

# Suppliers Code of Conduct

## Scope

This supplier code of conduct ("SCC") applies to all suppliers, sub-suppliers, manufacturers and business partners providing products or services to Aifo AB (org. no 556567-5286) with subsidiaries headquartered in Stockholm, Sweden.

The SCC outlines Aifo AB core values and commitment to the fundamental principle of human rights, ethical business practices, mitigation of climate change and workplace inclusion and diversity. The SCC are part of the overall effort by AIFO AB to raise the bar on environmental and social responsibility and act to form a sustainable future.

Any issues, queries or reports of non-conformance of the SCC are to be addressed to:

Aifo AB  
Mariehällsvägen 39 B  
16865 Bromma Stockholm  
Sweden

## General requirements

### 1.1. General principle

Suppliers are required to operate in accordance with the principles of this SCC and in full compliance with laws and regulations. For some areas, this SCC goes beyond mere compliance with the law to advance social and environmental responsibility. When differences arise between SCC and legal requirements, the stricter position to corporate responsibility shall prevail, provided it is in accordance with applicable law.

### 1.2. Sub-suppliers

Suppliers are also responsible for their sub-suppliers for deploying these principles throughout the supply chain including assessments, audits, inspections and corrective actions.

## Environmental standards

### 1.3. Reduce footprint

Suppliers shall strive to continuously reduce their environmental footprint by (i) using natural resources sustainably, (ii) promoting recyclability and (iii) taking all reasonable measures to mitigate climate change and reduce carbon footprint.

## **1.4. Energy consumption**

Energy consumption is to be tracked and documented at the facility and or corporate level. Participants are to look for cost-effective methods to improve energy efficiency and minimize their energy consumption and greenhouse gas emissions.

## **1.5. Air emissions**

Suppliers shall ensure air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone-depleting chemicals and combustion by-products and greenhouse gas emissions generated from operations are characterized, regularly monitored, controlled and treated as required prior to discharge.

## **1.6. Hazard management**

Supplier shall implement a systematic approach to manage hazardous and non-hazardous waste responsibly. Supplier shall record information on how much waste (of all categories) is generated and store it in clearly designated storage areas.

## **1.7. Wastewater treatment**

Suppliers shall ensure that wastewater generated from production lines is characterized, monitored, controlled and treated as required prior to discharge or disposal.

# **Business practices**

## **1.8. Highest standards**

Suppliers shall strive to uphold the highest standards of integrity and ethical business behavior in all operations.

## **1.9. Fair competition**

Suppliers shall conduct their business in compliance with applicable antitrust and fair competition laws.

## **1.10. Extortion, bribery and such**

Suppliers shall neither directly nor indirectly participate in any act of extortion or embezzlement, or in any form of bribery or corruption including promising, offering, giving or accepting of any undue benefit to induce or reward an improper conduct to gain any commercial, contractual, regulatory or personal advantage. A benefit may include, but is not limited to, gift, facilitation payment, loan, money, fee, reward, journey, service, bonus, voucher of any kind, order samples for personal use or employment contracts.

### **1.11. Conflict of interest**

Suppliers shall avoid all conflicts of interests or situations giving the appearance of potential conflict of interest in its business activities with Aifo. Aifo expects the Supplier to report to Aifo any situations of actual or potential conflicts of interests between the personal interests of those involved in the business activities and the interests of AIFO AB.

### **1.12. Accurate business records**

Suppliers are expected to keep accurate business records regarding their activities, structure and performance, and should disclose these in accordance with applicable regulations and industry benchmark practices. Suppliers shall ensure that information regarding its business activities, labor practices, health and safety, and environmental protection is accurately recorded. The information shall be disclosed, without falsification and misrepresentation, to all appropriate parties and in accordance with applicable laws. Suppliers are also obliged to always keep AIFO AB informed about where each order is being produced.

### **1.13. Export & Import**

Supplier shall ensure that its business practices comply with applicable laws and regulations governing export, import and retransfer of products, software, technical data and assistance.

### **1.14. Conflict minerals**

Suppliers, manufacturing or distributing components, parts, or products containing tin, tantalum, tungsten, and/or gold shall develop a Conflict Mineral Policy, outlining their commitment to responsible sourcing and legal compliance. Suppliers shall exercise due diligence on relevant minerals in their supply chains to ensure traceability of these metals to smelter level and take appropriate steps to mitigate the use of conflict minerals or derivative metals sourced from mines controlled by armed groups in all items to be supplied to AIFO AB. Supplier shall source from "conflict-free" validated smelters to the extent sustainable without detrimental effects to the local population. Suppliers are encouraged to support industry efforts to enhance traceability and responsible practices in global minerals supply chains.

### **1.15. Privacy**

Suppliers are to commit to protecting the reasonable privacy expectations of the personal information of everyone they do business with, including suppliers, customers, consumers, and employees. Suppliers are to comply with privacy and information security laws and regulatory requirements when personal information is collected, stored, processed, transmitted, and shared.

## **Human and labor rights**

### **1.16. Child labor**

Suppliers Child labor is not to be used in any stage of manufacturing. The term "child" refers to any person under the age of 15, or under the age for completing compulsory education, or under

the minimum age for employment in the country, whichever is greatest. Participants shall implement an appropriate mechanism to verify the age of workers. The use of legitimate workplace learning programs, which comply with all laws and regulations, is supported. Workers under the age of 18 (Young Workers) shall not perform work that is likely to jeopardize their health or safety, including night shifts and overtime.

### **1.17. Working hours**

Working hours are not to exceed the maximum set by local law or as a maximum is not to be more than 60 hours per week including overtime. Exceptions may be viable in emergency and unusual situations.

### **1.18. Wages & benefits**

Compensation to workers shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. Deductions from wages as a disciplinary measure shall not be permitted. All use of temporary, dispatch and outsourced labor will be within the limits of local law.

### **1.19. Non-discrimination and non-harassment**

Suppliers should be committed to a workplace free of harassment and unlawful discrimination. Suppliers shall not engage in discrimination or harassment based on race, color, age, gender, sexual orientation, gender identity and expression, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic information or marital status in hiring and employment practices such as wages, promotions, rewards, and access to training.

### **1.20. Freedom of association**

In conformance with local law, participants shall respect the right of all workers to form and join trade unions of their choosing, to bargain collectively, and to engage in peaceful assembly as well as respect the right of workers to refrain from such activities. Workers and/or their representatives shall be able to openly communicate and share ideas and concerns with management regarding working conditions and management practices without fear of discrimination, reprisal, intimidation, or harassment.

## **Health and safety**

### **1.21. Permits**

Suppliers shall obtain, keep current, and comply with all required health & safety permits.

### **1.22. Safety training**

Suppliers shall provide workers with appropriate health & safety training in the appropriate language. Health and safety-related information shall be clearly posted in the facility and suppliers shall encourage worker feedback on health and safety issues.

### **1.23. Work injuries**

Suppliers shall implement an efficient process for tracking, reporting and investigating work-related injuries and incidents. Workers shall be encouraged to report all injuries and incidents (minor, major, and near misses).

### **1.24. Production hazards**

Suppliers shall ensure that health and safety hazards associated with production are identified and controlled by eliminating, substituting or minimizing the hazard with the help of engineering and administration controls. In cases where the health and safety risk cannot be otherwise controlled suppliers shall ensure workers are equipped with appropriate Personal Protective Equipment (PPE). PPE shall be provided free of charge, be in good condition, regularly checked and maintained and be used by workers.

### **1.25. Workers safety**

Suppliers shall ensure that their safety complies with legal requirements. Emergency evacuation routes shall be posted in each work area. Exits shall be clearly marked, aisles unblocked and exit doors unlocked and open outwards. Lighting must be sufficient to light corridors, halls, staircases along evacuation routes, and must be checked and maintained. Fire alarms shall be visible and audible to all workers. Sprinkler systems and smoke detectors shall be implemented according to legal requirements. Fire extinguishers must be placed in visible and accessible locations, and checked and maintained on a regular basis.

### **1.26. Emergency care**

All workers shall have access to first aid and emergency care. First aid kits must be available in visible and accessible locations, kept properly stocked and replenished on a continual basis. At least one person in the factory shall have training in basic first aid. The identity of the first aiders shall be clearly displayed in work areas and be incorporated in the emergency response plan.

### **1.27. Facilities**

Supplier shall ensure that workers are provided with ready access to clean toilet facilities and potable water. Water quality shall be periodically tested. If a canteen is available on the factory campus or industry park, the supplier shall ensure that it is clean and hygienic and have fire precaution measures. The food in the canteen shall be offered to workers at reasonable costs. Applicable laws and regulations regarding to food hygiene management shall be identified and followed. Compliance reviews shall be carried out periodically.

### **1.28. Dormitories**

If the supplier or a labor agent provides worker dormitories, they shall be clean and safe. The dormitories shall be equipped with fire extinguishers, exits, lighting, offer hot water for bathing, showering, have adequate heat and cooling. In addition, they should provide reasonable personal space, along with reasonable entry and exit privileges. Dormitories shall be provided at a reasonable cost and be voluntary to live in. The workers shall be free to enter and always exit.

### **1.29. Work/life balance**

Suppliers are encouraged to provide entertainment facilities to workers to promote work life balance and improve worker wellbeing. Showers, changing rooms, toilets and similar facilities shall comply with applicable regulations and be safe to use. To ensure an acceptable standard of hygiene and cleanliness, the supplier shall ensure periodic inspection and maintenance.

## **Compliance and audits**

### **1.30. Audits**

To ensure compliance of this policy, AIFO AB reserves the right to carry out announced or unannounced audits or inspections of any factory or warehouse producing goods or services for AIFO AB, at any time. Audits can also be made by an independent third party of AIFO AB's choice. The supplier or manufacturer shall on request provide all appropriate records and documentation needed to follow up the compliance of the Code.

### **1.31. Non-conformity**

If a supplier fails to correct any non-conformances to SCC in accordance to the corrective and preventative action plan within agreed timeframe, AIFO AB may serve the rights to stop purchasing until the matter is resolved or can terminate the business relationship. In the event of repeated violations, AIFO AB will immediately terminate the business relationship and cancel existing orders.

## **Reporting of non-conformance**

### **1.32. Reporting**

AIFO AB encourages our employees and supplier's employees to report any known or suspected deviation or non-conformances from this SCC by contacting AIFO AB at [info@aifo.se](mailto:info@aifo.se)

### **1.33. Non-retaliation**

Regardless of the reporting channel, all allegations of potential violations of the SCC that are made in good faith will receive a swift, fair and comprehensive investigation conducted with the relevant internal and/or external assistance. There shall be no retaliation or other negative consequences for persons reporting in good faith. The information received will be managed according to applicable data privacy laws and regulations.

