



Cloudflare Environmental Social Governance Policy

(Code of Conduct for Cloudflare,
Employees and Contractual Partners)

JUNE 26, 2024

Contents

Statement from management	03
Does the Code of Conduct apply to me?	04
Declaration of principles	04
Environmental responsibility	05
Social responsibility	06
Corporate governance and business ethics	09
Implementing requirements	12
Acknowledgment and consent of the Contractual Partner	12
Reporting a violation	13
Compliance Officer	13

Statement from management

The success of our company is based on respectful, supportive collaboration, which in turn requires shared values and an open-minded work environment.

We are also proud of our commitment to our social responsibility. Against the backdrop of increasingly complex ethical requirements in the world of business, acting with integrity and exemplifying values are more important than ever. In light of this, we have set out our commitment to value-based business conduct in this Code of Conduct. In order for us to act with integrity, this Code of Conduct must be put into action throughout the company and integrated into all business operations.

The Code of Conduct defines Cloudflight's key compliance principles and basic rules. We are all responsible for upholding the Code of Conduct, including all employees of the individual Cloudflight divisions along with our Contractual Partners. In this sense, our Code of Conduct is both a goal and a promise: We are firmly committed to the principles that we expect from each other at Cloudflight and promise to uphold them consistently. Needless to say, this also applies to our relationships with our customers and business partners and to our social responsibility.

Dear colleagues and business partners,

This Code of Conduct is designed to guide your actions and give you peace of mind. Make use of it! Your personal integrity makes a key contribution to the success of Cloudflight and helps minimize the number of risks we are exposed to. We're counting on you! Let's work together to create shared values.

06/20/2024

Does the Code of Conduct apply to me?

This Code of Conduct applies to all employees regardless of which country you work in, which company you are employed at and your role.

Our suppliers, contractors and consultants as well as our partners (hereinafter referred to as “Contractual Partners”) are likewise bound by this Code of Conduct. By making the Code of Conduct universally applicable, we are demonstrating that we are committed to our values of responsible and sustainable action to the public.

Declaration of principles – Sustainable action taken by the Cloudflight Group

Cloudflight is committed to sustainable corporate governance and meets the strictest standards in terms of environment, social affairs and responsible corporate governance (ESG: environment, social affairs and governance). Accordingly, we also expect our employees to uphold the principles of environmentally friendly, social and ethical behavior and to integrate them into the corporate culture. We also strive to continuously optimize our business activities, products and services in terms of sustainability and encourage our Contractual Partners to do their part as part of our holistic approach.

Moving forward, Cloudflight has agreed to the validity of the following principles to form a common Code of Conduct with Contractual Partners for future business. This agreement forms the underlying basis for all future deliveries and services. Contractual Partners must agree to comply with the principles and requirements of the Code of Conduct and do their best to contractually require their subcontractors to comply with the standards and rules set out in this document. Any violation of this Code of Conduct may ultimately give Cloudflight reason and cause to terminate a business relationship, including all related contracts.

The Code of Conduct is based on national laws and regulations such as the German Supply Chain Due Diligence Act [Lieferkettensorgfaltspflichtengesetz – LkSG] as well as international conventions such as the UN Universal Declaration of Human Rights, the UN Guidelines on Children’s Rights and Business Principles, the UN Guiding Principles on Business and Human Rights, the International Labor Standards promulgated by the International Labor Organization and the UN Global Compact.

Within our company, we focus on the following sustainability topics. We demand the same conduct from our Contractual Partners:

Environmental responsibility: Minimization and professional management of negative impacts on nature

We believe that improving our environmental footprint will result in sustainable value creation. Nevertheless, we are aware that not every decision can be free of conflicting objectives. Our aim is to find the best possible solution from an environmental and economic perspective.

Sustainable environmental and climate protection and resource efficiency are some of our most important goals. We want to play an active role in climate protection and become an outstanding role model for our commitment to sustainability and the environment. Cloudflight calculates its greenhouse gas emissions on the basis of Scope 1, Scope 2, and Scope 3 in accordance with the Greenhouse Gas Protocol and the Paris Agreement on Climate Change. We require our suppliers to comply with Scope 1 and Scope 2. Suppliers are also asked to track and document information on Scope 3 emissions.

We go to great lengths to ensure that all environmental impacts are minimized when developing new products and services and when supporting existing customers. We also want to help our customers grow in a sustainable manner with our products and services.

The following topics are some of our key focus areas:

- Strict compliance with the pertinent environmental legislation at each site with a zero tolerance policy. In particular, we ensure that we comply with the requirements of the Minimata Convention on Mercury, the Stockholm Convention on Persistent Organic Pollutants (POPs) and the Basel Convention on the export of hazardous waste.
- Good risk management also incorporates preventing environmental damage.
- We strive to minimize the consumption of energy, hazardous substances, raw materials, natural resources, and water, and to discharge as little as possible into bodies of water in compliance with the law.
- Where possible, we do our best to avoid creating waste or, where not possible, to minimize it. The same principle applies to soil contamination and land usage.
- We also strive to minimize the release of energy (in the form of heat, radiation, light, and noise) and emissions into the atmosphere.
- Another one of our aims is to achieve the highest possible reuse and recycling rate as well as biodiversity.

Achieving these goals requires action not only on our part but also on the part of our Contractual Partners, in particular by taking the following action:

Treatment and discharge of industrial wastewater

Wastewater from operational procedures, production processes and sanitary facilities must be typified, monitored, checked and, if necessary, treated before discharge or disposal. Measures should also be introduced to reduce the generation of wastewater.

Managing air emissions

General emissions from operations (air and noise emissions) and greenhouse gas emissions are to be typified, routinely monitored, checked, calculated (Scope 1, Scope 2) and treated as necessary prior to their release. Similarly to us here at Cloudflight, our Contractual Partners are responsible for monitoring their exhaust gas purification systems and finding economical solutions to lower emissions.

Handling of waste and hazardous substances

A systematic approach must be in place to identify, handle, reduce and responsibly dispose of or recycle solid waste. Bans pertaining to the export of hazardous waste stipulated in the Basel Convention of March 22, 1989, as amended, must be observed. Chemicals or other materials that pose a risk if released into the environment are to be identified and managed in a manner that ensures they are safely handled, transported, stored, used, recycled, reused, and disposed of. Mercury may only be used in accordance with the bans stipulated in the Minamata Convention of October 10, 2013 and persistent organic pollutants in accordance with the Stockholm Convention of May 23, 2001, as amended.

Reducing the consumption of raw materials and natural resources

The use and consumption of resources during production and the generation of waste of any kind, including water and energy, must be reduced or avoided. This can either take place at the point where the resources are used or waste generated, or through various processes and measures, for instance by changing production and maintenance processes or procedures throughout the company, by using alternative materials, by making savings, by recycling, or by reusing materials.

Social responsibility: Promoting a good working environment, high social standards and making a positive contribution to society

At Cloudflight, we firmly believe that safe working conditions, personal growth opportunities and attractive salary models are the key factors that help us attract and develop outstanding employees. We also want to make sure we have a positive impact on our environment.

Cloudflight pursues a culture of equal treatment, mutual trust, and respect. We promote equal opportunities, tolerance and dignified, polite, and honest treatment of each other in order to provide our employees with a safe and productive working environment. We reject all forms of discrimination, particularly those often encountered in hiring employees as well as promoting and holding training programs.

To achieve these goals, we focus on the following topics:

- Occupational safety, protecting the health of employees and maintaining a non-discriminatory working environment;
- Giving employees opportunities for further training and personal growth;
- Calculating remuneration on the basis of systems that adequately reward success and performance;
- Respecting and recognizing collective bargaining autonomy and collective bargaining law;
- Upholding international conventions on the protection of human rights and the prevention of child and forced labor.

Achieving these goals requires action not only on our part but also on the part of our Contractual Partners, in particular by taking the following action:

Ban on forced labor

Cloudflight does not tolerate the use of forced labor, slave labor or similar forms of involuntary labor. All work must be performed voluntarily without threat of punishment. Employees must be able to terminate their work or employment relationship at any time. Furthermore, workers must not be subjected to any unacceptable treatment including mental hardship, sexual and personal harassment, and humiliation. The hiring or use of security staff is prohibited if the security staff exercise inhumane or degrading behavior towards employees, or if employees are injured during their work or their freedom of association is impaired.

Ban on child labor

Cloudflight does not tolerate the use of child labor at any stage of production. Cloudflight and its Contractual Partners must adhere to the recommendations from the ILO conventions on the minimum age for the employment of children. Accordingly, no children are to be hired if they are younger than the age at which compulsory schooling ends according to local law of the place of employment, in any case not younger than 15 years. If children are found in the Contractual Partner's workforce, the Contractual Partner must document the action to be taken to remedy the situation and enable the children to attend school. The rights of young workers must be protected. In particular, children under the age of 18 must not be employed for work that is harmful to their health, safety, or morals. Special protective regulations must be observed.

Fair pay

Pay for regular working hours and overtime must correspond to the national statutory minimum wage or the minimum industry-standard

amount, whichever is higher. Pay for overtime must be higher than pay for regular hours in each case. If an employee's salary fails to cover the costs of ordinary living expenses and permit them to accumulate a minimal amount of savings, the Contractual Partner must increase their pay accordingly. Employees must be granted the benefits prescribed by law. Deductions are not to be garnished from wages as a punitive measure. The Contractual Partner must ensure that its employees receive clear, detailed, and regular written information on the breakdown of their pay.

Fair working hours

Working hours must comply with the pertinent laws or industry standards.

Overtime is only permitted provided it is voluntary and the regulations regarding maximum working hours and the required breaks are observed in accordance with local law at the place of employment.

Freedom of association

The right of employees to form and join organizations of their choice, to bargain collectively, and to strike must be respected. If freedom of association and the right to collective bargaining are restricted by law, alternative options must be provided to ensure employees can independently and freely associate for the purpose of collective bargaining. Employee representatives must be protected from discrimination. Employees are not to be discriminated against due to establishing, joining or being a member of a corresponding organization. Employee representatives must be granted free access to the workplaces of their colleagues to ensure that they can exercise their rights in a lawful and peaceful manner.

Ban on discrimination

We do not permit any discrimination or unequal treatment of employees in any form unless justified by the requirements of the job. For instance, this applies to discrimination based on gender, race, caste, nationality, ethnic heritage or social origin, skin color, disabilities, health condition, political beliefs, origin, ideology, religion, age, pregnancy, or sexual orientation. The personal dignity, privacy, and personal rights of each individual must be respected.

Health protection, safety in the workplace

As employers, Cloudflight and the Contractual Partner each bear responsibility for providing a safe and healthy working environment. Any required precautionary measures are taken to prevent accidents and damage to health that may arise in relation to an employee's work through the establishment and use of suitable occupational health and safety systems. Appropriate measures must be taken to prevent excessive physical or mental fatigue. In addition, employees are to receive regular instructions and training on the applicable health and safety standards and measures. Employees must have access to sufficient quantities of drinking water and clean sanitary facilities.

Preservation of natural resources

Harmful soil changes, water and air pollution, noise emissions, and excessive water consumption must be avoided if they could harm the health of people, significantly impair the natural resources for food production, or prevent people from having access to clean drinking water or sanitary facilities.

Use of conflict minerals

Cloudflight has set up processes in accordance with the Organization for Economic Cooperation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas for the conflict minerals tin, tungsten, tantalum, and gold, along with other raw materials such as cobalt. We expect our Contractual Partners to do the same. Smelters and refineries without adequate, audited due diligence processes in place are to be avoided.

Complaints procedure

Contractual Partners must pass on any information received from Cloudflight regarding accessibility, responsibility, and the establishment of a complaints procedure to their employees in an appropriate manner. The complaints procedure must be accessible to employees while maintaining confidentiality with regard to their identity and providing effective protection against discrimination. Contractual Partners are responsible for setting up an effective complaints procedures for persons or groups of persons who may be affected by the negative impacts of their work.

Corporate governance and business ethics: Maintaining the highest possible standards and promoting good business practices

We place the strictest demands when it comes to compliance with recognized standards of corporate governance. At Cloudflight, compliance with legal regulations is imperative and we pursue a zero tolerance policy. We are firmly opposed to any form of corruption or other unethical business practices.

With the support of our Advisory Board, we plan to introduce measures to improve our ESG performance and regularly address ESG issues at Advisory Board meetings, as well as determine qualitative and quantitative indicators for our ESG performance that can be objectively analyzed to the greatest possible extent and regularly report them to the shareholders in an appropriate manner, and sufficiently review ESG criteria before acquisitions when undertaking add-on acquisitions.

In addition, we undertake to report to our shareholders without undue delay in the event of serious incidents relating to ESG, including providing information on the measures taken where permitted by law suitable in

terms of content. Serious incidents include events such as accidents that result in personal injury or serious environmental pollution.

Achieving these goals requires action not only on our part but also on the part of our Contractual Partners, in particular by taking the following action:

Fair competition

The standards of fair business activity, fair advertising, and fair competition must be observed. All pertinent antitrust laws must be adhered to, particularly laws that ban agreements and other activities to influence prices or conditions in business with competitors. These regulations also ban agreements between customers and suppliers aimed at restricting customers in their freedom to determine their own prices and other conditions for resale.

Intellectual property

Intellectual property rights must be upheld. Technology and expertise must be transferred in a way that protects intellectual property rights and customer information.

Integrity/bribery, enrichment

The highest standards of integrity must be placed on all business activities. Contractual Partners must have a zero-tolerance policy in place when it comes to all forms of bribery, corruption, extortion, and embezzlement. Procedures for monitoring and enforcing standards must be established to ensure compliance with anti-corruption laws.

Gifts

When gifts are received, particular attention is to be given as to whether our counterpart is a public official or an individual performing public duties, as this is associated with a high risk. The term public official also includes individuals who act as directors or employees of a company in which one or several local authorities have a direct or indirect shareholding of at least 50%. Bribing a public official is a criminal offense in most countries and may result in criminal proceedings. As a rule, gifts to public officials are prohibited. However, conference documents, related materials, and low-value gifts such as pens or mugs are permitted.

By contrast, the following requirements apply for gifts in the private sector:

- **Value and appropriateness on a social level**
Apart from minor low-value business courtesies, gifts may only be given where required out of courtesy (e.g. invitations to official events or business anniversaries).
- **Frequency of gifts and invitations**
As a rule, gifts or invitations should not be given or accepted to or from the same third party more than twice a year.
- **Transparency and links to business**
Gifts and invitations must be clearly and legitimately linked to a business purpose. Invitations may only be sent to the recipient's business address.

Business gifts and invitations are common aspects of business transactions around the world. As a rule, offering or accepting gifts and invitations is not illegal. The extent to which individual gifts and invitations can be classified as lawful or unlawful depends on the individual case, but the following rules must always be observed:

- In general, employees may offer low-value gifts without seeking permission. Gifts with a value exceeding EUR 50 require prior approval from Compliance.
- In general, gifts must always be clearly recognizable as such by using the company logo, a greeting card in the name of the company, and delivering the gift to a company and not to a private address, along with other indicators.
- Conversely, if an employee receives a gift that is not from a business partner's brand or exceeds a value of EUR 50, the gift must be reported to Compliance.

Invitations

In general, business meals do not require prior approval, but must nevertheless be reasonable in value. Any impression of bad faith must be avoided. Invitations that exceed a value of EUR 50 per person (or more than EUR 20 per person in the case of public officials) require prior written approval from Compliance. This also applies to invitations to conference meetings or similar events. Invitations that exceed a value of EUR 20 or EUR 50 depending on the counterparty are to be limited to a maximum of three times per year per customer/business partner.

Invitations to entertainment events must be approved in writing by the Compliance Officer, regardless of their value. The Compliance Officer will then review the invitation in accordance with local legislation.

Invitations from or to business partners may not involve spouses, life partners, or other family members. Exceptions may be made if an event is usually attended with a partner, for instance dinner dances or trips to the opera. Prior approval from Compliance is required in each case. Inviting public officials to dinners or entertainment events is associated with a high level of legal risk and should therefore be avoided.

Preventing money laundering

The pertinent money laundering laws must be strictly adhered to. Everyone is required to report any unusual financial transactions that may give rise to suspicion. Reporting suspicious transactions is mandatory in all cases to permit the corresponding team to investigate and prevent any money laundering issues. At Cloudflight, we do not pay our business partners, e.g. suppliers, in cash and therefore do not accept cash payments exceeding 150 EUR. Cash payments exceeding EUR 150 require prior written approval from Compliance.

Please note that money laundering is a criminal offense.

Implementing requirements

We expect our Contractual Partners to identify risks relating to their supply chains and to take corresponding action. If any suspected violations are uncovered and in order to protect supply chains with increased risks, the Contractual Partner must inform Cloudflight without undue delay and on a regular basis where necessary about the uncovered violations along with the risks and measures taken.

Cloudflight reviews compliance with the standards and regulations listed in this document on a case-by-case basis using a self-assessment survey and risk-based audits conducted at suppliers' production sites. The Contractual Partner hereby grants Cloudflight to conduct corresponding audits once a year or whenever the need arises due to concrete circumstances to review compliance with the Code of Conduct at its premises during normal business hours by individuals appointed by the Contractual Partner after reasonable notice in advance. The Contractual Partner reserves the right to object to certain audit measures if they would constitute a breach of mandatory data protection regulations.

If the contractual party is found to be in violation of the terms of this Code of Conduct, Cloudflight will inform them without undue delay in writing within one month and set a reasonable grace period for the Contractual Partner to rectify its conduct in accordance with these provisions. If the situation cannot be remedied in the foreseeable future, the Contractual Partner must notify Cloudflight without undue delay and work together with Cloudflight to draft a plan featuring a timetable for ending or minimizing the violation. If the violation in question can be attributed to culpability on the part of the Contractual Partner, the grace period ends to no avail, or the implementation of the measures listed in the plan does not remedy the situation after the end of the timetable and a continuation of the contract until ordinary termination is unreasonable for Cloudflight, and no milder means are available, Cloudflight may terminate the business relationship and terminate all contracts after the expiry of the set grace period to no avail if Cloudflight threatens to do so when setting the grace period. The above terms do not affect Cloudflight's statutory right to extraordinary termination without setting a grace period, in particular in the case of very serious violations, along with the right to seek compensation.

Acknowledgment and consent of the Contractual Partner

Cloudflight, its employees, and Contractual Partners undertake to act responsibly and to adhere to the principles/requirements set out herein. The Contractual Partner undertakes to communicate the content of this Code of Conduct to its employees, agents, and subcontractors in a way that is understandable to them and to introduce all preliminary measures necessary to implement the requirements.

Reporting a violation

We encourage recipients of this Code of Conduct to report any behavior that may constitute a violation of this Code of Conduct. You can report any violations to your site manager, team leader, People Operations, or the Compliance department. We have also set up a whistleblower hotline you can use to report potential violations anonymously at any time (see <https://www.cloudflare.com/de/compliance>).

Your report is confidential. Employees who report information about violations of the Code of Conduct in good faith do not need to fear any negative repercussions.

In order to promote an open work environment and help speed up the processing of your report, we kindly ask you to include your name in the report.

If you aren't comfortable with disclosing your name, we also accept anonymous reports. What matters most is that you provide us with sufficient information on your suspicions to allow us to further investigate the case. However, if required by law, we may be forced to disclose the identity of employees who report a potential violation to individuals or authorities involved in the investigation or any subsequent legal proceedings.

Compliance Officer

Cloudflare has appointed a Compliance Officer who reports to the Cloudflare management board. The Compliance Officer is also responsible for monitoring this Code of Conduct accordingly.

The Compliance Officer and the managing directors are available at all times and help all employees with compliance-related topics and questions. They ensure that all employees know, understand, and apply this Code of Conduct. They are also the first point of contact for questions regarding the meaning or interpretation of individual rules. More information is available at <https://www.cloudflare.com/de/compliance>.

