

## CERAMTEC GROUP MODERN SLAVERY ACT STATEMENT 2023

### INTRODUCTION

This statement is made pursuant to Section 54 (Transparency in Supply Chains) of the UK Modern Slavery Act 2015 and sets out the steps that the CeramTec Group has taken and is continuing to take to ensure that Modern Slavery does not occur within our supply chains and operations in the financial year 2023.

The term “Modern Slavery” encompasses slavery, servitude, human trafficking and forced labour. The CeramTec Group has a zero-tolerance approach to any form of Modern Slavery. We are committed to acting ethically and with integrity and transparency in all business dealings and to putting effective systems and controls in place to safeguard against any form of Modern Slavery taking place within our supply chains and operations.

### ORGANISATION

CeramTec GmbH is headquartered in Plochingen, Germany and sells its products throughout the world, including in the United Kingdom where we have separate operations. With more than 3,500 employees and production sites and subsidiaries in Europe, America and Asia, the CeramTec Group as manufacturer and supplier has a worldwide presence.

### OUR BUSINESS

Advanced ceramics from CeramTec are used in the vehicle and automotive engineering, electronics, energy and environment, equipment and mechanical engineering as well as components in medical device systems and medical equipment, and in many other applications.

### OUR POLICIES ON MODERN SLAVERY

We have established/revised a number of internal policies and processes to strengthen our commitment to conducting business in an ethical and transparent manner. These include:

- Revision of the [CeramTec Code of Conduct](#) in March 2023: This code explains the manner in which we behave as an organization and how we expect our employees and suppliers to act. As part of this, CeramTec supports international efforts to promote and protect human rights, including an absolute opposition to child labor, slavery, human trafficking and forced labor.
- Recruitment process: We operate a robust recruitment process, including conducting eligibility to work in the (UK) checks for all employees to safeguard against human trafficking or individuals being forced to work against their will.
- Revision of the [Supplier Code of Conduct](#) in April 2023: We have made amendments to the CeramTec Group Supplier Standards to better comply with national and international regulations and ethical labor standards that protect human rights and the environment,

Geschäftsführung/  
Management Board:  
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(Vorsitzender/CEO)  
Eric Oellerer (CFO)  
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Paul Turnbull  
John Paul Jones

Aufsichtsrat/Supervisory Board:  
Dr. Günter von Au  
(Vorsitzender/Chairman)

Sitz der Gesellschaft/Company Registered Office:  
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Handelsregister-Nr. HRB 73 48 26/  
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including the Modern Slavery Act. These changes are as follows:

- The CeramTec Group's expectations of suppliers and the values of business conduct are described more clearly and in more detail.
- The prohibition of child labor and forced labor has been more strongly emphasized through rewording.
- A new section for reporting violations has been added to promote ethical behavior and mitigate risk in the supply chain.
- A new section on Due Diligence, Audits and Events of non-compliance has been added to highlight CeramTec's commitment to supplier standards, and CeramTec reserves all rights to take necessary action to uphold this responsibility.

In general, the Supplier Code has been adapted to comply with the requirements under the German supplier due diligence legislation (*Lieferkettensorgfaltspflichtengesetz*).

- Responsible Supply Chain Handbook
- Supplier Handbook.

## DUE DILIGENCE PROCESS ON SLAVERY AND HUMAN TRAFFICKING IN OUR SUPPLY CHAINS

Within our supply chain, raw materials and components are sourced on a global basis. It is one of our core policies to do business only with suppliers who share our values and who conduct their operations in an honest and ethical manner. As part of this commitment, we conduct due diligence on suppliers in line with a risk analysis, operate a supplier policy and maintain a released supplier list. Only those suppliers may become a released supplier, who successfully pass our due diligence process and have confirmed to us in writing that:

- they have taken steps to eradicate Modern Slavery within their business and
- they urge their own suppliers to abide by the provisions of the Modern Slavery Act.

Our General Purchasing Policies also require our suppliers to comply with all applicable laws and the UN Global Compact Principles, which require businesses to support and respect human and labor rights.

In case any supplier of CeramTec's does not comply with the requirements of the UK Modern Slavery Act, we reserve the right to terminate a supplier contract at any time should any instances of Modern Slavery in the sphere of the respective supplier's responsibility come to light.

## TRAININGS AND OTHER COMPLIANCE ACTIVITIES

CeramTec employees receive the CeramTec Group Code of Conduct on their first day at work, which clearly expresses our commitment to human rights. Furthermore, the Compliance Department has rolled out the Code of Conduct training to all employees at the headquarters in Germany in 2023 and has started planning to conduct the same training on a global scale in the first quarter of 2024. The aim of this project is to increase awareness of the Code of Conduct, raise the visibility of the Whistleblower Hotline and promote integrity and ethics in all Group companies, including CeramTec UK LTD.

In addition, we conduct regularly training for our procurement/buying teams so that they understand the signs of Modern Slavery and what to do if they suspect that it is taking place within our supply chain.

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In order to provide a local point of contact for compliance issues and to enhance the management of compliance risks such as forced labor and human trafficking in the core business and supply chains, the Compliance Department has appointed Compliance Liaisons in all CeramTec Group facilities, subsidiaries and offices. In this context, Sharon Doyle has been appointed as Compliance Liaison for CeramTec UK.

There is a Whistleblower Hotline in place for all CeramTec group employees as well as external parties to report any concerns with respect to Modern Slavery, potential violations of human rights or other ethics issues. The Hotline permits anonymous reporting and is reachable via the internet or by telephone.

## OUR PERFORMANCE INDICATORS

We will know the effectiveness of the steps that we are taking to ensure that Modern Slavery is not taking place within our supply chain and operations if:

- No reports are received from employees, the public, or law enforcement agencies or our Suppliers through the CeramTec group's whistleblower system or other reporting channels that indicate that Modern Slavery practices have been identified.

## APPROVAL FOR THIS STATEMENT

This statement was approved by the Board of Directors on 19.03.2024

Dr. Hadi Saleh (CEO)

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