

Supplier

# Code of Conduct

A blurred, blue-tinted image of industrial machinery, possibly a conveyor belt or a large mechanical assembly, occupies the middle section of the page. The image is out of focus, showing various metal components and structural elements.

**MAFi** | Group



## MAFi Code of Conduct

We care about the way our suppliers act and do business. This Supplier Code of Conduct is a framework describing how we expect our suppliers and sub-suppliers to act in order to do business with us.

We have high demands on anyone representing MAFi Group, including employees, consultants and board members; and with this Supplier Code of Conduct we communicate to our suppliers and sub-suppliers that we expect nothing less from them.

This Supplier Code of Conduct has been adopted by the MAFi Group Board of Directors and applies to all suppliers and sub-suppliers to MAFi Group.

I do not ask you to simply read and understand this Supplier Code of Conduct. I ask you to commit to it and uphold it, ensuring that we all always act with honesty and respect and conduct business responsibly.

This Supplier Code of Conduct cannot give answers to all situations that might arise, but it gives a guidance. When in doubt on how to manage a certain situation, turn to your MAFi Group contact for support and help, before you act.

We are all responsible to ensure that we do things right.

After all, it's up to us.



## 1. Introduction

At MAFI Group, in this document called “MAFI”, we are committed to operational excellence, transparency, ethical, sustainable and responsible conduct, fair and respectful treatment of all individuals and sound business practices that promote human rights, fair, healthy and safe working conditions, and environmental protection.

MAFI’s business is based on close, long-term relationships with customers, suppliers and other business partners. With this Supplier Code of Conduct, herein referred to as the “Code”, we communicate to our Suppliers that we expect them to operate as we do; in accordance with internationally recognized standards on key areas such as Human Rights, Labor Rights, Environment and Anti-corruption.

MAFI requires all our Suppliers to comply with this Code. The Suppliers are also responsible for ensuring that their sub-tier suppliers/contractors and other business partners are operating according to the same standards. Suppliers shall upon request by MAFI provide evidence of its compliance with the obligations set out in this Supplier Code.

It is the responsibility of the Supplier to ensure that its employees, subcontractors, sub-suppliers and other relevant business partner are informed about, adequately trained on, and comply with, this Code. Further, Suppliers must have adequate management system and controls in place to ensure compliance with this Code.

## 2. General Principles

### 2.1 Comply with Laws and Regulations

Suppliers shall always comply with applicable laws, regulation and standards as well as with the requirements of this Code. Suppliers must practice honesty, transparency and integrity in every aspect.

Where there are differences between this Code and national laws or other applicable standards or regulations, Suppliers shall adhere to the higher or more stringent requirements.

### 2.2 Fair Competition

MAFI respects and is committed to the rules governing free and fair competition and complies with applicable antitrust or other laws regulating competition. Suppliers shall equally commit to competing in a fair manner in compliance with all applicable competition laws and regulations.

When conducting business with MAFI, Suppliers shall deal fairly with all individuals and entities with whom they interact and shall not take advantage of anyone through manipulation, misrepresentation of material facts or any other unfair dealing or practice.

Suppliers shall not engage in collusive binding, price fixing, price discrimination or other unfair trade practices in violation of applicable antitrust or other laws regulating competition.

## 2.3 Confidentiality

Except as expressly approved by MAFI in writing, Suppliers shall not disclose to others nor use for their own purposes or the purpose of others, any MAFI trade secrets, confidential information, knowledge, designs, data, skill or any other information considered by MAFI as sensitive and/or non-public information.

Suppliers shall respect the intellectual property rights of MAFI and of others, observe and respect all patents, trademarks, copyrights and other intellectual property rights and shall comply with all legal requirements and terms of their use.

Suppliers shall safe-guard and protect any non-public information about MAFI processes, products, innovations, financial, strategic plans or any other confidential information of MAFI.

## 3. Anti-Corruption

Suppliers must not use or accept any form of corruption or other financial irregularity including bribes, kickbacks, facilitation payments, blackmail, money laundering, embezzlement, fraud or any other type of criminal activity or unethical behavior. Therefore, no Supplier may directly or indirectly, demand, receive or accept from, or offer or give to, employees or other representatives of business partners or any other third parties (e.g. authorities or Public Officials), any kind of bribe (including improper payments, gifts, sponsorships, donations, entertainment and hospitality), kickback or any other unlawful or unethical benefit.

Stricter rules apply in relation to interaction with government entities, their employees or representatives (“Public Officials”). The Supplier shall be aware that this includes also state owned and/or controlled companies. Supplier shall disclose to MAFI if any Public Official or its family member has a controlling interest in the Supplier or if the Supplier is in any other way affiliated with any Public Official.

A practice that conflicts with this Code might be considered acceptable in different parts of the world; however, it is no acceptable for MAFI.

## 4. Data Privacy

When collecting, processing or storing personal data of employees, customer or other individuals, including any monitoring practices, Suppliers must respect the subject’s right to privacy and human autonomy. This includes that the activities must be lawful, fair and transparent, be limited to a specific and documented purpose, and ensure adequate safeguards for preserving the accuracy, integrity and confidentiality of the data.

## 5. Trade Compliance

Suppliers shall adhere to all applicable domestic and foreign import and export laws and regulations, anti-boycott provisions, trade embargos and sanctions. It is the responsibility of the Supplier to provide all required information to the relevant export and import authorities.

## 6. Accounting and Financial Reporting

Suppliers are required to follow strict accounting principles and standards, to report financial information accurately and completely, and to have appropriate internal controls and processes to ensure that accounting and financial reporting complies with applicable laws and regulations.

## 7. Principles of Human Rights and Social Justice

Suppliers must support and respect the protection of internationally proclaimed human rights standards including the United Nations Universal Declaration of Human Rights (1948) and make sure that they are not complicit in human rights abuses.

The human right and labor standard expectations defined in this Code are applicable for all workers, including temporary, migrant, student, contract and direct employees, or any other type of workers under the influence of the Supplier.

### 7.1 Non-Discrimination

All employees of Suppliers shall have equal opportunities based on competence, experience and performance regardless of for example gender, race, religion, age, disability, sexual orientation, gender identity, marital status, pregnancy, parental status, nationality, political opinion, union affiliation, social background or ethnic origin. All employees shall be treated with respect and dignity. Discrimination (e.g. as relates to hiring, promotions, compensation or other terms and conditions of employment), corporal punishment, physical or verbal abuse, bullying or other unlawful harassment, or any illegal threats are not tolerated by MAFI.

### 7.2 Fair Employment Conditions

Employees of Suppliers shall understand their employment conditions, including their rights and obligations. All employees must be provided with a written document that outlines the basic terms and conditions of employment in a language understandable to them. Terms and conditions of employment (including compensation, working hour and days of rest) must be fair and reasonable and comply with at a minimum applicable laws and regulations or industry standard, whichever are most favorable for the employees.

Employees with the same qualifications, experience and performance shall receive equal pay for equal work with respect to those performing the same jobs under similar working conditions.



### 7.3 Forced Labor

Suppliers shall not engage in or support modern day slavery, including forced, bonded or compulsory labor or human trafficking, nor shall Suppliers require any form of recruitment fee, deposit or confiscate identification papers from employees.

Employees of Suppliers shall be free to leave their employment after reasonable notice as required by applicable law or contract.

### 7.4 Child Labor

At MAFi, we respect the children's rights to development and education. Suppliers must not engage in child labor. Suppliers shall ensure that no employee is younger than the legally fixed age for employment. Minimum age is the age for completion of compulsory schooling, but not younger than 15 years. No employee under the age of 18 shall be engaged in hazardous work, or work that is inconsistent with the child's personal development. Suppliers shall abide by the United Nations Convention on the Rights of the Child (1989) and comply with all relevant national and international laws, regulations and provisions applicable in their country of production or operation.

### 7.5 Freedom of Association

Suppliers must respect the right of employees to join any organized associations of their own choice and to bargain collectively as permitted by local laws and regulations. Suppliers shall respect the recognized unions. Suppliers shall also equally respect an employee's right to refrain from joining a union.

In situations where the right to freedom of association and collective bargain is restricted by applicable laws and regulations, Suppliers are expected to allow alternate forms of worker representations.

## 8. Health and Safety

Suppliers shall safeguard a healthy, secure and safe working environment for all employees, in accordance with international standards and national legislation. Where Suppliers provide its employees with accommodation, such facilities must as a minimum be clean, safe and meet the employees' basic needs.

Suppliers must establish organizational structures and procedures for the effective management of health, security and safety. Appropriate information and training on health, security and safety shall also be provided to the employees.

## 9. Environment

Suppliers must establish organizational structures and procedures for the effective management of environmental risks. Suppliers should take preventive measures in relation to environmental challenges, undertake initiatives to promote greater environmental responsibility and encourage the development and diffusion of environmentally friendly technologies. A Suppliers' actions should as a minimum be based on the relevant national and international laws, regulations and standards in respect to environment. Suppliers shall minimize its environmental impact and continuously improve its environmental performance.

## 10. Material Compliance & Conflict Minerals

At MAFI, we are determined to comply with regulatory and customer requirements regarding the prohibition and restriction of substances, including hazardous substances and conflict minerals. Therefore, Suppliers shall ensure that the goods provided to MAFI are in compliance with requirements covered under the scope of all relevant laws, regulations and international standards.

Suppliers shall upon request warrant that all the products and components provided to MAFI do not directly or indirectly contain conflict minerals or other unlawful material.

## 11. Auditing & Reporting

Upon request, Suppliers must, by way of providing information and/or allowing access to its premises to MAFI or its representative, verify to MAFI's reasonable satisfaction, that the Supplier and its subcontractors/sub-suppliers comply with this Code.

MAFI reserves the right to actively verify and audit the Suppliers' compliance with this Code without announcement on premises. These audits may be performed either by MAFI employees or by a third-party auditor assigned by MAFI.

Suppliers shall within a reasonable timeframe and without undue delay inform MAFI if they discover a material breach of this Code (including applicable legislations) in their own or subcontractors/sub-suppliers and other business partners operations.

If MAFI finds or is informed that the Supplier is not meeting the requirements and expectations set out in this Code, MAFI will offer guidance specifying which issues need to be corrected promptly. MAFI nevertheless reserves the right to cancel outstanding orders, suspend future orders or terminate the contract with the Supplier in case of a major and/or reoccurring breach of this Code.

The latest version of this Code is always posted on <https://www.mafigroup.com/code-of-conduct> and it is the responsibility of the Supplier to review the Code and stay updated of any changes.



## 12. Reporting of Violations

Suppliers, its employees and sub-contractor/supplier can report in good faith suspected violations of applicable laws and this Code to your MAFi contact person or in the form on the MAFi web page, at <https://www.mafigroup.com/reporting-of-violations>. MAFi Compliance Managers will handle such concerns in accordance with legislation applicable to persons involved. MAFi is committed to investigating all credible reports of potential compliance violations made in good faith.

MAFi prohibits any discrimination or retaliation against individuals who report suspected violations in good faith.

This provision does not preclude Suppliers from making available appropriate whistleblowing systems and grievance mechanism to their employees and other relevant parties to make reports or complaints concerning the workplace, the environment or other breaches of this Code.