

# SUPPLIER CODE OF CONDUCT

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### **1. Tom Wood principles of responsible business practices**

The Tom Wood Code of Conduct sets out our responsibility commitment, standards of behavior and conduct to which we expect our organization and our business partners to adhere to.

#### **1.1 Principles**

Tom Wood is committed to responsible business practices. We conduct business lawfully, appropriately and with honesty and integrity by adhering to applicable laws and regulations and exercising sound judgement.

We aim to minimize our environmental impact and create a positive impact for the many stakeholders involved in our value chain. We are committed to improving through the following commitments:

- Securing responsible practices through our supply chains and sourcing.
- Implementing transparency and traceability in raw material sourcing.
- Embedding care for the environment in our operations and supply chain.
- Ensuring positive social impact.

To deliver on these commitments we need the cooperation of our suppliers. We therefore require that all suppliers adhere to this Code of Conduct and ensure that their operations comply with the relevant principles.

To further influence the full supply chain, we expect our suppliers to communicate and require their own contractors and vendors to incorporate these principles into their business policies and practices.

To ensure that all requirements of this Code of Conduct are consistently met, we expect our suppliers to put in place appropriate management systems, policies and

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business procedures. Suppliers must be able to document compliance with the Code of Conduct upon request.

In the event of non-compliance being detected, Tom Wood is willing to engage in a constructive dialogue with suppliers to develop and implement action plans with appropriate time scales for implementation and improvements to be achieved. If this is the case, suppliers are expected to demonstrate willingness and ability to improve.

All suppliers shall align with the principles stipulated in:

- [United Nations Guiding Principles](#) on Business and Human Rights (UNGPs).
- [Conventions](#) of the International Labor Organization (ILO).
- [OECD Guidelines](#) for Multinational Enterprises.
- [OECD Due Diligence Guidance](#) for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, incl. Guidance Supplement on Gold.
- [CITES](#) - Convention on International Trade in Endangered Species of Wild Fauna and Flora.
- [EU Timber Regulation \(EUTR\)](#).
- [EU REACH Regulation](#).
- Five Animal Freedoms standard.

## 1.2 Reading instructions

We request our suppliers to carefully read this Code. Once you have taken notice of the requirements you must acknowledge the terms on the last page.

## **2. General requirements**

### **2.1 General laws & regulations**

Suppliers shall comply with all applicable laws and regulations relating to their activities and the countries in which they operate. In doing so, suppliers must put in place appropriate systems and controls to ensure continued compliance.

Where there are differences or conflicts between this Code of Conduct and laws and regulations, the highest standard should always prevail.

### **2.2 Transparency and traceability**

Tom Wood is committed to continuous improvement in supply chain transparency and expect all suppliers of products, components and raw materials to actively engage upstream to increase transparency.

Tom Wood consider transparency as the ability to identify and the willingness to share the name and location of involved entities throughout the value chain all the way back to the origin of the raw material. Traceability, in turn, means holding and sharing accurate and verifiable documentation, providing evidence of the chain of custody of the particular product, part or material.

Whenever possible, suppliers shall identify and trace the history, distribution, location and application of products, parts and materials. In the case where Tom Wood explicitly requires full traceability for specific materials or products, suppliers shall maintain and share accurate, valid and verifiable chain of custody documentation throughout the entire supply chain in a timely manner. This documentation may be subject to verification by-third party auditing.

### **2.3 Anti-bribery & corruption**

Suppliers shall comply with all laws and regulations, and any related standards, that are relevant to avoiding bribery and corruption in all countries in which they conduct business.

Suppliers must neither be involved nor implicated, in any way, in any act of corruption for either their own benefit or that which could compromise the making of objective and fair business decisions.

Suppliers must have systems in place to take steps to ensure that improper payments are not offered or made, or solicited or received, in the conduct of their business.

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Suppliers must put in place whistle-blowing mechanisms and a non-retaliation policy to protect employees voicing concerns or refusing to engage in an act of bribery or corruption.

## **2.4 Anti-money laundering**

Tom Wood will not tolerate money laundering or the financing of terrorism. Suppliers are expected to refrain from engaging in or facilitating activities which may contravene the requirements of applicable anti-money laundering and terrorist financing laws.

Suppliers must comply with all applicable laws and regulations pertaining to the detection, prevention, and reporting of potential money laundering and terrorist financing activities.

Suppliers must implement Know Your Counterparty (KYC) procedures to ensure that business associates and customers are not involved in any form of criminal activity.

## **2.5 Sustainable product development**

Suppliers are encouraged to factor appropriate environmental and social considerations into the full lifecycle of their processes, technologies, products, and packaging to optimize the environmental performance of products' life cycle and maximize opportunities for positive social impact.

Where feasible, products should be developed in accordance with circular economy principles such as recyclability, waste reduction, and reusability.

Suppliers shall be able to provide the relevant data to establish a Life Cycle Analysis (LCA) of the products, components and materials supplied to Tom Wood.

## **2.6 Security measures**

Suppliers shall assess security risks and establish measures that protect workers and visitors against product theft, damage or substitution of products within the premises and during other activities within the suppliers' control.

Such security measures should respect human rights and dignity of all affected, use force only when strictly necessary and at the minimum proportionate to the threat.

## 3. Human rights and labor practices

### 3.1 Human rights

Suppliers shall respect all international human rights norms in their operations, business relationships and communities and commit to implementing the requirements contained in the [United Nations Guiding Principles on Business and Human Rights](#).

Suppliers shall avoid causing or contributing to adverse human rights impacts through their own activities and address such impact immediately if they occur.

Suppliers shall also seek to prevent or mitigate adverse human rights impact directly linked to their operations, products, or services, even if they have not contributed to those impacts.

Suppliers shall provide all information reasonably required by Tom Wood as part of its human rights' due diligence process. As part of this due diligence, Tom Wood requires suppliers to have in place:

- Strong management systems addressing human rights compliance.
- A process to identify and assess human rights risks and impacts.
- A strategy to respond to identified human rights risks.
- A process to enable the remediation of any adverse human rights impacts they cause or to which they contribute, and to track responses.
- A program to evaluate, either through third-party or internal audits, the compliance with human rights of their operations and those of their suppliers.

### 3.2 No Child labor

The supplier shall not engage in or benefit from the use of child labor.

The minimum age for workers shall not be less than 15 years and comply with whichever is higher of the national minimum age of employment or the age of completion of compulsory education.

The supplier shall not engage in or support the worst forms of child labor as defined in ILO convention [182](#) and Recommendation [190](#).

The supplier shall refrain from hiring employees under the age of 18 for positions that require hazardous work that could jeopardize health, safety, or morals, including night work.

Policies and procedures for remediation of child labor prohibited by ILO conventions no. [138](#) and [182](#), shall be established, documented, and communicated to personnel and other interested parties.

Where child labor is discovered, suppliers shall immediately withdraw children engaged in child labor and develop documented remediation. If any children are found to be in employment below the minimum age, suppliers will provide adequate

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support to enable them to attend and remain in school until the completion of compulsory education.

All child labor remediation shall include steps for the continued welfare of the child and consider the financial situation of the child's family.

### **3.3 Freely chosen employment**

Suppliers shall ensure that all employees are working in voluntary situations. There shall be no forced, bonded, or involuntary prison labor.

Suppliers shall not retain original employee personal documentation, such as identity papers and shall not use deceptive recruitment practices and/or require employees to pay any deposits, equipment advances or recruitment fees as part of the recruitment process.

If any such fees are found to have been paid by employees, they shall be reimbursed. Suppliers shall not prevent employees from terminating their employment after reasonable notice or as established by applicable law.

### **3.4 Freedom of Association and the Right to Collective Bargaining**

Suppliers shall respect the right of employees to join or not join a worker's association of their choice, without interference or negative consequences.

Suppliers shall respect the rights of employees to collective bargaining, and shall adhere to collective bargaining agreements, where these exist. Suppliers shall, subject to applicable law, participate in any collective bargaining processes in good faith.

Workers' representatives shall not be discriminated and shall have access to carry out their representative functions in the workplace.

Where the right to freedom of association and/or collective bargaining is restricted under law, the employer shall facilitate, and not hinder, the development of alternative forms of independent and free workers representation and negotiations.

### **3.5 Wages and Benefits**

Wages and all legally mandated benefits (e.g., medical insurance, social insurance, pensions etc.) paid for a standard working week must meet, at a minimum, national legal standards, or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income. All legally mandated benefits must be provided.

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Suppliers shall make sure wages are paid regularly and on time accompanied by a wage slip clearly detailing rates, benefits and deductions. Wage payments shall be made to an account controlled by the worker or in a manner convenient to the worker, ensuring that wages are effectively received.

Suppliers shall compensate overtime hours at a rate at least equal to that required by applicable law or a collective bargaining agreement.

Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned.

Workers must not be forced to buy provisions or services from the business or facilities. Any loans or wage advances must have fair, transparent terms. Work-related injury, illness, or death must be compensated as required by law (or ILO [102](#) if no law exists).

All disciplinary actions must be recorded.

## 3.6 Working hours

Suppliers shall ensure normal working hours comply with [ILO conventions](#), as well as national legislation or the prevailing industry standard.

Normal working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per working week. The total hours worked in any 7-day period shall not exceed 60 hours, except in exceptional circumstances where all the following criteria are met: where allowed by national law, a collective agreement freely negotiated with a employees' organization representing a significant portion of the workforce, and when appropriate safeguards are taken to protect the worker's health and safety.

All overtime shall be voluntary and shall always be compensated according to local regulations at a premium rate of the regular pay in line with relevant [ILO conventions](#). Employees shall be provided with at least one day off every seven-day period.

Suppliers shall provide all legally mandated public holidays and leave, including paid annual leave, parental, compassionate and sick leave. Where no applicable law exists, paid annual leave and parental leave shall be provided in line with ILO Conventions [132](#) and [183](#).

Suppliers shall provide breaks for meals as required by law and where no law exists, at least one uninterrupted break for shifts longer than six hours.

Suppliers shall maintain records of working hours, overtime, and annual and sick leave for each worker.

## **3.7 Regular employment**

Work shall be based on a recognized employment relationship under national law and practice. Suppliers shall not avoid labor or social security obligations by using labor-only contracts, false apprenticeship schemes, excessive consecutive short-term or zero-hour contracts, or by subcontracting or homeworking arrangements.

Hiring replacement workers to prevent, undermine, or stop a lawful strike is prohibited, except to maintain critical health, safety, and environmental controls.

Suppliers shall keep accurate records for all workers, including proof of identity and age, wage payments, and working hours. Before employment starts, each worker shall receive written terms-pay, hours, and other conditions, in a language they understand. Workers shall be informed of their rights to freedom of association and collective bargaining.

Before any collective dismissals or retrenchment, suppliers shall explore alternatives. If dismissals are unavoidable, a fair, non-discriminatory plan shall be put in place to minimize adverse impacts. This shall be developed in consultation with workers, their representatives and, where appropriate, relevant official agencies. In the case of dismissal, suppliers shall provide workers with reasonable notice as well as severance payments.

## **3.8 No Discrimination**

People shall be treated equally and fairly. There shall be no discrimination at the workplace in hiring, compensation, access to training, promotion, termination, or retirement based on sex, race, color or ethnicity, caste, national origin, gender identity, marital status, pregnancy, maternity, paternity, health status, physical appearance, disability, age, social background, union membership or partaking in a legal strike, HIV status or political affiliation.

Suppliers shall establish measures to protect workers from discrimination, harassment, physical or psychological violence.

Suppliers shall promote equality of opportunity and inclusion for employees through policies and practices and appropriate human rights training to all employees.

## **3.9 No Harsh or Inhumane Treatment**

Physical abuse or discipline, the threats of physical abuse, sexual or other harassment and verbal abuse, as well as other forms of intimidation, is prohibited.

## 4. Health & Safety

### 4.1 General Health and Safety Requirements

Suppliers shall provide safe and healthy working conditions for all employees in accordance with applicable law and other relevant industry standards, including but not limited to, protection against fire, accidents, and toxic substances. The working environment shall be safe and hygienic, bearing in mind the prevailing knowledge of the industry and specific hazards.

Suppliers shall provide all their employees and workers a safe environment that guarantees basic safety and adequate emergency procedures and physical requirements, including fire alarms and fire extinguishing equipment, fire exits, free personal protective equipment, safety equipment, and training appropriate to the task.

Relevant first aid equipment must be made available to all workers, and where legally required a doctor/nurse should be available during working hours. Suppliers shall ensure fire drills are conducted on an annual basis and ensure that electrical installations are in line with local law and does not pose a threat to fire safety.

Hazardous chemicals and other substances shall be carefully managed, including safety precautions regarding the use, storage, transportation, and disposal of chemicals according to law. Workers should be trained in handling chemicals and should always be provided sufficient protective equipment when handling these.

Suppliers shall have a process in place to identify the health and safety risks associated with their operations and implement appropriate risk mitigation actions. Suppliers must ensure health and safety procedures are up-to-date and communicated to all workers.

### 4.2 Training

Workers shall receive regular and documented health and safety training and/or education, and suppliers shall ensure that such training shall be repeated for new or reassigned workers.

The supplier shall develop and maintain effective systems for informing and consulting employees on relevant health and safety matters. Through these systems the supplier shall keep accurate records of accidents, injuries and known exposure to health and safety risks at work according to local legislation.

## **4.3 Clean and Sanitary Infrastructure**

Suppliers shall provide a suitable, clean, and sanitary infrastructure, including access to toilets and potable water, which meets the need of its employees and is adequate for its employee numbers.

## **4.4 Accommodation**

Accommodation, if provided by the supplier, shall be clean, safe, adequately ventilated, meet the basic needs of the employees, and satisfy the same requirements, including the general provisions on health and safety previously listed.

## **4.5 Health and Safety Representative**

Suppliers shall assign responsibility for health and safety to a senior management representative.

## 5. Environment

### 5.1 Environmental management and compliance

Suppliers shall comply with all applicable environmental laws and regulations.

Suppliers shall regularly review all business processes and activities to understand how the company's operations affect the environment and identify any actual and potential environmental impacts, which may involve pollution of air, water or soils, use of materials and energy, wastes and emissions, noise, and visual effects.

All required environmental permits, licenses, information registrations and restrictions shall be obtained, and their operational and reporting requirements followed. Suppliers should use appropriate methodologies to identify and mitigate environmental risks and impacts of their own operation and those of their business partners.

Suppliers should have necessary communication in place with relevant stakeholders and provide training and environmental risks and controls to all relevant employees in a format and language they can easily understand.

We expect our suppliers to establish plans and targets to continuously reduce negative impact and increase their positive impacts on the *below mentioned topics*.

### 5.2 Resource reduction and pollution prevention

All suppliers shall promote the circular use of raw materials. Emissions and generation of pollutants and waste are to be minimized or eliminated at the source, or by practices such as adding pollution control equipment, modifying production and maintenance processes.

All suppliers shall establish plans and targets and work to continuously reduce their resource consumption (e.g., fossil fuels, virgin plastics, water, and virgin forest products) and environmental impact (e.g., emissions, pollutants, and waste).

### 5.3 Energy usage and greenhouse gas (GHG) emissions

Suppliers shall monitor their energy consumption and take actions to reduce greenhouse gas emissions where possible. We expect our suppliers to collect and record data linked to their carbon footprint and provide data to Tom Wood upon request.

All suppliers shall establish plans and targets to continuously reduce their footprint and increase their use of renewable energy.

## 5.4 Water management

Suppliers shall have sustainable water management practices in place. We expect our suppliers to collect and record water data and provide data to Tom Wood upon request.

Wastewater shall be treated and purified to respect local legislation and prevent pollution. Suppliers in water-scarce regions shall have water management systems in place to minimize impacts to the local community.

We expect our suppliers to establish plans and targets to continuously improve their water management.

## 5.5 Waste management

Suppliers shall prevent pollution and identify significant sources of waste and manage waste responsibly.

We expect our suppliers to identify significant waste and establish plans to reduce and recycle waste and apply circular economy principles where feasible.

## 5.6 Chemicals

Suppliers shall comply with all applicable laws and regulations regarding the restriction and registration, and where applicable, the authorization or notification of chemical substances contained in the product or production process, according to the statutory requirements aligned with [EU's REACH regulation](#).

Suppliers shall maintain an inventory of hazardous substances at their facilities and make safety instructions on how to use them available to workers. Chemicals shall be correctly labelled, and their associated risks shall be clearly and actively communicated to all employees who work with them.

We expect our suppliers to work to continuously improve their handling of chemicals.

## 5.7 Nature

Suppliers shall avoid and minimize impacts on biodiversity, ecosystems, water and other related pressures on nature connected to sourcing, production, and operations.

We expect our suppliers to continuously improve their practices to support, rather than harm, natural ecosystems and biodiversity.

## **5.8 Marginalized populations**

Production and the use of natural resources shall not contribute to the destruction and/or degradation of the resources and income base for marginalized populations, such as in claiming large land areas, use of water or other natural resources on which these populations are dependent.

We expect our suppliers to continuously improve their practices to support, rather than harm, marginalized populations.

## 6. Application and identification of concerns

### 6.1 General compliance

All suppliers shall communicate the principles of this Code of Conduct to their employees, subcontractors and relevant third parties with whom they do business, and to ensure that said principles are integrated into the respective operations.

Suppliers shall proactively report any existing or potential issues they have with the requirements set out in this Code of Conduct, along with their proposed remediation plans to Tom Wood.

### 6.2 Grievances

Suppliers shall have in place systems to enable independent grievance and speaking up measures to allow employees, subcontractors and relevant third parties to report actual or suspected misconduct anonymously without threat or reprisal, intimidation, or harassment.

Suppliers must give serious consideration to all reported concerns, and ensure that they are addressed in a fair, honest, and timely manner. The grievance mechanism shall be communicated to workers including new workers at the time of recruitment.

Concerns about work being done on behalf of Tom Wood, or suspected misconduct with regards to this Code of Conduct may also be reported to [responsibility@tomwoodproject.com](mailto:responsibility@tomwoodproject.com).

Tom Wood will in a timely matter investigate any concerns raised and, where feasible, discuss findings with the supplier and respect confidentiality requirements.

Using Tom Wood's grievance mechanism does not preclude the right to seek resolution through judicial, administrative or other external channels.

## 7. Responsible supply chains

Tom Wood's ambition for sustainable supply chains is based on three guiding principles: responsibility, transparency, and traceability. The requirements described in this section are applicable to the raw materials, components, and/or finished goods the supplier provide.

### 7.1 Responsible sourcing

Suppliers shall exercise and document due diligence in accordance with [OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas](#).

Small and medium-sized enterprises shall conduct due diligence appropriate to their size and circumstances, but which at a minimum includes, a policy, a fit-for-purpose due diligence process, and a process to enable remedy.

#### 7.1.1 Gold, silver, and platinum group

Suppliers shall exclusively source precious metals such as gold, silver and PGM that are recycled and from Responsible Jewellery Council (RJC) certified suppliers.

Suppliers shall provide assurance that gold, silver and/or PGMs being supplied have been recycled and handled responsibly in a manner that respects human and labor rights, does not inflict environmental damage, and is conflict-free. Suppliers are required to maintain and share accurate, verifiable chain of custody documentation throughout the entire supply chain in line with applicable Tom Wood protocols.

Suppliers shall implement the [OECD Guidance Supplement on Gold as applicable](#).

#### 7.1.2 Precious, semi-precious and ornamental stones

Suppliers shall provide assurance as far as possible that precious, semi-precious and ornamental stones are mined and processed in ways that respect human rights, are conflict-free and do not inflict environmental damage.

Suppliers are expected to actively engage their supply chain to increase transparency and implement due diligence process.

Suppliers in the above-mentioned supply chain are strongly encouraged to become certified with the RJC Code of Practices. Other standards will be considered if their equivalence can be clearly demonstrated.

Suppliers shall to the best of their ability provide complete disclosure of the physical characteristics of the stones in compliance with national and international laws and

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industry best practice. If stones are man-made this should be clearly marked on invoices.

## 7.1.3 Laboratory-Grown Diamonds

All lab-grown diamonds supplied to Tom Wood must be sourced exclusively from ALTR Created Diamonds. Suppliers are required to maintain and share accurate, verifiable chain of custody documentation throughout the entire supply chain in line with applicable Tom Wood protocols. Suppliers must guarantee that all diamonds used are conflict-free and have not passed through the Russian Federation or any other conflict-area.

Suppliers are required to have effective policies, procedures, training and monitoring systems in place to avoid the possibility of the above-mentioned lab-grown diamonds being switched with other sources.

The supplier shall implement risk-based testing protocols in line with industry-accepted protocols and disclose this to Tom Wood upon request.

The supplier must provide accurate disclosure of the physical characteristics (carat, color, clarity, cut), including any enhancements or treatments.

## 7.1.4 Forest products

Suppliers shall put in place measures to ensure that no illegal forest products are placed in the supply chain, and comply with recognized applicable regulations, such as [EU Timber Regulations](#). Suppliers are requested to source paper, packaging, and other timber-based product in a responsible manner, either recycled or from certified sources, ideally [Forest Stewardship Council](#) certified.

## 7.1.5 Animal-Derived Materials

Suppliers must comply with applicable laws and internationally recognized animal welfare standards. Any use of animal-derived materials must ensure that animals are treated with dignity and respect throughout their lifecycle, following the Five Animal Freedoms standard. This includes, but is not limited to, leather, silk, wool and other animal-derived materials.

The following are **strictly prohibited** in our supply chain:

- Materials from endangered species ([CITES](#) listed).
- Live-skinning, live-boiling, or live-plucking of animals, including live-boiling of silkworms.

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- Fur, angora wool, or wool from new-born or aborted animals (e.g. Karakul).
- Leather or wool linked to deforestation or mulesing practices.
- Any material linked to foie gras production.
- Permitted animal-derived materials that are not sourced as by-products of the food industry.

Suppliers shall ensure that organic ornamental materials (e.g. mother of pearl) are sourced, harvested, and processed in compliance with all applicable national and international environmental and human rights laws and regulations.

Suppliers shall strive to demonstrate traceability of such materials back to source and work to continuously improve animal welfare practices. To the best of their ability, suppliers shall document the species and country of origin and provide assurance that the materials do not originate from endangered or otherwise regulated species.

## **7.1.6 Plastics**

Suppliers shall work to reduce the environmental impact of plastics by reducing the use of virgin fossil fuel-based plastic, avoiding harmful plastics, and increasing the use of recycled plastics (preferably GRS certified). We expect suppliers to improve the end-of-life management of plastic, through increased recyclability and proper disposal of plastic waste.

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## Acknowledgement of terms in supplier Code of Conduct

Company name:
Address:
Contact name:
Position:
By signing this document, I hereby agree to have read, understood, and accepted the terms of the Tom Wood Supplier Code of Conduct
Signature with company stamp when applicable:
Date: