



filtration

**External
document**

Supplier Code of Conduct

Enschede, the Netherlands, 2020

Table of content

1	Introduction.....	2
2	Vision and mission of NX Filtration	2
3	Health, safety & environment	3
	Protecting the environment	3
	Safe work conditions	3
4	Acting with integrity	4
	Mutual respect, honesty and integrity.....	4
	Complying with laws and regulations	4
	Child labour and/or hard work	4
	Quality and safety.....	5
	No irregularities.....	5
	Careful, professional and loyal	5
5	Integrity within suppliers organization	6
	Responsibility toward employees.....	6
	Operational and financial reports and documents	6
6	Integrity in working with business relations and third parties	7
	Working with customers and suppliers	7
	Honest competition and antitrust laws	7
	Trade restrictions and boycotts.....	8
	Anti-corruption	8
	Money-laundering.....	8
	Trade control.....	9
7	Conflicts of interest	9
	Gifts, meals and entertainment.....	9
8	Company properties or objects made available.....	10
	Usage or consumption of time, equipment or other company properties	10
	Proprietary / confidential information	11
	Intellectual property	11
	Data protection and security	12
9	Implementation and compliance audits.....	12
10	Disciplinary measures	12
11	Ratification	13

1 Introduction

NX Filtration is committed to shape its activities and operations within a framework of proper standards and values, while fully complying with all applicable laws and regulations. These matters and the observance thereof represent the standards and values that we find to be important and is essential for maintaining our positive reputation.

We have therefore defined the principles we value most in this 'Code of Conduct', which applies to all companies, individuals and other business partners who provide their products or services to us, hereinafter referred to as 'supplier(s)'.

Like our company culture, the spirit of this Code of Conduct is professional, reliable, down-to-earth and accountable. This Code of Conduct ensures that our core values and company culture are and continue to be recognizable and uniform for all those involved with our company.

It is of course impossible to describe exactly how you must act and behave in every unique situation. First and foremost, this is your own responsibility. This Code of Conduct aims to provide an important guideline for every supplier to meet our requirements for behavior and behavioral standards. You are therefore required to carefully read this Code of Conduct and to comply with it at all times. If at any time you do not comply with any of the principles set out in this Code of Conduct, we request that you inform us immediately.

This Code of Conduct is created pursuant to all legal requirements, while also taking international treaties into account. This Code of Conduct provides for a minimum standard and a framework in which we want to operate. We trust that all suppliers providing their services and supplying their products will fully comply with this Code of Conduct.

2 Vision and mission of NX Filtration

It is our vision to be a leading global provider of technology for producing pure and affordable water to improve our quality of life. We are your membrane partner for treating water and filtering beverages. We produce advanced hollow fiber membrane modules for nanofiltration, ultrafiltration and microfiltration applications. Inspired by our team's

passion for membranes, we develop and produce innovative products and solutions, enabling our partners to excel in membrane filtration applications.

Our world is increasingly confronted with challenges around water scarcity and water contamination. Our membrane technology is capable of selectively removing organics from polluted water, including micropollutants, color, antibiotics, PFAS, bacteria and viruses. This has resulted in new and simple processes for the treatment of water, the reuse of wastewater and the production of potable water.

3 Health, safety & environment

Protecting the environment

Protecting the environment and the conservation of natural resources are of the highest priority to us. Through our management leadership and employee commitment, we aim to perform our activities in such a way that they are safe for the environment and that environmental performance is continuously improved. We comply with environmental legislation and set high requirements in this respect. Right from the product development stage, environmentally-friendly designs, products and processes, technical safety and protection of health are regarded as important aims.

We expect you to carry out your activities in such a way that they are safe for the environment and that your environmental performance is continuously improved. Furthermore, we expect you to fully comply with all relevant environmental laws.

Safe work conditions

We believe it is of the utmost importance to protect the health and safety of our employees and we therefore expect you to do the same and to consider this as one of your top priorities and responsibilities. Responsibility means that, amongst other things, all possible measures must be taken to prevent incidents. You also require your employees to proactively and strictly comply with all safety regulations, wear personal protective equipment if necessary, prevent undesired or unsafe situations and address colleagues about this whenever the need arises.

4 Acting with integrity

Mutual respect, honesty and integrity

We respect everyone's privacy and personal rights. We are strictly against any form of discrimination, whether it is because of someone's ethnical background, culture, religion, age, ability, race, sexual orientation, worldview, gender, or on any other ground. We do not condone any discriminatory behavior within our organization and in the cooperation with our business partners, nor do we condone any intimidation and/or insulting behavior in any way. We expect you to apply the same principles.

Undesirable supplier behavior, which includes discrimination, insults, (sexual) intimidation, aggression, threats, racism, harassment and similar acts, whether verbally, physically, digitally, personally or by any other means, is not tolerated. We expect you to observe all anti-discrimination provisions of supranational and national laws and regulations.

Complying with laws and regulations

All our suppliers are expected to refrain from doing anything of which they know or should know that it would conflict with any laws, regulations or company policies, meaning we expect you to observe and to comply with all relevant laws and regulations of the legal system in the country where your business is incorporated and to where you sell your products, offer your services or otherwise perform activities. Violation of any of the principles in this Code of Conduct or any laws or regulations are not only unacceptable, but may also expose us to the risks of unfavorable publicity and damages. Apart from any measures imposed by law due to such violations, we will always impose appropriate disciplinary measures on suppliers who violate laws, regulations, this Code of Conduct or other policies applicable within our organisation. In the unlikely event that one or more provisions in this Code of Conduct would conflict with the locally applicable laws or regulations, then the relevant law or regulation always prevails.

Child labour and/or hard work

You declare that none of your (indirect) activities will be performed by child and/or hard labour and you shall observe all supranational and national laws and regulations that are in place in relation to child labour (in particular ILO Conventions 138 and 182). You will take adequate action to comply with these Conventions. You shall observe the United

Nations' Universal Declaration of Human Rights and the international working conditions and circumstances as formulated by the International Labour Organisation (ILO).

Quality and safety

We expect you to carry out all your tasks and activities on a high-quality level every single day while strictly complying with all laws and regulations in the fields of quality, safety and health. We expect you to have in place and to comply with all safety instructions, work processes and/or methods and rules implemented striving for high quality products and services.

No irregularities

For the purpose of this section, irregularities are defined as behavior considered improper, which includes, but is not limited to, appropriation or embezzlement of properties of the company, its personnel, customers or third parties. Irregularities also include falsification and intentional misrepresentation of information, or intentionally submitting incorrect invoices and expense claims. We maintain a policy in which all irregularities of improper behavior are investigated and reported and in which the perpetrators, if deemed appropriate, will face both criminal charges and termination of cooperation. If a reasonable suspicion arises that an irregularity is taking or has taken place, we may contract an external research firm to investigate the irregularity.

Careful, professional and loyal

We expect our suppliers to act careful, professional and loyal towards us. Carefulness is an important aspect in proper decision-making. This is achieved by taking all relevant stakes into consideration and by correctly using the authorizations granted. Professionalism shall – amongst other things – mean that you perform your work correctly, comply with the relevant processes and act with integrity. We expect you to be able to make correct and responsible decisions, also in situations for which the exact rules are not defined or are unclear. We expect you to be loyal in all matters relating to us. However, if any assignment given contradicts the interest of the general public, is inefficient, morally objectionable or even criminal, we expect you to immediately inform us thereof.

5 Integrity within suppliers organization

Responsibility toward employees

Your employees are hired, evaluated and treated based on objective criteria and observations such as knowledge, proficiency, skills, competences, expertise, track record, performance and behavior. You care for the wellbeing of your employees and will respect the personal development of your employees and support them whenever possible. You shall always protect your employees who share their worries. Notifications regarding possible misconduct must be taken seriously. You shall investigate such notifications both confidentially and carefully and if deemed necessary, take appropriate measures.

Operational and financial reports and documents

You are responsible for ensuring the accuracy of all operational and financial reports and documents.

Rules that apply with regards to the creation of operational and financial reports and documents include:

- Do not falsify any document/signature/names mentioned;
- Do not falsify or mask the title of a transaction;
- Verify that all reports and documents submitted to authorities are complete, correct, on-time and comprehensible;
- Estimates and commissions are to be substantiated by applicable documentation and must be based on a correct evaluation;
- All requirements with regards to accounting, annual statements and balances and fiscal matters are to be complied with correctly;
- Never facilitate tax evasion or avoidance or the undermining of local currency exchange rate laws.

While preparing information, you must always strive for accuracy. Conscious attempts to depict false information or falsify information in any other way are regarded as a violation of this Code of Conduct.

6 Integrity in working with business relations and third parties

Working with customers and suppliers

We fundamentally value our relations with customers and suppliers. They must always be treated honest and fair.

We expect you to share these same values and to act compliant with the following principles that we apply to ourselves as well:

- Preventing corruption;
- Respecting fundamental human rights;
- Complying with applicable laws;
- Complying with all the applicable laws, rules and regulations concerning the environment in the legal system in which business is conducted;
- Taking responsibility for the health and safety of employees;
- Complying with the laws concerning the prohibition of child labour.

Honest competition and antitrust laws

Honest competition is a fundamental foundation of the free market system and ensures that industries can develop and blossom freely, resulting in countless benefits to society. We entirely embrace this system. This is why we require complete compliance with applicable antitrust and competition laws, including laws prohibiting unfair trade practices and trade limitations, hereinafter jointly referred to as: antitrust laws. Evaluating antitrust laws can be quite complex, specifically because rules may differ from country to country and from case to case. Many countries maintain special antitrust laws for large enterprises.

As a rule, antitrust laws in any case contain provisions that relate to the following acts and activities:

- Market/customer allocation: Agreements (formal or otherwise) with one or more competitors, aimed at allocating markets and/or customers between the parties involved;
- Manipulation of offers ('bid rigging'): Agreements (formal or otherwise) with one or more competitors, in which it is agreed not to make an offer, to make an offer based on a certain price or to submit an offer which is known to be less favourable than that of a competitor;

- Price fixing: Agreements (formal or otherwise) with one or more competitors, aimed at fixing or otherwise influencing prices or terms and conditions of sale;
- Sharing sensitive information: Sharing or providing sensitive information (e.g.: prices, profit margins or costs, offers or tenders, market shares, distribution practices, terms and conditions of sale, production plans) of and/or to competitors.

You shall comply with all applicable antitrust laws, regardless whether they originate from supranational, national or local authorities. All agreements with competitors or third parties containing provisions that might have a negative impact on free competition are to be inspected and approved by a legal expert in order to ensure that all antitrust laws are complied with.

Trade restrictions and boycotts

In the international markets, you shall be bound by the laws of various countries, but also by laws and regulation as defined by (inter)national authorities. You comply with all prohibitions and requirements of the applicable international trade laws and regulations and comply with, if and when applicable, all generally accepted boycott laws in the countries where your company operates. You also comply with all generally accepted trade restrictions in these countries.

Anti-corruption

You shall not, directly or indirectly, offer, promise, pledge or permit money or other valuable goods to government officials in order to influence official actions or to be granted improper benefits. You shall not make political contributions (donations to politicians, political parties or organizations) however, you may make financial or physical donations for purposes such as education and science, art and culture and social and humanitarian projects.

Competition laws

You compete honestly and comply with competition laws. These laws are often complicated and may show large differences between countries, both in their scope and geographical area. Specific behavior which is allowed in one country may be illegal in another country while sanctions for violations are often rigorous.

Money-laundering

Money-laundering is a procedure in which the nature and origin of funds involved with criminal activities (such as terrorism, narcotics trade or bribery) is concealed. One of the

ways in which this takes place is by integrating criminal money into the trade balance so that it seems legitimate or so that the true origin or owner can no longer be identified. You do not cooperate with any form of money-laundering and strive to exclusively operate with reliable customers, suppliers and businesses that operate fully legal activities and whose funds and money flow and originate from legal sources.

Trade control

You comply with the applicable laws and regulations in the field of customs and export-inspections in the countries where operations take place. Export inspections mostly apply to transferring goods, services, hardware, software or technology. You shall strictly comply with the laws regarding export inspections. Violations of these laws and regulations may lead to substantial penalties, including fines and governmental revoking of simplified import and export procedures.

7 Conflicts of interest

Gifts, meals and entertainment

Our employees are not allowed to accept any gifts, meals, entertainment or any other favor from you if this would impede their ability to make professional decisions in the best interest of NX Filtration.

If, at any point, you wish to send an employee of us a gift, meal and/or other form of entertainment, this must be reasonable and fitting in the context of the relevant business circumstances. Our employees may only accept gifts with a symbolic value as a token of appreciation of a professional relation or occasional meals and entertainment from you if the event is attended by yourself. Regular dinners in a professional setting or attending a local event are generally accepted.

Our most important rules with regards to gifts, meals and entertainment to our employees are:

- Do not accept gifts in the form of cash money, or its equivalent such as gift vouchers;
- Do not ask for gifts and/or favorable conditions (for personal ends) from a customer or supplier;

- Do not accept excessive gifts. Examples of acceptable gifts include promotion material, a bottle of wine or a small gift basket during the holiday season;
- Do not accept gifts from a supplier in return for doing something or promising to do something;
- Do not accept or negotiate favorable conditions for services or deliveries for personal ends;
- Gifts with a symbolic value as a token of appreciation of a professional relation may be accepted;
- Do not ask a supplier to provide for meals or entertainment;
- Do not accept meals or entertainment from supplier in return for doing something, or promising to do something;
- You may accept occasional meals and entertainment from suppliers if the event is attended by the supplier himself. Regular dinners in a professional setting or attending a local event are generally acceptable.

8 Company properties or objects made available

Usage or consumption of time, equipment or other company properties

Under no circumstance shall you use company properties or objects to search for or send information that could initiate discrimination, harassment, violence or criminal activities and usage may never relate to any illegal activities. In this regard, the applicable laws must be taken into account. Examples of company properties include but are are not limited to:

- Company funds;
- Company products;
- Company equipment (including equipment made available by third parties);
- Hardware and software;
- Mobile devices;
- Copy machines / scanners;
- Proprietary company information / databases;
- Company brand names;
- Production materials and machines and;
- Inventions and other company secrets.

Proprietary / confidential information

Proprietary / confidential information must always be kept secret and is not to be shared with third parties or individuals. Information is also not to be shared with colleagues if this is not required for them to carry out their work correctly. You will treat all information made known to you by us with the utmost care.

Examples of proprietary / confidential information include:

- Information about employees and other individuals working for or on behalf of NX Filtration;
- Inventions and other company secrets;
- Production processes;
- Contracts;
- Strategic and operational reports/plans;
- Quality reports;
- Information with regards to relations, customers and orders;
- Launching of new products/activities;
- Technical specifications;
- Price policy / cost engineering;
- Tender information;
- Financial information.
- Intellectual property.

You are at all times bound to protect proprietary / confidential information belonging to us and you are bound to return to us all software, data carriers, documents, correspondence or copies thereof belonging to us (or our customers, suppliers, partners or subcontractors) at the first request to do so or, in the absence of such a request, upon the expiry of any contract or agreement, regardless of the reason for this request or expiry.

Intellectual property

All rights with regards to intellectual property that originate based on the work of NX Filtration, are the exclusive property of NX Filtration, regardless of whether this intellectual property is created as part of the tasks of the supplier. You acknowledge and agree that any and all knowledge and knowhow of NX Filtration shall at all times be and remain the exclusive and absolute property of NX Filtration. Your right to use such knowledge and knowhow of NX Filtration shall in all cases be limited to the production of

your product or services for NX Filtration. You are required to maintain strict confidentiality regarding all intellectual property owned by NX Filtration.

Data protection and security

The quality of your information and data security measures aimed at preventing unauthorized access to it are subject to high standards. Some jurisdictions maintain strict laws and regulation with regards to collecting and using personal information, including information about others. You shall comply with these laws to the extent that they are applicable with regards to the privacy of others.

9 Implementation and compliance audits

This Code of Conduct describes general rules. More specific behavioral rules may be defined in documents such as supply contracts or regulations or agreements with suppliers. Should any discrepancy exist between these general rules and more specific rules, then the latter prevails. This Code of Conduct applies generally and worldwide. Within various jurisdictions, various specific regulations may apply.

Compliance with legal requirements and this Code of Conduct may be regularly audited by NX Filtration or a by NX Filtration appointed third party. You will in relation thereto provide us – or the appointed third party – access to you premises and you will provide us with all reasonable cooperation.

This Code of Conduct is created in order to facilitate correct behavior and consistency in the behavior of supplier.

10 Disciplinary measures

We will take appropriate (disciplinary) measures for each violation of this Code of Conduct, including the right to recover all costs and damages. In such a process, we will act carefully and thoroughly and observe founding principles.

11 Ratification

Enschede, the Netherlands, October 2020

Michiel Staatsen
CEO