

Code of Conduct Suppliers

SMA Mineral AB and its subsidiaries (hereinafter referred to as SMA) work to ensure that their operations are characterised by responsible behaviour towards employees, customers, suppliers, stakeholders, authorities and the wider world. We safeguard good business ethics and strive for long-term and trusting relationships. The Code of Conduct guides us in this work by describing our values and the requirements we set for our employees and business partners.

About the Code of Conduct

The basis of the Code of Conduct is SMA's core values that guide us in everything we do. Our Code of Conduct is based on the UN Global Compact and its ten principles within the areas of human rights, labour law, the environment and anti-corruption. The principles of the UN Global Compact are based on the UN's Universal Declaration of Human Rights, the UN Sustainable Development Goals, the Rio Declaration and the ILO Core Conventions on Rights at Work.

We require that the Code of Conduct be respected and followed by our business partners (customers, partners, suppliers).

The supplier's commitments

This Code of Conduct describes the minimum requirements that must be met by a supplier. If national regulations are more stringent than this Code of Conduct, it is the national law that is to apply.

The supplier **shall have procedures** in place which ensure that products or services supplied during the agreement period are produced under conditions that are in line with:

HUMAN RIGHTS AND LABOUR LAW

Human rights

Internationally recognised human rights shall be protected and respected. Suppliers must guarantee that they do not violate human rights, either directly or indirectly. Suppliers shall protect employees' and suppliers' personal data and handle such data with care in accordance with local laws and regulations, such as GDPR. Suppliers shall carry out ongoing data protection work, where they continuously revise, screen and update their registers.

Freedom of association

All employees shall be free to form and join, or not join, trade unions or any other representative organisation. Employees shall be able to exercise those rights, without being hindered or risking retaliation, even in countries where the right to organise is restricted or prohibited.

Forced and compulsory labour

Work shall only be undertaken on a voluntary basis. Personal documents and possessions may not be seized. Employees shall be free to leave the workplace after the end of their shift. Illegal labour must not be used.

Child labour

All forms of violence, coercion or exploitation of children are unacceptable. A person under 18 years

of age is considered a child, in accordance with the first article of the UN Convention on the Rights of the Child. Employees under the age of 18 shall be protected from hazardous tasks that involve a risk to health and safety, such as night work.

Victimisation and discrimination

Equality and diversity shall be encouraged in payment plans, recruitment processes, promotions, training and parental leave. All forms of discrimination based on ethnicity, gender, sexual orientation, marital, social or parental status, religion, political grounds, nationality, disability, age or trade union membership are prohibited.

Diversity

All employees shall be treated with dignity and respect. No person shall endure corporal punishment, unlawful detention, physical, sexual, psychological or verbal harassment or abuse. Applying salary deductions as a disciplinary measure is not permitted.

Indigenous peoples

Suppliers shall respect the rights of indigenous and native peoples and their social, cultural, environmental and economic interests, including their connection to the land and other natural resources. This also includes the principles of the free, prior and informed consent and participation of indigenous and native peoples.

Conflict minerals and high-risk areas

Suppliers and their subcontractors shall not be involved in activities related to the illegal exploitation and trade of minerals. Suppliers shall not use minerals that directly or indirectly finance or support armed groups in conflict-affected and high-risk areas (CAHRAs).

Work environment and health

Suppliers are responsible for the work environment of their employees and for ensuring compliance with applicable work environment legislation. Suppliers shall set up a risk assessment procedure to identify risks and document that preventive measures have been taken. Suitable personal protective equipment shall be identified and provided to employees free of charge. Injuries and accidents that occur at work shall be recorded and investigated, and preventive measures shall be introduced.

Fair terms of employment

Working hours and the minimum wage shall comply with the national laws of the country in which the product is manufactured or the service is performed.

Signed collective agreements shall be respected and complied with.

Use of security personnel

Suppliers shall ensure that all security personnel, including contracted personnel, respect all human rights and human dignity and that they shall use reasonable and proportionate force when faced with a threat.

Community engagement

Suppliers' community engagement shall be inclusive, fair, culturally adjusted and gender-sensitive. Suppliers and partners shall respect the rights and interests of the community and vulnerable groups when making major changes regarding suppliers and partners' normal operations. Suppliers and

partners shall have transparent, honest and open dialogue with stakeholders and authorities within and around the areas in which they operate.

ENVIRONMENT AND SUSTAINABILITY

Climate and environment

Suppliers shall comply with applicable legislation and other relevant environmental requirements imposed by society.

Suppliers shall conduct their operations responsibly in relation to the environment, including climate change, and work actively to reduce the environmental risks and impacts related to their supply chains.

Suppliers shall continuously work to prevent environmental risks and minimise our impact on the environment and climate.

Suppliers shall promote the development and use of environmentally friendly technologies and conduct business with as minimal an impact on the environment and public health as possible.

Environmental impact

Suppliers shall progressively work and with continuous improvements to achieve a better environmental performance.

Suppliers shall strive to minimise greenhouse gas emissions by identifying, managing, monitoring and controlling emissions into the air from their operations. This also includes choosing a method of transport with the least possible negative impact on the environment.

If any impacts cannot be completely avoided or mitigated, then the possibility of compensation and restorative measures shall be considered. Access to protected resources, including clean drinking water, good soil quality for agriculture and healthy air quality shall always be provided to the local community.

Suppliers shall avoid or minimise waste or emissions resulting from their activities. The use of resources, including energy, water, land and raw materials, shall occur in an efficient and sustainable manner.

Chemicals and hazardous substances shall be eliminated whenever possible, or their use limited to the absolute minimum possible. When chemicals and hazardous substances are used, suppliers shall ensure the safe handling, storage and disposal of such substances. All substances shall be labelled with safety data sheets (MSDS) to ensure the safety of employees and the environment.

Substances regulated under the EU REACH and RoHS directives shall be treated accordingly.

CORRUPTION, BUSINESS ETHICS AND BUSINESS PRINCIPLES

Laws and regulations

SMA complies with the laws, rules and regulations that apply in the markets where we operate. We require our business partners to act in the same way.

Anti-Corruption

SMA always acts responsibly and ethically in its business relationships. We do not tolerate any form of corruption, bribery or extortion.

Fair competition

Suppliers shall comply with all competition and antitrust legislation. We do not accept any form of unlawful anti-competitive behaviour, such as, for example, price collusion, forming cartels or abuse of market dominance.

Suppliers are never permitted to directly or indirectly seek, offer, ask for, give or accept a gift or unjustified benefit in exchange for a personal benefit from any party.

Business decisions must not be motivated or influenced by personal relationships or interests. Suppliers may not enter into a financial or other agreement with a party where there may be a suspicion of a conflict of interest. Such situations must be disclosed to and approved by SMA.

Suppliers shall be obliged to prevent, detect and tackle financial crime, including but not limited to extortion, money laundering and fraud.

Money laundering and terrorist financing

Suppliers shall work to combat money laundering and the financing of terrorism and comply with the laws and sanctions that are related to money laundering and the financing of terrorism.

Export controls and sanctions

Suppliers shall comply with applicable laws and regulations regarding export controls and restrictions, as well as relevant economic sanctions.

Protection of intellectual property rights and confidential information

Suppliers and partners shall respect SMA's intellectual property rights and protect SMA's confidential information from misuse, theft, fraud and improper disclosure.

Scope

This Code of Conduct applies to all SMA's suppliers, subcontractors and business partners who supply products and/or services to SMA. The Code of Conduct also applies to the supplier's employees, whether directly or indirectly contracted, permanent or temporary employees, subcontractors and/or supervised workers.

Compliance

At the request of SMA, the supplier must participate in a self-assessment process, in which the supplier must fully cooperate. In addition, SMA reserves the right to conduct audits and site visits in order to observe work methods and sustainability performance of suppliers and subcontractors. The audits, whether performed by SMA or a third party, must be treated in confidence and will not be disclosed to any other external party. In cases where there are deviations from the Code of Conduct, the supplier will be asked to provide a corrective action plan to be approved by SMA. Suppliers are responsible for ensuring that suppliers in their supply chain comply with the principles outlined in



this Code of Conduct. Such parties may also be asked to participate in self-assessments and audits organised by SMA.

Suppliers are responsible for ensuring that suppliers within their supply chain comply with the principles of this code of conduct if they are a part of the SMA supply chain. Such parties may also be required to participate in self-assessments and audits organised by SMA.

Suppliers shall carry out risk-based due diligence by regularly and systematically identifying and assessing risks and consequences related to human rights, labour issues, the environment and business ethics in its value chain. This also includes ensuring that we and our partners are not involved in any activities that may undermine civil society and the freedoms of citizens. Suppliers and partners shall assess whether their own activities or supply chains are located in or purchase from conflict-affected and high-risk areas, and in such cases, adapt and improve their due diligence measures to suit the specific context.

Breaches

Any breach or suspected breach of the principles of this Code of Conduct shall be reported to SMA without delay. Suppliers shall have procedures in place to protect whistleblowers in accordance with local laws and regulations and to prohibit punishment of workers who submit reports in good faith. Any significant breach of the Code of Conduct entitles SMA to terminate the agreement with the supplier immediately. Suppliers and employees can report breaches directly to SMA without providing their names. Reports shall be submitted via SMA’s whistleblowing system, which is provided by a third party (through the link SMAMineral.com).

Accepted by the supplier

Signature

Date/place

Name in block capitals
