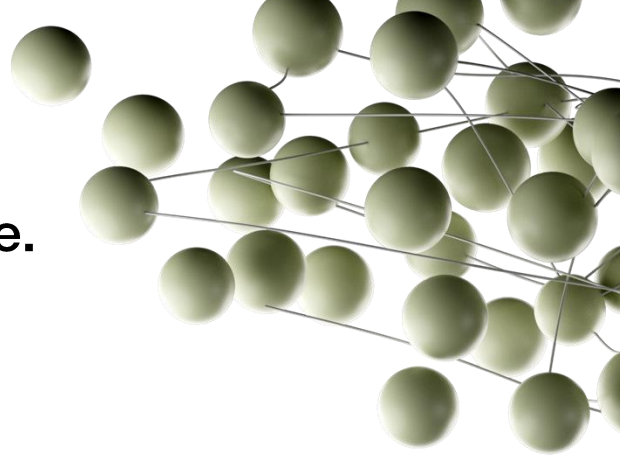




# Supplier Code of Conduct



# The power to make a difference.

## 1. Purpose and Scope

- 1.1. As a technology leader, our business practices reflect our core values of collaboration, excellence, and leadership and are guided by our adopted principles of business ethics and compliance. We expect all of our suppliers to embrace, and enact those principles of business ethics and compliance, in accordance with national laws and regulations.
- 1.2. With this in mind, this Supplier Code of Conduct sets out the standard of conduct which all suppliers of Nexeon must observe regarding management practices and ethics, health and safety, environmental protection and specifically with respect to labour and human rights.
- 1.3. We require all suppliers to sign this agreement as evidence of their commitment to comply with and uphold these standards both now and in the future.
- 1.4. By signing this agreement, the supplier confirms that:
  - 1.4.1.1. the standards set out in this agreement are applied consistently throughout its business, regardless of the contractual nature of the employment (i.e., full time, part time, temporary, etc);
  - 1.4.1.2. it will raise awareness of the principles contained in this document across its own supply base;
  - 1.4.1.3. it does not knowingly bypass compliance with this by means of outsourcing or subcontracting; and
  - 1.4.1.4. it will promptly report any suspected breach of this Code as directed by Nexeon's Whistleblowing Policy (if applicable) or by reporting to Nexeon's Procurement team.
- 1.5. This Supplier Code of Conduct contains general requirements applicable to all Nexeon suppliers. Suppliers' contracts may contain more specific provisions addressing some of these same issues. Nothing in this Code is meant to supersede any provisions of a particular contract, and to the extent there is any direct conflict between this Code and any provision of a particular contract, the contractual provision will control. Supplier will use its best efforts to be familiar with the business practices of its suppliers, sub-contractors, and other business partners and to require all such suppliers, subcontractors and business partners to comply with this Supplier Code of Conduct or the values laid down herein. The supplier and Nexeon will discuss any questions or potential violations in relation to this Code in a prompt, open and respectful manner and the supplier shall, and shall procure that its subcontractors and consultants shall, provide all reasonable cooperation, assistance, and information as Nexeon deems to be reasonably necessary to investigate any suspected, actual or threatened violation of this Code.

## 2. Human Rights, Labour, the Environment, & Anti-Corruption

### 2.1. Respect and support of human rights

- 2.1.1. As a supplier you are aware of your social responsibility in protecting fundamental human rights. Nexeon is keen to ensure that all people working in its supply chain are treated fairly and equitably. Hence, all suppliers must support and respect human rights and confirm that they do not take part in human rights violations.
- 2.1.2. Suppliers will treat all individuals with respect and fairness and will observe basic human rights set forth, for example, in the Universal Declaration of Human Rights of the United Nations and the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy of the UN International Labour Organization (ILO), including, but not limited to, the prohibition of forced or child labour, and the provision of reasonable wages, social benefits, working hours, freedom of association and other fair working conditions in compliance with applicable laws.

### 2.2. No forced and compulsory labour

- 2.2.1. Any person employed or engaged by our suppliers must have voluntarily chosen to do so. Suppliers must not participate in human trafficking; use forced, bonded, involuntary, prison labour or slave labour; or purchase materials or services from companies using forced, involuntary, or slave labour and employees must not be in any way restricted in their personal freedom of movement. Suppliers must be able to certify that materials included in their products comply with the slavery and human trafficking laws of the country or countries in which they do business.

### 2.3. No child labour

- 2.3.1. Child labour as defined by the International Labour Organization (“ILO”) and as depicted by the UN Convention on the Rights of the Child (“CRC”) as well as local national laws is prohibited. Any supplier must adhere to the provisions of the ILO Conventions No. 138 and No. 182. Therefore, suppliers must not employ:
- 2.3.1.1. children below 15 years of age (or 14, if allowed by national law in accordance with ILO agreement 138 Article 2, 7 and 10), or
  - 2.3.1.2. children below the minimum age of employment permitted by the law of the country or the age of the end of compulsory schooling in that country, whichever is higher, or
  - 2.3.1.3. persons below 18 years of age for work that by its nature or the circumstances in which it is carried out, is likely to harm the health, safety, or morals of such persons.

### 2.4. Freedom of Association and Collective Bargaining

- 2.4.1. Any person employed or engaged by our suppliers is entitled to form or join an employee organization (or union) of their choice with the aim of conducting collective bargaining and defending their interests. If national laws restrict this right, all employees should be given the right to form representations to promote their common interests.

### 2.5. No discrimination & Harassment

Suppliers must support equal opportunities, fairness, and diversity. All persons employed or engaged by our suppliers must be treated equally. Suppliers will maintain an environment free of discrimination and harassment on the basis of gender, religion, age, race, skin colour, social background, caste, religious beliefs nationality, citizenship, culture, ethnicity and national origin, membership in an organization, disability, veteran status, sexual or political orientation or any other personal characteristic protected by applicable laws.

### 2.6. Adequate wages and working hours

2.6.1. Nexeon requires its suppliers to ensure the payment of wages in legal tender, at regular intervals and directly to the employees concerned; deductions from wages are permitted only under the conditions of and to the extent prescribed by the applicable law, regulations, or collective agreement. Suppliers should inform the workers affected by such deductions at the time of each payment. The wages, working hours and other working conditions provided by suppliers should be generally comparable to the working conditions prevailing locally for work that is comparable with regards to the concerned industry or market and the qualification of the workers in the area where it is being performed, i.e., as contained in;

- 2.6.1.1. collective agreements covering a substantial proportion of employees and workers, or
- 2.6.1.2. arbitration awards, or
- 2.6.1.3. applicable laws or regulations.

## 2.7. Humane treatment & disciplinary procedures

- 2.7.1. Suppliers must implement and maintain clearly defined and transparent disciplinary policies and procedures and communicate such policies and procedures to their workers.
- 2.7.2. Suppliers must not expose their workers to harsh and inhumane treatment including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse, nor the threat of any such treatment.

## 2.8. Protection of whistleblowers

2.8.1. Nexeon expects its suppliers to implement a whistleblower policy in respect of staff who, acting in good faith, report incidents and suspected incidents of malpractice in relation to the supplier's activities. Incidents of malpractice involve the commission or concealment of one or more of the following: commission of a criminal offence, a miscarriage of justice, danger to the health and safety of an individual, damage to the environment, or breach of any legal or professional obligation. The supplier must provide methods of reporting that allow whistleblowers to remain anonymous, should they choose to remain so, and must ensure that whistleblowers will not suffer any form of retribution, sanctioning or detrimental treatment as a consequence of their reporting actual or suspected malpractice.

# 3. Health & Safety

## 3.1. Occupational Health & Safety

- 3.1.1. Nexeon requires its suppliers to always make employees' safety a priority. The workplace must not put the health or safety of employees at risk. Employees should always work in safe environments. Nexeon therefore requires its suppliers to ensure that;
  - 3.1.1.1. workplaces, machinery, equipment and processes under the supplier's control are safe and without risk to health,
  - 3.1.1.2. the chemical, physical and biological substances and agents under the supplier's control are without risk to health, and
  - 3.1.1.3. where necessary, adequate protective clothing and equipment is provided to prevent (to the extent reasonably practicable) risk of accidents and adverse effects to health.

3.1.2. Occupational health and safety practices must be promoted to avoid accidents and injuries suffered at work or caused as a result of use company facilities. These safety practices and approaches must be communicated to the employees and workers. Workers and employees must have sufficient opportunity to be fully trained on how to apply those safety practices and approaches effectively.

### **3.2. Emergency Preparedness**

3.2.1. Nexeon requires its suppliers to assess and identify potential emergency situations and events. The possible impact of such events is to be minimised by implementing emergency plans and response procedures including;

3.2.1.1. emergency reporting

3.2.1.2. employee notification and evacuation procedures

3.2.1.3. worker training and drills

3.2.1.4. appropriate fire detection and suppression equipment, and

3.2.1.5. adequate exit facilities.

### **3.3. Prevention of occupational injury and diseases**

3.3.1. Nexeon requires its suppliers to put procedures and systems in place to prevent, manage, track, and report occupational injury and diseases and accidents and incidents at work. These systems help to encourage workers to report near misses, incidents, and accidents, and classify and record the same (including but not limited to injury and disease cases), to provide necessary medical treatment, and to investigate cases. This information can be utilised to implement corrective actions to eliminate, reduce and manage risk.

### **3.4. Physically demanding work**

3.4.1. Nexeon requires its suppliers to identify, evaluate and control their employees' exposure to the hazards of physically demanding tasks such as manual handling, heavy or repetitive lifting, prolonged standing and highly repetitive or forceful assembly tasks.

### **3.5. Industrial hygiene**

3.5.1. Nexeon requires its suppliers to identify, evaluate and control their workers' exposure to chemical, biological and physical agents. If overexposure cannot be controlled by means of engineering or administrative controls, workers must be protected by appropriate personal protective equipment.

### **3.6. Health and Safety Committee**

3.6.1. Suppliers must offer employees the right to communicate with management on Health and Safety matters. This may be facilitated through the formation of a Health and Safety committee.

## 4. Environmental

### 4.1. General requirements

- 4.1.1. Suppliers are expected to conduct their operations in a way that minimizes the impact on natural resources, reduces climate change and protects the environment, customers, and employees. Suppliers must ensure their operations comply with all laws related to air emissions, water discharges, toxic substances, and hazardous waste disposal. Suppliers must maintain sufficient knowledge of input materials and components to ensure they were obtained from permissible sources, in compliance with laws and regulations. Suppliers may be required to validate this origin. Suppliers are encouraged to have strategies and targets in place to reduce their material environmental impacts including Green House Gas emissions; and to report progress against these targets annually.
- 4.1.2. Nexeon requires its suppliers to have an effective environmental policy, to hold and maintain all required environmental permits and to comply with existing local laws and regulations regarding the protection of the environment.

### 4.2. Hazardous and chemical substances

- 4.2.1. Nexeon requires its suppliers to identify and monitor chemical products and other materials posing a hazard to the environment and ensure their safe handling, movement, storage, recycling or reuse and disposal.

### 4.3. Wastewater and solid waste

- 4.3.1. In the event that suppliers discharge or dispose of solid waste or wastewater generated from operations, industrial processes, or sanitation facilities directly into the environment and without prior handling by a third party, suppliers must characterise, monitor, control and treat wastewater and solid waste prior to discharge or disposal.

### 4.4. Air emissions

- 4.4.1. Air emissions must be monitored and controlled and must be treated, as required, prior to discharge or disposal.

### 4.5. Minimise waste, maximise recycling

- 4.5.1. Waste of all types, including water and energy, must be reduced or eliminated at the source or by practices such as material substitution, conservation, recycling, modifying production, maintenance, and facility.

## 5. Security, Data Protection, Confidential Information, and Intellectual Property

- 5.1. Suppliers will comply with all applicable laws, regulations, and compliance requirements concerning security and data protection. Any information, personal data, technology, know how or intellectual property (IP) that suppliers receive, or have access to, through dealings with Nexeon must be kept confidential and never used for personal gain or outside of the permitted scope. This includes commercial, technical, and financial information. Appropriate non-disclosure or confidentiality agreements are and will continue to be used to formalize the process of protecting proprietary information. Refer to the contractual terms of business or supply agreement(s) with Nexeon or existing non-disclosure agreements for details on obligations relating to proprietary and confidential information.. Suppliers may not use any Nexeon trademark, images, or other materials to which Nexeon owns the copyright, unless explicitly authorized, in writing. Suppliers shall have an ongoing process to create and maintain documents and record to ensure regulatory compliance, enable audit where appropriate, and conformity to the Code and the contractual terms of any agreement(s) with Nexeon. Suppliers shall conduct themselves and their services while on Nexeon property or in Nexeon's network in a secure manner, consistent with Nexeon's security policies and standards. Supplier shall ensure that its business practices are consistent with sound, industry standard security practices. permitted scope. This includes commercial, technical, and financial information.

## 6. Compliance with Laws, Rules, & Regulations

- 6.1. Suppliers will comply with all applicable laws, rules and regulations in the countries in which it operates and will maintain suitable measures to ensure compliance with such laws, rules and regulations. In those instances where Nexeon's requirements are more stringent than local requirements, suppliers will be required to meet the terms of their contract(s) with Nexeon.
- 6.2. Bribery, Corruption and Money-Laundering**
- 6.2.1. Suppliers will comply with applicable laws and regulations concerning anti-bribery and anti-corruption, including those concerning foreign corruption practices. Suppliers will neither engage in nor tolerate any form of corruption, bribery, theft, embezzlement, or extortion or the use of illegal payments, including without limitation, any payment or other benefit conferred on any individual, company or government official, for the purpose of influencing the decision-making process in violation of applicable laws. Also, records should always accurately reflect business activities and include accurate accounting, financial controls, internal reporting and taxation records. Specifically, suppliers must not offer illegal benefits or illegal favours such as bribery payments, kickbacks, or other illegal benefits including inappropriate gifts and undue hospitality towards Nexeon employees for the exchange of business opportunities. At Nexeon, we also expect our suppliers to comply with all applicable statutes governing the prevention of money laundering and not to take part in any money laundering or other fraudulent activity.
- 6.3. Fair Trade and Competition**
- 6.3.1. Suppliers will strictly comply with all applicable antitrust laws, trade practice laws and any other competition laws, rules and regulations dealing for example with monopolies, unfair competition and restraints of trade, and relationships with competitors and customers. Suppliers will not enter into agreements with competitors or engage in other acts that may unfairly impact competition, including, but not limited to, price fixing or market allocations.
- 6.4. Conflict Minerals**

6.4.1. Suppliers must (i) establish policies regarding responsible procurement of “conflict minerals”, including tin, tantalum, tungsten, ores, cobalt, mica, and gold, originating from conflict areas, (ii) adhere to applicable legal requirements in relation to such conflict minerals, and (iii) shall ensure compliance with such laws and compliance with any sanctions imposed on states in conflict, as necessary. Additionally, suppliers continuously ensure that any conflict minerals present in products they manufacture do not directly or indirectly finance or benefit any organisation involved in human rights abuses, including, child labour in Conflict-Affected and High-Risk Areas, poor working conditions, destruction of the environment, corruption, and fraud.

## 6.5. Export and Import Regulations.

6.5.1. It is Nexeon policy to operate in strict compliance with all applicable export controls, sanctions laws and regulations, customs requirements, and related reporting obligations. Suppliers are also expected to operate in strict compliance with such regulations and, in doing so, must develop a management system for the control of the export of legally regulated technology and goods. Specifically, Suppliers will comply with all applicable import and export control laws, including without limitation, sanctions, embargoes and other laws, regulations, government orders and policies controlling the transmission or shipment of goods, technology and payments. Suppliers shall immediately notify Nexeon of any concerns, knowledge of potential non-compliance, or other issues related to export and customs compliance.

## 7. Conflicts of Interests

7.1. Suppliers shall avoid engaging in any business activity that could create an actual or perceived conflict between the suppliers’ interests and those of Nexeon. Private interests and personal consideration must not affect any business decision. Suppliers becoming aware of a conflict of interest situation will immediately notify Nexeon.

## 8. Third Party Compliance

8.1. Suppliers are obliged;

8.1.1. to ensure that its personnel, its subcontractors, and such subcontractor’s personnel with whom the suppliers collaborate regarding deliveries or services to Nexeon (“Third Parties”) are aware of and are legally obliged to abide by such rules, processes and procedures as ensure that their acts and omissions, and those of the Supplier, comply with the obligations set out in this Code, and

8.1.2. to regularly monitor such Third Parties’ compliance with this Code and to report any significant findings in accordance with any audit requirements.

8.2. In the event that a supplier knows or has reasonable cause to believe that either it or a Third Party has failed to comply with the Code, the supplier shall;

8.2.1. report such suspicion to Nexeon, in full, without undue delay;

8.2.2. assist Nexeon in establishing the relevant facts and In particular, but not limited to, by conducting audits and/or providing any reasonable requested documentation and information; and



- 8.2.3. co-operate with Nexeon in (i) establishing the possible consequences of any alleged breach by a Third Party, and (ii) where Nexeon reasonably deems necessary, ensuring, the termination of the relevant contract(s) between the supplier and the respective Third Party.

## 9. Monitoring and Auditing Compliance with this Code

- 9.1. Nexeon will undertake a programme of supplier risk assessing to ensure it maintains a resilient supplier base. This programme may include annual risk assessment questionnaires, in year event-driven assessments, and audits. As part of Nexeon's ecosystem, it requires its suppliers to support and co-operate in all such assessments and audits.