever the policy is revised or an event makes it necessary, and that those in roles carrying greater exposure to the risk this policy addresses receive instruction appropriate to that exposure.

7 Compliance and Consequences

7.1 Reporting Non-Compliance

Everyone subject to this policy must report suspected violations, as must counterparties where their contract with the Group so provides. The identity of the person making a report is treated as confidential and is not disclosed except where disclosure is required by law or is necessary for the enquiry, and then only to the extent necessary. Retaliation against a person who reports in good faith is prohibited.

7.2 Consequences of Non-Compliance

Violations may result in disciplinary action, including termination of employment or contract, and may trigger legal proceedings.

8 Review and Revision

8.1 Review Frequency

8.1.1 Review Cycle

This policy is reviewed at least once in every two calendar years.

8.1.2 Event-Triggered Review

A review is carried out, whether or not one is due under the cycle, whenever a change in the law, a material change in the Group's activities, or an event arising under this policy makes one necessary.

8.1.3 Conduct and Outcome of the Review

The review is carried out by the holder of the responsibility described in section 4.3. Its outcome is submitted to the board, and any revision resulting from it is approved by the board before issue.

8.2 Revision History

8.2.1 Version 2.1 - 01.09.2026

Approved by the board and issued by executive management following a scheduled review of the suite. The amendments are editorial and clarifying; the policy positions stated in version 2.0 are unchanged.

8.2.2 Version 2.0 - 01.01.2026

Approved by the board and issued by executive management, replacing the first issue.

8.2.3 Version 1.0 - 02.06.2025

First issue.

8.2.4 Superseded Versions

Superseded versions are retained. Each revision is communicated to those subject to this policy.

9 Appendices

9.1 Glossary of Terms

(a) Due Diligence: The risk-based process of identifying, preventing, mitigating and accounting for adverse impacts in the supply chain.

(b) Supplier Code of Conduct: The standards Xstreco requires of its suppliers.

(c) Grievance Mechanism: A process for receiving, assessing, addressing and responding to complaints or concerns raised by stakeholders.

(d) Responsible Sourcing: Sourcing conducted with social, environmental and ethical factors weighed alongside commercial ones.

(e) Remediation: The process of addressing and correcting non-compliance or adverse impacts identified in the supply chain.

(f) Annex II Risks: The risks in Annex II to the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, covering conflict, human rights abuse and illicit trade.

9.2 Related Legislation

9.2.1 Local Legislation

In Switzerland, Articles 964j to 964l of the Code of Obligations and the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (SR 221.433). In Peru, the labour legislation applicable to the Group's suppliers and contractors, including Ley N.° 29783 on occupational safety and health, and the mining and customs legislation applicable to the goods and services procured; Peru has no supply chain due diligence statute equivalent to the Swiss provisions.

9.2.2 International Standards and Frameworks

(a) OECD Due Diligence Guidance for Responsible Business Conduct, and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

(b) UN Guiding Principles on Business and Human Rights: Endorsed by the UN Human Rights Council in 2011, giving effect to the Protect, Respect and Remedy Framework of 2008. Not a treaty.

(c) ISO 20400:2017: Guidance on integrating sustainability into procurement. It is a guidance standard and not certifiable.

(d) ILO fundamental Conventions: The ten Conventions on forced labour, freedom of association, collective bargaining, equal pay, child labour, discrimination and occupational safety and health.

> "Xstreco's policies set the standards that govern how the Group conducts its activities and how that conduct is assessed."

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