



# Labor Policy

26. Juni 2025

**Preamble**

SmarAct is fully committed to providing a respectful working environment for all employees, contractors, partners, and visitors. This policy is designed to align with the principles of the Responsible Business Alliance (RBA) Code of Conduct while ensuring full compliance with labor laws.

SmarAct upholds the fundamental human rights of all employees and is dedicated to treating all individuals with dignity and respect in accordance with internationally recognized labor standards.

**Freely Chosen Employment**

We prohibit all forms of forced labor. Employees work at SmarAct of their own free will and are not subject to coercion, debt bondage, or restrictions that prevent them from leaving employment.

Employees have the right to terminate their employment freely, subject to notice periods outlined in their contracts and in accordance with local labor laws.

No employee is required to surrender government-issued identification, passports, or work permits as a condition of employment.

Our labor contracts are comprehensible and provided in a language understood by the employees.

**Young Workers**

We are committed to protecting young workers and ensuring their well-being.

SmarAct does not employ individuals under the age of 16, in line with German labor laws and international standards.

Apprenticeship or vocational training programs comply with all legal requirements and focus on educational value rather than substituting for regular employment.

We pay particular attention that young workers are not assigned hazardous tasks that could jeopardize their health, safety, or development

## Working Hours

SmarAct follows local labor laws regarding working hours to promote a healthy work-life balance and prevent excessive workloads.

The standard working week is 40 hours. We encourage our workers not to work overtime unless absolutely necessary. With overtime, the work week should not exceed 60 hours per week.

Overtime work is always voluntary and can be compensated with flextime days or – upon request of the employee – financially. Financial compensation for overhours is calculated at a regular or exceeding the regular pay rate.

We operate in flextime conditions providing all employees with the opportunity to adjust their work schedule to their personal needs and circumstances, insofar as operational conditions permit.

Working hours are monitored with the help of a digital time keeping system or other comparable means, which workers can always access to view the current working hours balance and request changes in case of mistakes.

Employees are entitled to at least one day off per week and adequate rest breaks during working hours.

## Wages and Benefits

We believe in fair and competitive compensation for our employees, in compliance with legal and ethical standards.

Wages exceed the minimum legal standards set by local law and align with the typical wages paid in the industry.

Employees receive their wage monthly along with clear and detailed pay statements, outlining earnings, deductions, and any applicable benefits.

We prohibit deductions from wages as a disciplinary measure. Any deductions must be lawful, transparent, and agreed upon in writing.

SmarAct provides statutory benefits such as paid vacation, paid sick leave, parental leave, health insurance, long-term care insurance, unemployment insurance, and retirement contributions, in line with or exceeding legal requirements outlined by the local labor laws.

We also provide various additional benefits including additional contributions to retirement contributions, and company-sponsored wellness programs.

**Humane Treatment**

SmarAct advocates that all people deserve to work in a respectful and dignified environment.

We strictly prohibit physical punishment, threats, mental or physical coercion, and verbal abuse.

Disciplinary actions, if necessary, are applied fairly and in accordance with legal standards. Employees and external parties who experience or suspect mistreatment can report through our digital confidential whistleblower portal, without fear of retaliation.

**Non-Discrimination**

SmarAct promotes equal opportunities for all employees and job applicants.

Hiring, promotions, and compensation decisions are based on skills, qualifications, and performance, not on race, gender, age, religion, sexual orientation, disability, political affiliation, or marital status.

We are ready to provide reasonable accommodations for employees with disabilities to ensure equitable participation in the workplace.

All employees are encouraged to foster an inclusive and respectful work culture.

We strive to continuously improve our working environment and encourage our employees to openly communicate their wishes and concerns without fear of retaliation.

**Freedom of Association**

SmarAct respects the rights of employees to engage in collective bargaining and participate in labor organizations.

Employees may form, join, or not join labor unions without fear of discrimination or retaliation.

Open communication between employees and management is encouraged to resolve workplace concerns effectively.

## Access to Training

We ensure that all employees have equal access to training and professional development opportunities to enhance their skills and career growth.

We provide all necessary training, including technical training, safety instructions, and leadership development.

We inform all employees about our policies, practices, and expectations through suitable means.

## Validity and Scope

This Policy is valid from the date of publication and remains in force until superseded or revoked. The Policy applies to the following companies within the SmarAct Group:

- SmarAct GmbH, Schuette-Lanz-Strasse 9, 26135 Oldenburg, Germany
- SmarAct Metrology GmbH & Co. KG, August-Wilhelm-Kühnholz-Straße 1, 26135 Oldenburg, Germany
- SmarAct Automation GmbH & Co. KG, August-Wilhelm-Kühnholz-Straße 1, 26135 Oldenburg, Germany

## Change History

Rev.	Date	Author	Chapter	Changes	Approvals
00	26. Juni 2025	DB (Sustainability Manager)	all	Document published	MWJ (CEO SmarAct GmbH, CEO SmarAct Automation); SR (CEO SmarAct Metrology);