

Statement of Commitment to the UN Global Compact Principles

Arxada reaffirms its strong commitment to the Ten Principles of the United Nations Global Compact (UNGC), which serve as a foundation for our approach to responsible business conduct. While we are not a formal signatory, our policies, practices, and achievements reflect our alignment with the UNGC's core areas: human rights, labor, environment, and anti-corruption.

Our Commitment in Practice

Human Rights & Labor Standards (Principles 1-6)

Principle 1 & 2: We respect internationally proclaimed human rights and ensure we are not complicit in abuse.

- Arxada's internal [Code of Conduct](#) and [Supplier Code of Conduct](#) strictly prohibit any form of forced labor, child labor, modern slavery or discrimination in line with International Labour Organization (ILO) standards and the UNGC principles.
- Arxada provides grievance mechanisms for associates and third parties, including a 24/7 Ethics & Compliance Hotline with non-retaliation protections.

Principle 3: We uphold freedom of association and collective bargaining.

- Arxada respects and supports employees' rights to freely associate with and engage in collective bargaining in accordance with applicable local laws. Collective Bargaining Agreements (CBAs) in place include grievance mechanisms to ensure fair and transparent processes.¹

Principles 4-6: We eliminate forced labor, child labor, and discrimination.

- Our suppliers are required to comply with [Supplier Code of Conduct](#), the [UK Modern Slavery Act](#) and [California Transparency in Supply Chains Act](#), with non-compliance resulting in corrective action or termination. We conduct supplier ESG risk assessments, including human rights due diligence.
- We are committed to an inclusive workplace built on fairness, transparency and a culture where everyone has access to opportunity, regardless of background, identity or lived experience. Our Employee Resource Groups ("ERGs"), such as Women@Arxada and Arxada Pride & Allies, help foster an inclusive culture.²
- Arxada's living wage study is aligned with the latest International Development House (IDH) Recognized Living Wage Benchmarks (as of April 2024) and found no disparities. Arxada pays a living wage in all locations where we operate.³

¹ Sustainability report 2024, p. 53

² Sustainability report 2024, p. 43

³ Sustainability report 2024, p. 45

Environmental Responsibility (Principles 7-9)

Principle 7: We apply a precautionary approach to environmental challenges.

- Arxada has set science-based targets validated by the Science Based Targets initiative (SBTi): a 50% reduction in Scope 1 & 2 greenhouse gas emissions and a 28% reduction in Scope 3 emissions by 2030, with a commitment to achieve net zero by 2050. As of 2024, we have achieved a 61% reduction in Scope 1 & 2 emissions compared to 2021.⁴

Principle 8: We promote greater environmental responsibility.

- We prioritize water stewardship and waste reduction, achieving a 42% reduction in global waste since 2021. A water strategy roadmap has been defined, and water management practices are being deployed at all relevant sites by 2027.⁵
- Our EcoArx program, in partnership with EcoVadis, drives responsible sourcing and supplier ESG assessments, targeting 100% completion for key suppliers by 2030.⁶

Principle 9: We encourage development and diffusion of environmentally friendly technologies.

- Arxada's product innovations align with the UN Sustainable Development Goals. We develop products using low-carbon footprint methods and energy-efficient processes, combined with responsible sourcing, to promote sustainable consumption and minimize resource depletion.
- Arxada is significantly increasing bio-based offerings and incorporating natural, renewable resources to reduce environmental impact and support a global shift toward sustainable practices.
- Arxada pioneers advanced preservation solutions that extend product life, reduce waste, and enable environmentally friendly applications such as coatings for wind turbines and other sustainable infrastructure.⁷

Anti-Corruption (Principle 10)

- Through our Global Anti-Bribery Policy, we enforce strict compliance with anti-bribery and anti-corruption laws, including, but not limited to, the US Foreign Corrupt Practices Act and UK Bribery Act. Our global ethics program includes regular training, a 24/7 whistleblower hotline, and zero tolerance for unethical practices.
- All associates undergo regular training on our Code of Conduct, Anti-Bribery Policy, and Whistleblower and Non-Retaliation Policy. Suppliers are required to comply with anti-bribery and anti-corruption standards.

⁴ Sustainability report 2024, p. 13

⁵ Sustainability report 2024, p. 21

⁶ Sustainability report 2024, p. 31

⁷ Sustainability report 2024, p. 25

Governance, Transparency & Accountability

Our six-member Board of Directors, supported by dedicated committees for audit, sustainability, and people, oversees our sustainability strategy and ensures accountability.

Our 2024 Sustainability Report, prepared in accordance with GRI Standards and SASB RT-CH, provides detailed disclosures on governance, environmental performance, and social impact. Scope 1 and 2 GHG emissions and waste data are externally assured.

In February 2025, Arxada was awarded the Silver EcoVadis Medal, ranking among the top 9% of companies evaluated by EcoVadis, for our performance in environment, labor and human rights, ethics, and sustainable procurement.

We maintain open communication channels for stakeholders and regularly review our practices for continuous improvement.

Ongoing Commitment

Sustainability is a continuous journey. Arxada is dedicated to ongoing improvement, transparent reporting, and active engagement with stakeholders to advance the UNGC principles and contribute to a more sustainable and equitable future.

Sincerely,

A handwritten signature in black ink that reads "Sanjeev Rastogi". The signature is written in a cursive, flowing style.

Sanjeev Rastogi

Chief Executive Officer