

Code of Conduct

August 8, 2024
version 2



MESSAGE FROM THE MANAGEMENT TEAM



Black Donuts Code of Conduct describes how we conduct business responsibly, is embedded in our values and defines the basic ethical standards that we must always respect. It is essential for our business that the whole personnel fully complies with this Code. It gives us guidance on how to treat each other as fellow colleagues, as well as how to interact with customers, suppliers, partners, communities, and governments.

For all of our stakeholders, this Code represents the strength of our commitment to ethical behavior and quality. We believe that when our core values fellowship, simplicity, responsibility and continuous development guide our activities, we build a solid foundation for our corporate culture that further supports the highest standards of ethical conduct. Our business partners, customers and suppliers shall also be expected to share equivalent ethical business standards as stated in this Code in their ways of doing business.

We operate with our stakeholders internationally. Due to the international nature of our business, we may also further expand our operations by setting up new entities globally. This Code shall also govern the operations of any affiliated entities in our Group both locally and globally.

We encourage to raise concerns and speak up about situations where you feel our Code of Conduct has been breached. If you are in doubt, do not hesitate to seek advice and never hesitate to speak up if you suspect or notice unethical conduct or something that violates our Code.

Black Donuts
Management Team

Code of Conduct

PERFECTING THE TIRE INDUSTRY

Fellowship | Simplicity | Responsibility | Continuous Development



BECOME THE PREFERRED TECHNOLOGY PROVIDER AND ESG PARTNER IN THE INDUSTRY

WHY: ESG IMPACT

We can bring with transparency the best practices to anyone, aiming at the best for sustainability, beyond customer specifications. Design to value being part of our DNA, along with our unique combined product + process approach, we choose to minimize overdesign so as to maximize sustainability of tires.

HOW: BLACK DONUTS TECHNOLOGY®

We have a unique recipe to change how the tire industry works, the most talented engineers and the best partners for everything from machinery to robotics and from materials to software. We have a unique view of all tire industry as a whole, giving us the widest experience, and allowing us to offer the most impactful innovations. This is what we call the Black Donuts Technology®.

WHAT: SUSTAINABLE TIRES

We set up the best and efficient processes to produce the most sustainable tires, closer to their market, with cleaner energy. We are a unique ESG partner for our clients.



01

Fellowship

Our People

Partners, Suppliers & Customers

Fellowship

OUR PEOPLE

People are key in our business and our success is based on people having a holistic knowledge of the whole tire industry. We support, develop and take care of our people by enabling them to grow, innovate and work together for our future. A wide range of perspectives is needed for greater innovativeness and better decisions. We provide our people with competence and career development opportunities and support their performance with clear and transparent targets. All this creates the basis for wellbeing at work which is a critical element for us to be successful.

ETHICAL AND RESPONSIBLE EMPLOYER

Diversity is seen as a competitive advantage both in business operations and in competing for the best talent.

Equity is a principle that guides us to equal opportunities by taking into consideration a person's unique circumstances.

Inclusion is a key element of our corporate culture. We embrace all our employees and enable them to make meaningful contributions, without the fear of negative consequences.

We are against and do not tolerate any discrimination based on personal attributes such as gender, race, color, ethnic origin, nationality, age, pregnancy, sexual orientation, gender identity, disability, religion or political opinion.

Similarly, harassment, intimidation, oppression, exploitation and physically or mentally unsafe working conditions are always unacceptable and not tolerated.

ELEMENTS OF WELLBEING AT WORK:

Competence
Motivation
Health
Work environment
Work community
Leadership

Building well-being at work requires the actions of all of us.

Fellowship

Fellowship

PARTNERS, SUPPLIERS AND CUSTOMERS

We aim to create and maintain ethical and transparent, trusting and many times long-lasting relationships with our partners, suppliers and customers. We expect our partners, suppliers and customers to comply with all applicable laws and regulations, as well as share equivalent ethical business standards in their ways of doing business as stated in this Code. We respect the ten principles of the UN Global Compact in our business.

APPROVED PARTNERS

We follow this Code each time when selecting a new partner and when managing a relationship with an existing partner. All our partners are quality controlled and specifically approved for the intended purpose. When we shall create a list of pre-qualified and approved partners, these partners shall be preferred as we are committed to ensuring that all of our customers can expect the highest quality of customer service and to be treated in a fair manner.

Failure by our partner, supplier or customer to comply with the applicable requirements may lead to a termination of their cooperation with us. Our employees are expected to report any instances that may constitute non-compliance with our Code of Conduct openly and without delay.

Fellowship



02

Simplicity

Communication

Simplicity



COMMUNICATION

As stated in our strategy, we choose to minimize overdesign so as to maximize sustainability of tires. Same principle of simplicity that supports sustainable business, is followed by us both in our mutual relations and dealings with partners, suppliers, customers, communities and governance. Therefore, we foster transparent, proactive, regular and fact-based communication that is meaningful and relevant to our stakeholders.

Communication can nurture trust and protect reputation, and ultimately support the effective implementation of the company's purpose and strategy.

Simplicity

03

Responsibility

Compliance With Laws And Regulations

Confidentiality

Environmental Responsibility

Responsibility

Human and labor rights

We respect and support internationally recognised human rights and comply with fair employment practices and labour standards. We are committed to complying with all laws on freedom of association, collective bargaining, working time, wages and salaries, as well as laws prohibiting forced, compulsory, and child labour.

We expect our partners, suppliers and customers to do the same.

We acknowledge that our operations directly and indirectly impact the realisation of the human rights of our own personnel, those working in our supply chain, and members of local communities.

COMPLIANCE WITH LAWS & REGULATIONS

Occupational safety and health

We want to provide a safe and secure workplace, and we care about the safety, security, and wellbeing of our employees.

We involve and engage all employees, partners, suppliers and customers in safety and security efforts, when applicable. Safety and security training is available for all our employees.

The task of occupational health is not only to support physical, but also mental well-being above the statutory minimum requirement.

Anti-bribery

We comply with, and expect all of our business partners (including but not limited to our suppliers and customers) to comply with all applicable laws and regulations on corruption, bribery, prohibited business practices and extortion.

We shall never make or approve an illegal payment (including gifts or entertainment beyond what are commonly accepted) to anyone, including any authorities, under any circumstances. We comply with any applicable local and international competition laws, regulations and standards. Where appropriate, our personnel is advised to consult their supervisors for guidance.

We comply with all applicable local and international laws, regulations and compliance commitments wherever we do business, and we expect the same from our business partners. We offer guidance and training, when needed, to our personnel on such special local requirements that govern our business. We do not tolerate unethical or illegal business practices in any circumstances.

Responsibility

Responsibility

CONFIDENTIALITY

We are committed to respecting and protecting all confidential information, including trade secrets (definition in the Appendix 1) (“**Confidential Information**”), obtained from, or relating to, our customers, suppliers or third parties, as applicable, as well as personal data about our employees, customers, suppliers or other stakeholders in accordance with local laws, regulations, professional standards or confidentiality undertakings. We do not use Confidential Information for personal purposes.

The Confidential Information of ours is a valuable asset. In the course of doing business, we must regularly exchange information with others, both inside and outside our group. Safeguarding our ideas, technologies, processes, plans and other company information is essential for managing our business, maintaining competitive advantage, and complying with certain legal requirements.

Our personnel must never disclose Confidential Information to anyone outside our Group without explicit justified and acceptable reason. Appropriate confidential disclosure agreements must be used whenever confidentiality is required.

Personnel must know the classification of information, if any, they create and to which they have access, the security precautions that apply to the information, how long to retain the information, and how properly to dispose of it.

We are committed to using only legal and ethical means to collect and use business and market information in order to better understand our markets, customers and competitors.

The business of ours is based on providing with professional services and the value for the customers that derives from the high-level of expertise, skills and know-how of our personnel. Respectively, it is explicitly noted that our personnel shall be able to leverage the expertise and know-how accrued during their previous experiences with customer projects, while at the same time, employees are required to comply with all applicable confidentiality undertakings or commitments towards us as well as towards our customers and other stakeholders.

We are committed to provide our personnel with necessary guidance on the use and processing of Confidential Information and personal data. We have further committed to our Information Security Guide which is provided for each person belonging to our personnel to acknowledge from time to time, as applicable.

Responsibility

Responsibility



ENVIRONMENTAL RESPONSIBILITY

We aim to decrease the impact on the environment caused by our operations and the designs we produce to our customers, by using best practices and the latest available technologies. Further, through our design projects we have the possibility to support the reduction of our customers' environmental impact.

Additionally, we are committed to minimizing the energy and water consumption and waste generation of our own operations.

We also expect that environmental protection is a priority especially for our partners and customers in all significant aspects of their activities.

According to our strategy, we are able to design the best and efficient processes to produce the most sustainable tires, closer to their market, with cleaner energy.

Responsibility

04

Continuous Development

Intellectual Property Rights

Continuous development

INTELLECTUAL PROPERTY RIGHTS

We respect our own intellectual property rights and protect them in any appropriate means in all circumstances. Protecting of our assets, both tangible and intangible (such as intellectual property rights), as well as our proprietary information – is vital to our business success. Our assets should be used to achieve our business goals, and should be protected to preserve their value. All our assets and proprietary information must be returned to the respective affiliated company at the completion of employment or service relationship with such affiliated company.

We respect the restrictions on use and reproduction of intellectual property of others. Any potential use or reproduction of intellectual property rights shall be agreed separately in writing with our business partners. We deal with our and suppliers', customers' and other stakeholders' property, products and resources responsibly and appropriately and use them only for their justified business purposes.

Innovations are at the center of our strategy. They are both a source of competitive advantage and a growth engine around ESG challenges. In most cases our continuous development activities targeting to innovations will generate intellectual property. In addition to this Code, we maintain and follow our global strategy for knowledge management and protection.

Continuous Development

05

How to Report



How to report

Our personnel is provided with appropriate training and guidance on complying with this Code, and each person belonging to our personnel is expected to report to his/her superior any behavior or incident that does not live up to the principles of this Code.

The superiors in each affiliated company must report any discrepancies without delay to the managing director in such company or, in the absence thereof, to a board member.

We avoid any appearance of improper business actions in our dealings with our business partners and other stakeholders.

In addition to the internal reporting channels, our whistleblowing channel is available for anyone who may prefer to voice their concerns anonymously:

[Whistleblowing Channel - Black Donuts](#)



How to Report

The image features three vertical, parallel tire tread patterns against a dark background. Each tread pattern consists of a series of wavy, horizontal lines with small, triangular sipes between them. A white rectangular frame is superimposed over the center of the three tread patterns. The text 'Appendix 1' is centered within this frame.

Appendix 1

Appendix 1

The definition for the term “trade secrets”: Trade secrets are a subset of confidential information and are a legally recognized form of intellectual property. A trade secret is information that (i) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, others who can obtain economic value from its disclosure or use, and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

Although some information may be designated trade secret, special designation is not required. Any information that falls within the definition of trade secret is a trade secret for as long as it fits the definition. The validity of a trade secret can be indefinite and depends, to some degree, on the efforts to maintain secrecy. Keeping trade secrets secure maintains their viability as intellectual property giving Black Donuts a competitive advantage.

Appendix 1

Code of Conduct

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