

Report 2025 by the maxon Group on Article 964 j–l of the Swiss Code of Obligations and its Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labor (DDTrO)

Introduction

At maxon, we are committed to promoting human rights in our own operations and throughout our entire upstream supply chains. We are moving toward a proactive approach aimed at improving human rights by ensuring that our practices do not cause harm and make a meaningful contribution to society. We place great importance on due diligence and transparency, particularly with regard to issues such as child labor.

In accordance with Swiss regulations, we comply with Articles 964j–l of the Swiss Code of Obligations and its implementing ordinance on due diligence and transparency with respect to minerals and metals from conflict-affected areas and child labor (DDTrO). maxon is exempt from the due diligence and reporting obligations relating to minerals and metals from conflict-affected areas, as it imports and processes the minerals and metals listed in Annex 1 of the VSoTr below the threshold value into Switzerland. However, maxon is required to report on its due diligence statement with respect to child labor.

This report was approved by the Board of Directors of maxon international ag on June 23, 2026.

maxon's supply chains

maxon is a leading manufacturer of electric drive systems and operates worldwide with a diverse supply chain network. In line with our commitment to ethical sourcing, it is important to understand the intricacies of our supply chains. We actively strive to identify potential weak points, particularly in regions and for products where the risk of child labor is high. This allows us to take targeted measures to mitigate risks and maintain our commitment to ethical sourcing practices.

Our supply chain comprises a diverse network of business partners, including manufacturers, dealers, and raw material suppliers. These partners operate in different countries and contribute to the global reach of our activities. Although our business partners adhere to strict ethical standards, certain regions and product categories show an increased risk of child labor according to the "UNICEF Children's Rights in the Workplace Index."

This underscores our commitment to carefully monitoring our activities and consistently implementing and continuously improving our protective measures to effectively counter potential risks. A detailed description of our approach and the measures taken is provided in the following section.

Supply chain policies, supplier management, and risk assessment

Our commitment to combating child labor is reflected in our endorsement of international standards such as the United Nations Guiding Principles on Business and Human Rights. In addition, we are equally committed to complying with the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work as well as ILO Conventions No. 138 and No. 182. Furthermore, we base our actions on the instruments recommended in the ILO-IOQ Child Labour Guidance Tool for Business.

maxon is actively committed to consistently preventing child labor, as outlined in our [Code of Conduct](#) and [Supplier Code of Conduct](#). The Supplier Code of Conduct was comprehensively revised in 2025. In particular, the areas of forced labor and the prevention of underage labor were significantly expanded. Both policies are published on maxon's website in the sustainability section. All maxon employees regularly complete training on the Code of Conduct. In addition, maxon requires suppliers to familiarize themselves with the Supplier Code of Conduct and to confirm their compliance at regular intervals.

The Supplier Code of Conduct requires our suppliers to prevent the employment of minors or restrict the employment of young people and to ensure that all applicable laws on child labor are complied with. The age of all employees must be at least the minimum age specified in ILO Conventions 138 and 182. In addition, the policy requires suppliers to implement management systems to facilitate compliance with all applicable laws and to promote the continuous improvement of the expectations set out in this policy, including measures to ensure that employees, suppliers, and sub-suppliers understand and comply with the requirements. Furthermore, suppliers must have a reporting mechanism through which employees can raise concerns about non-compliance with maxon's Supplier Code of Conduct.

maxon's approach to supplier management includes close collaboration with our commodity managers, who work in a team consisting of quality and procurement specialists. Together, they define clear minimum requirements for new suppliers to ensure that all suppliers meet our high standards. The specific conditions may vary depending on the supplier category, but always include labor and human rights (including the topic of child labor), health and occupational safety, environmental protection, and ethically responsible business practices (including conflict minerals). Once all requirements are met and the supplier accepts the

Supplier Code of Conduct, the supplier is considered qualified and is included in our supplier network. maxon reviews suppliers on a regular basis. Depending on business volume, the products purchased, and the risk assessment, suppliers are (re-)audited by maxon.

We have set up a [digital reporting system](#) to address possible violations of laws, internal regulations, and policies. This system is available to both internal and external parties via the website and enables all stakeholders to raise substantiated concerns—either anonymously or confidentially with their identity—regarding potential or actual adverse impacts related to child labor. All reported cases of child labor serve as early warning signals for our risk assessment processes. In 2025, no reports of violations related to child labor were received. The Board of Directors of maxon international ag is regularly informed about the reports submitted through the reporting system.

Our risk management in relation to child labor

In line with our commitment to responsible sourcing, we have intensified our efforts to assess and address risks throughout our entire supply chain.

We nevertheless conducted a careful review for all suppliers based in the countries identified by the UNICEF Children's Rights in the Workplace Index and for suppliers that provide critical product categories identified by the UNICEF Children's Rights in the Workplace Index. In reviewing our suppliers, products, and services, we identified two product types for which, at first glance, the risk of child labor cannot

be directly ruled out. These include magnets as well as certain electronic products that, due to the materials they contain, may potentially be associated with a risk of child labor. For the suppliers of these products, we have also updated the enhanced review for new suppliers, including traceability of product origin and the procurement of certificates and assurances from suppliers to verify compliance with child labor regulations.

Thanks to digital traceability mechanisms, we are able to track the names and addresses of suppliers as well as the production sites or service providers for these critical products. The results of last year's detailed investigations can be applied to the newly added suppliers. As a result, the risk of child labor among maxon's direct suppliers is minimal due to in-house assembly and the suppliers' production locations. In addition, our analysis for existing critical suppliers and newly added critical suppliers was updated to assess alerts or indicators of potential risks related to our suppliers. This analysis did not reveal any evidence of child labor among the suppliers reviewed.

Through this careful review, we were unable to identify any indications of child labor among our suppliers or within the manufacturing processes of these products. By prioritizing magnets and electronic components, we address risk areas associated with key suppliers and products that may carry a potential risk. Our objectives for the future include further refining our risk analysis procedures and strengthening our risk mitigation efforts to continuously improve the integrity of our supply chain. In addition, we will take further steps to enhance appropriate risk management approaches for high-risk products and services.