CSR Policy

INTRODUCTION

Operating consistently and systematically in a responsible manner is important to Napatech. We are committed to understanding, monitoring, and managing our social, environmental, and economic impact to enable us to contribute to society's wider goal of sustainable development. Our commitment is built upon the UN Global Compact principles on human rights, labour, environment, and anti-corruption.

All Napatech employees, suppliers, and contractors must adopt the Corporate Social Responsibility considerations described in this Policy into their day-to-day work activities, and we ask of all our employees that they work actively to ensure continued compliance in all aspects of their work.

Napatech leaders must act as role models by incorporating these considerations into decision-making in all business activities. And Napatech leaders are asked to ensure that appropriate organizational structures are in place to effectively identify, monitor, and manage Corporate Social Responsibility issues and performance relevant to our business.

Napatech's Policy is built on the following areas that reflect existing standards of Corporate Social Responsibility: Social Responsibility, Environmental Responsibility, and Economic Responsibility.

The commitments in this Policy outline what we will do as a minimum to comply with internationally recognized principles on human rights, the environment, and the economy, as well as sections 99 (a) and (b) of the Danish Financial Statements Act.

This Policy is publicly accessible and communicated both internally and externally and will be revised regularly.

SOCIAL RESPONSIBILITY

Napatech is committed to protecting the health and safety of all individuals affected by our activities, including our employees, contractors, and the public. Napatech will provide a safe and healthy working environment and will not compromise the health and safety of any individual. Our goal is to have no accidents and mitigate impacts on the environment by working with our stakeholders, peers, and others to promote responsible environmental practices and continuous improvement.

All employees and contractors are responsible and accountable for contributing to a safe working environment and fostering safe working attitudes. Napatech works with our suppliers to help them treat their workers and employees fairly, with dignity and respect, and maintain safe working conditions.

As a member of The Responsible Business Alliance (RBA), formerly the Electronic Industry Citizenship Coalition (EICC), Napatech complies with the RBA Code of Conduct and, as such, has integrated key requirements of Social Accountability (SA) in Electronic Industries. Napatech has committed to the following:

- Fully supporting the RBA and all applicable regulations, including promoting social concerns with manufacturing partners within our supply chain.

- Exercising due diligence within our supply chain to assure that all gold (Au), tantalum (Ta), tin (Sn), and tungsten (W) metals used in our products are "DRC Conflict-Free", not derived from, or sourced from, mines in conflict areas of DRC or adjoining countries, or illegally taxed on trade routes, either of which are controlled by non-governmental military groups, or unlawful factions.

- Being a socially conscious company, operating in full compliance with the local laws and regulations regarding the ethical, corporate governance, labour, health, and safety compliance of the countries within which we conduct business.

Napatech is committed to providing equal opportunity in all aspects of employment. We do not engage in, or tolerate, unlawful workplace conduct, including discrimination, intimidation, or harassment.

ENVIRONMENTAL RESPONSIBILITY
Napatech is committed to environmental protection and stewardship. Our products help a lot of customers to green savings as our SmartNICs process networking data more efficiently than server CPUs. This leads to less energy consumption in the production of the required data processing, fewer server CPUs required per server, and fewer servers required per data centre.

But as a manufacturing company, we impact the environment. We take responsibility and work to mitigate potential risks and install countermeasures. We work actively to limit adverse impacts which we cause or contribute to or to which we are directly linked through our business relationships. Napatech also works with our suppliers to help them conduct manufacturing activities in an environmentally safe and responsible manner.

As a member of The Responsible Business Alliance (RBA), formerly the Electronic Industry Citizenship Coalition (EICC), Code of Conduct, Napatech has integrated key requirements of Social Accountability (SA) in Electronic Industries and has committed to:

- Fully supporting the RBA and all applicable regulations, including the EU Directive of Restriction of Hazardous Substance (RoHS), and promoting environmental concerns with manufacturing partners within our supply chain.

- Promising to conserve our environment by managing and mitigating the impact of harmful substances, as defined by industry standards, in its material and manufacturing processes.

- Being an environmentally conscious company, operating in full compliance with the local laws and regulations regarding the environmental compliance of the countries within which we conduct business.

ECONOMIC RESPONSIBILITY
Napatech recognizes the importance of protecting all of our human, financial, physical, informational, social, environmental, and reputational assets.

Napatech will conduct its business in an open, honest, and ethical manner. We commit to being open and transparent about our business activities and will not participate in or support any form of bribery, corruption, or fraudulent practices. We are committed to maintaining the highest standards of integrity and corporate governance practices to maintain excellence in our daily operations and to promote confidence in our governance systems.

OUR EXPECTATIONS
As a global supplier to customers worldwide, Napatech operates across a diverse range of cultures and international markets. We expect all of our business relations to demonstrate respect for human rights, labour, environmental, and anti-corruption principles. We expect business relations to avoid causing or contributing to adverse impacts on these principles.

This Policy is reflected in all relevant policies, guidelines, and procedures in the company. To ensure compliance, we encourage our associates and other stakeholders to call our attention to the potential and actual adverse impacts on human rights, the environment, and anti-corruption that are associated with our products, services, or business relations. We expect our associates to help us live up to our commitment by reflecting this Policy in their daily work.

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This CSR Policy was adopted by the Board of Directors on March 7th, 2023.