GF Corporate Policy Governance Framework

# Corporate Policy On Digital Responsibility (CI 1084)

*This directive is issued in English. Any translation is not approved by the Corporation and as a matter of professional responsibility, must be carefully checked against the original.*

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| **Name** | **Corporate Policy on Digital Responsibility (CI 1084)** |
| **Owner** | **Daniel Boesiger, Head Investor Relations/ CRO** |
| **Editor** | **Andreas Müller, CEO** |
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## Terms and conditions

As defined by GF Information Security classification requirements, this document is classified for public distribution.

### 1. General

The Georg Fischer (GF) Corporate Policy 1084 on Digital Responsibility is the foundation on which the Corporation base its digitalization efforts. This policy applies to all companies, which are a part of the worldwide group of GF. GF complies with legal requirements in the jurisdictions where it operates in addition to Corporation-specific regulations, standards, our Code of Conduct and the Code for Business Partners.

### 2. Management systems

GF is committed to operate its information technology as well as its digital service offering at the highest industry standards and strive for operational excellence while complying with all relevant requirements from legal authorities, customers, employees and suppliers.

GF's Audit Committee periodically reviews It and cyber security and the effectiveness of its existing measures. Organizational and technical measures are based on risk assessments while maintaining a roadmap with new projects to strengthen its mitigation measures.

The Corporate CIO and CISO team implemented a centralized approach in close cooperation with the Chief Risk Officer, the Data Privacy Officer and the Head of Internal Audit to ensure compliance with regulations and prevention of cyber harm to the business.

GF digital responsibility program consists of taking into account the issues related to digitization and its management on day-to-day activities. Furthermore, GF is transparent with stakeholders on digital practices, complying with standards in the processing and protection of data and the equal treatment and impartiality of artificial intelligence (AI). In line with GF's Sustainability Framework 2025, this program also includes reducing the environmental footprint of digital technology.

GF's management system is based on the ISO 27001 cyber security framework and the National Institute of Standards and Technology (NIST) requirements, which

- expects its IT providers to implement ISO 27001 or NIST framework
- requires IT providers to reduce energy consumption and reuse of hardware
- develops services or solutions based on digital coding standards
- performs cyber security awareness trainings
- conducts periodic penetration tests and cyber-attack simulations
- assesses its cyber security risk on an annual basis and updates its mitigation plan
- prevents cyber-attacks by mandating an external provider to assess GF's systems
- assesses IT processes, systems and partners for potential risks
- reports on cyber and digitalization risks to the IT & Cyber Risk Council, Corporate Risk Council, and the Audit Committee.
- In special cases, frameworks such as TISAX or ITAR can be used as a supplement.

### 3. Algorithms and Artificial Intelligence

### 3.1. Definition

Artificial intelligence (AI) encompasses a set of theories and techniques to develop complex computer programs capable of simulating certain traits of human intelligence (reasoning, learning, natural language, movement etc.).

AI can improve processes, support employees and stakeholders, increase performance and the ease of use of products and solutions. Overall, the design, development and deployment or usage of AI at GF should enhance the Sustainability Development Goals (SDGs) of GF and provide a positive environmental and social impact.

## 3.2. General principle

GF complies with the high ethical standards of responsible design, development and deployment of AI by employees, contractors, temporaries, or other third parties, hereafter referred to as 'employee' of GF. This policy is designed to ensure that the use of AI is ethical, lawful, and in compliance with all applicable laws, regulations and GF policies.

GF commits further to the underlying principle that the development of AI is responsible, safe and useful, that machines retain tool status and that AI systems are subject to human approval before implementation. Human individuals maintain control and are responsible for any AI system.

## 3.3. Transparency

It is required to highlight/ label whenever AI is used in any decision making of process, good or service with GF or in collaboration with stakeholders. Furthermore, content produced via AI must be labeled or footnoted as containing AI information. Furthermore, Employees should exercise caution when relying on AI generated content and should always review and edit responses for accuracy before utilizing the content.

## 3.4. Equality of treatment

AI may produce bias, discriminatory (intentional or unintentional), offensive or inappropriate content. It must be ensured that decisions made by AI are free of ethics, gender or other biases ("unbiased AI") and do not compromising ethics."). This neutrality must be reflected in the algo-rithm and design itself as well as in the basic data of the system.

## 3.5. Sensitivity

AI must be designed, developed, deployed and used ethically and in compliance with all applicable laws, regulations, and GF policies. Employees must not use AI to generate content that is discriminatory (intentional or unintentional), offensive, or inappropriate. It is prohibited that any activities related to the design, development and deployment of AI

– infringe on human rights
– limit the freedom of expression
– are designed to create addictions
– used in autonomous weapons
– have potential for market manipulation

## 3.6. Intellectual property (Copyright)

Employees must adhere to copyright laws when utilizing AI. It is prohibited to use AI to generate content that infringes upon the intellectual property rights of others, including but not limited to copyrighted material. If an employee is unsure whether a particular use of AI constitutes copyright infringement, they should contact the legal department for guidance.

## 3.7. Confidentiality and Data protection

Confidential and personal information must not be entered into an AI tool, as information may enter the public domain. Employees must follow all applicable data privacy and protection laws and GF policies when using AI.

## 3.8. Compliance

If there are any doubts about the appropriateness of using AI in a particular situation, employees should consult with their supervisor or the legal department. In case of suspected abuse, report such via the whistleblowing hotline or to the compliance officer

## 3.9. Social impact

As digital systems develop and new business models emerge, jobs or types of tasks will disappear or be significantly reorganized. GF offers its employees online and in-person training that enables them to work on the skills needed on today's fast-changing and increasingly digitalized environment.

## 4. Environmental footprint of digital technology

Due to the growth in the use of smart devices and computer networks, the environmental footprint of digitization leads to increases in energy consumption. To limit this and in line with GF's ambition to decouple consumption from growth, water consumption should be reduced associated with the cooling of computer equipment. Additionally, GF strives to host data centers in low-carbon locations, purchasing computer equipment taking into account its energy performance, the possibility of repair and recyclability.

## 5. Disclaimer

This Corporate Instruction is subject to change and does not constitute the base for any claims by any employees or third parties with regard to Georg Fischer AG or any of its corporate subsidiaries.

## 6. Document Revision and Release

| Revision | Date | Author | Release Type |
|----------|------|--------|--------------|
| V0.1 | 28.08.2022 | Daniel Boesiger, Head Investor Relations | First Release |
| V0.2 | 25.08.2023 | Daniel Boesiger, Head Investor Relations | Update on Artificial Intelligence |

## 7. Document Approval

| Approval Date | Approval Body | Valid from | Version |
|---------------|---------------|------------|---------|
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## 8. Corporate Documents

| Type | Name |
|------|------|
| Code of Conduct | Georg Fischer Code of Conduct |
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