

STEELSUMMIT HOLDINGS, INC.

SUPPLIER SUSTAINABILITY GUIDELINES



December 2024

Introduction

In order to meet the expectations of our stakeholders throughout our supply chain, SteelSummit Holdings (SSH) established a Sustainability Department in our corporate office. Our sustainability specialist works alongside our environmental health and safety (EHS) department to promote sustainable initiatives in our office spaces as well as our manufacturing plants. In order to realize a fully sustainable society, our work is focused on the environment, human rights, labor, compliance, and ensuring the highest quality products to our customers.

In order to realize a sustainable society by working together with our suppliers and business partners SSH established the “SteelSummit Holdings, Inc. Supplier Sustainability Guidelines” which aligns with the Sumitomo Corporation Group’s CSR Action Guidelines for Supply Chain Management. We ask that our suppliers recognize the purpose of these guidelines and agree to work alongside us in promoting socially meaningful business activities.

December 2024

Corporate Director of Environmental, Health, Safety, & Sustainability

Ron Irlinger

Interpretation of SteelSummit Holdings' Supplier Sustainability Guidelines

We have established our “Supplier Sustainability Guidelines” based on our mission statement. This acts as our starting point for sustainable activity and creating meaningful, long-lasting working relationships with our business partners and society. Operating in this way ensures that SSH will continue to be successful while operating in continuously changing regulatory landscapes.

1. Respect human rights and do not be complicit in human rights abuse

Human rights abuses refer to acts stated in 2 to 4 below, in addition to mistreatment, physical punishment, sexual harassment, power harassment, and other inhumane treatment.

2. Prevent forced labor, child labor and the payment of unfair wages

Forced labor refers to any labor that is not performed according to one's free will, including involuntary forced labor, bonded labor to repay debts with restrictions on the freedom to leave, slave labor as a result of human trafficking, and inhumane prison labor in harsh environments. Other types of forced labor include being denied the freedom to leave or obligated by one's employer to hand over one's ID, passport, or work permit. Child labor generally refers to employing persons who have not reached the minimum working age specified by the convention and recommendation of the International Labour Organization (ILO) as well as neglecting to protect young workers. In the U.S, the Fair Labor Standards Act (FLSA) sets the minimum age for employment (14 years for non-agricultural jobs), restricts the hours youth under the age of 16 may work, and prohibits youth under the age of 18 from being employed in hazardous occupations. Laws and regulations that protect young workers from employment are likely to jeopardize their health, safety or morals include those that restrict night work and hazardous work. Outside the United States, employing persons who have not reached the minimum working age specified by laws and regulations of the country of operation and violating the obligation of the protection are regarded as child labor. Even in countries where there are no laws and regulations on child labor, any act that violates the ILO's minimum age convention and recommendation is regarded as child labor. Payment of unfairly low wages refers to the payment of wages that are below the minimum wages specified by the wage laws and regulations of the country of operation. Wages include payment of other allowances, such as overtime compensation and statutory benefits. To prevent payment of unfairly low wages, unfair reduction of

wages that violates labor laws and regulations is prohibited. Payment of at least statutory minimum wages to employees should also be observed.

3. Do not engage in discriminatory employment practices

Discrimination refers to being biased in providing employment, promotion, remuneration and training opportunities due to factors other than those that are reasonable, such as one's abilities, competence or performance. Factors that could be involved in discriminatory practices include race, ethnicity, nationality, origin, color, age, gender, sexual orientation, disability, religion, political affiliation, union membership, and marital status. Cases where a health checkup or pregnancy checkup affects fairness with regard to the provision of equal opportunity or treatment are regarded as discriminatory practices.

4. Ethical Recruitment of Jobseekers

The process of hiring workers is based on transparency, fairness, upholding honesty, responsibility, respect and trust. Others must commit to evaluating potential candidates in a way that is free from discrimination on factors not relating to job performance such as gender, race, age, and beliefs. In addition, jobseekers must not be charged recruitment fees and the labor recruiter must comply with all applicable laws in all countries of operation. This includes complying with international standards on prohibition of forced labor and not recruiting migrant workers under the age of 18. Labor recruiters must respect workers' freedom of movement and remain transparent of the terms and conditions of employment. There must be respect for the confidentiality and data protection of job seekers and access to job seekers for an appropriate remedy should any recruitment principles be violated.

5. Respect the rights of employees to associate freely in order to ensure open and fair negotiations between labor and management

Respecting the rights of employees to associate freely refers to giving consideration to employees' freedom to associate, freedom to join a trade union in accordance with laws and regulations, freedom to take industrial action, and freedom to join a workers' council, without being subject to reprisal, intimidation or harassment. As a means of facilitating negotiations between labor and management on work environments, wage standards and other issues, the laws and regulations on the freedom of association and the right to collective bargaining in each country should be observed and employees' rights to these practices should be respected.

6. Provide employees with safe and healthy work environments

Actions required by this guideline include safety measures for machinery and equipment, the provision of a safe and healthy work environment, proper measures

against occupational injuries and illness, an emergency plan, consideration for tasks involving physical loads, facilities' safety and sanitation, and employee health management. Laws and regulations on health and safety in each country should be observed to provide safe and healthy work environments. Employees' work hours, days off and leave should be managed properly in compliance with the laws and regulations of each country.

SteelSummit aims for all suppliers to provide a safe and secure working environment for their employees and contractors and to protect their property. In certain cases, and locations, this may be achieved through the use of public or private security forces. Suppliers must have a policy to ensure that every individual acts at all times in a manner that is aligned with all applicable local, national, and state laws and conditions.

In addition, each supplier shall have a policy to protect the rights and confidentiality of whistleblowers within the organization. Should an employee reasonably believe evidence on any violation of any law, rule, or regulation there shall be policies within the organization for employees to report and assure their confidentiality so they can act without fear of retaliation.

7. Protect the global environment and give due consideration to biodiversity

Protection of the global environment includes giving due consideration to climate change, such as by measuring and reducing greenhouse gas emissions; procuring renewable energy into your energy portfolio; ensuring the effective use of resources, water and energy; reduction, reuse and recycling of waste; testing your operations surrounding property air quality, soil quality, and noise emissions; protection of the physical and mental wellbeing of animals should they be used in operations; proper management of chemical substances; prevention of pollution caused by effluents, sludge or exhaust; and reduction of environmental impact. Actions required by this guideline include building and operating an environmental management system (general management mechanism for developing an environmental policy and implementing the PDCA cycle to drive continuous improvement), complying with the environmental laws and regulations of each country and setting voluntary standards and conducting assessments as needed, and disclosing the results and progress of environmental activities in reports or by other means.

SteelSummit recognizes as demand for business services rises organizations will expand their operational footprint by building new facilities. Suppliers commit to the avoidance of forced eviction and the deprivation of land, forests, and waters in the acquisition, development or other use of land, forests and waters.

Organizations shall recognize that human well-being and progress depend on the health of natural systems and that lasting development gains are not possible unless these systems are valued and safeguarded. Organizations should reflect this by implementing policies intended to integrate the protection and promotion of biodiversity to minimize environmental impacts such as deforestation and promote sustainable land use.

8. Ensure the quality and safety of products and services

Actions required by this guideline include ensuring product safety (when the company is responsible for product design, the product must satisfy safety standards specified by the laws and regulations of each country) and building and operating a quality management system.

9. Ensure fair business transactions, to abide by all applicable laws, rules and regulations, and to prevent extortion, bribery and all other forms of corrupt business practices

Actions required by this guideline include prohibition of corruption and bribery, prohibition of abuse of a dominant bargaining position, prohibition of offering or receiving any inappropriate advantage, prohibition of any practice that restricts competition, provision of accurate product and service information, respect for intellectual property, appropriate export control, proactive information disclosure, and development of systems for the prevention and early detection of misconduct.

Specifically, there must be a system or policies in place for addressing conflicts of interest within an organization. Every organization is different and one size fits all approach is not appropriate, though the policy should include definitions and prohibitions; specific examples, situations, and scope; covered persons; disclosure procedures; and procedures for handling discovered conflicts.

To ensure fair business practices, companies must have policies regarding financial responsibility and the keeping of accurate records. These shall include key aspects and processes of the recordkeeping practices such as data integrity, compliance with accounting standards, internal controls, access control, and retention policies.

10. Ensure appropriate information security

Actions required by this guideline include managing information assets that are properly categorized into different levels of confidentiality based on its importance, protecting against attacks from outside the Company, preventing leakage of personal information, preventing the leakage of information of customers or third parties, conducting ongoing training and drills for employees, and establishing and monitoring an incident response system at major subsidiaries.

11. Implementation of Sustainability Standards in the Supply Chain

SteelSummit expects its suppliers and all subcontractors to abide by the requirements of this Supplier Sustainability Policy, including identifying risks within their supply chains and taking appropriate measures to address them.

SteelSummit's suppliers shall implement sustainability requirements for their own supply base following the content of this policy.