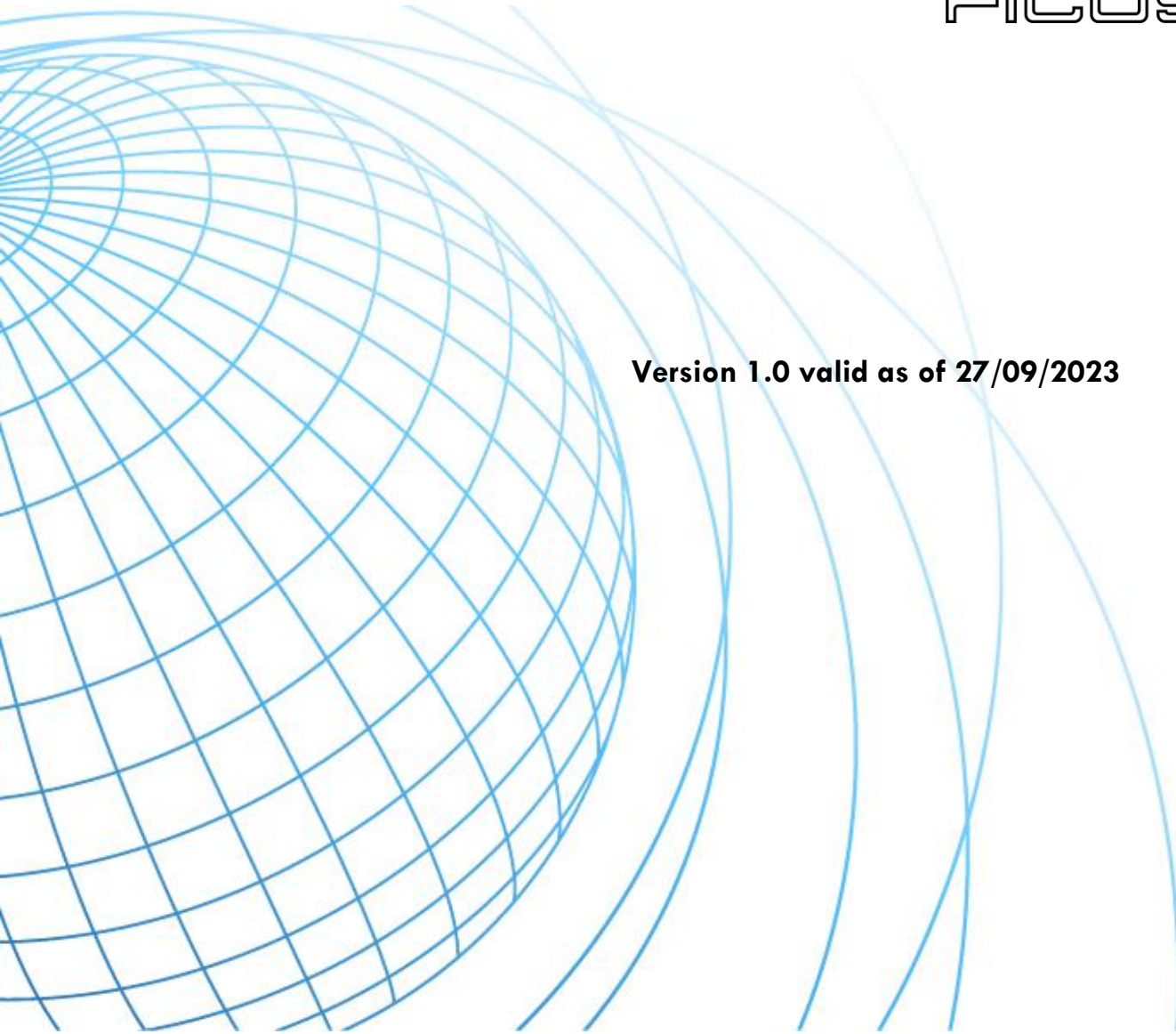


# **BUSINESS PARTNER CODE OF CONDUCT**



**Version 1.0 valid as of 27/09/2023**



## **PURPOSE:**

This Code of Conduct is derived from the requirements for human rights, environmental protection, and business ethics as applied by Ficosa.

The benchmark is provided by our Code of Ethics, our Principles of Social Responsibility and Human Rights, and our Corporate Policy on Environmental and Energy Management, including our ambitions to achieve carbon neutrality.

## **PRINCIPLES:**

Ficosa is committed to responsible business and demonstrates this commitment to integrity, business responsibility and trust throughout our value chain. Therefore, Ficosa expects the same level of commitment from its Business Partners.

This Code here covers Ficosa's requirements and expectations on its Business Partners when it comes to protecting working conditions and human rights, caring for the environment, and doing business with integrity. This includes having a zero tolerance policy for bribery and corruption."

This Code includes requirements that are based on internationally recognized principles that Ficosa strongly supports, such as:

- Internationally-proclaimed human rights conventions, based on International Labor Organization and Article 32 of the United Nations Convention on the Rights of the Child, as well as the United Nations Guiding Principles on Business and Human Rights.
- The OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the OECD Guidelines for Multinational Enterprises, as significant aspects of Ficosa's commitment to combat bribery in international business transactions. Moreover, Ficosa proudly supports the United Nations Global Compact initiative, demonstrating its dedication to upholding responsible business practices and promoting sustainability on a global scale.

As a valued Supplier, Ficosa places strong emphasis on your familiarity with this Code. It is essential that you take the time to thoroughly understand and integrate it into your daily work practices and cascade downstream to your partners. Both Ficosa's and your own excellent reputations rely heavily on upholding business integrity and adhering to the principles outlined in the Code. By doing so, we can collectively maintain a strong commitment to ethical standards and ensure a sustainable and mutually beneficial business relationship.

September 2023

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## 1. Working Conditions and Human Rights

Ficosa holds the expectation that our Business Partners provide their employees with working conditions that align with international labor standards

### Child Labor

Business Partners must adopt a zero-tolerance policy regarding child labor. We unequivocally declare that no child labor will be tolerated within our company, and we shall uphold this principle steadfastly throughout our business practices. Our internal policies strictly prohibit the employment of individuals below the legal minimum age set by the respective countries in which we operate ac/ to ILO Convention No. 182.

### Forced Labor

Business Partners ensure that all its employer practices are in line with the ILO Conventions No. 29 on Forced Labor and No. 105 on the Abolition of Forced Labor at a minimum, particularly that all employees including contact employees are working engaged in their roles voluntarily and without coercion.

As part of our commitment to eradicating forced labor, we demand that our Business Partners proactively prevent and eliminate all instances of forced labor, including but not limited to compulsory labor, debt bondage, human trafficking, and any form of modern slavery. Our Responsible Sourcing Standards dictate that we will not engage with entities that condone or participate in such unethical practices.

Social Responsibility and Protection of Human Rights of Employees must not be financially burdened through the withholding of wages or expenses or the imposition of fees as part of the hiring process.

The Business Partner must ensure that employees have freedom of movement without any retention of identification documents or taking other measures against their will.

### Fair Competition and Business Practices

Business Partners shall ensure that all employees are remunerated appropriately, adhering to at least the minimum wage as mandated by the applicable laws of the jurisdiction in which the business operates. The remuneration provided should be sufficient to enable employees to cover their essential living expenses.

In determining the adequacy of the remuneration, Business Partners should take into account the prevailing cost of living and consider any social security benefits that employees are entitled to under the laws of the respective country.

Remuneration for employees engaged in full-time employment should be commensurate with industry standards and prevailing wage rates for similar positions in the relevant market.

## Working hours

Business Partners shall strictly adhere to all applicable legislation pertaining to working hours. This includes, but is not limited to, regulations concerning regular working hours and any provisions regarding overtime work.

## Freedom of Association and Collective Bargaining

Business Partners shall fully respect the lawful rights of their employees to form, join, or abstain from participating in employer-employee relationship-related associations, as permitted by the applicable local laws, according to ILO Convention No. 87.

Where local laws allow, Business Partners shall also acknowledge and uphold their employees' right to engage in collective bargaining activities to negotiate and communicate their concerns, demands, or grievances with the management.

Business Partners must also ensure that employees are given the opportunity to discuss their working conditions with management without fear of retaliation.

## Use of Public and Private Security Personnel

If the Partner uses its own security forces to protect its operations or commissions private security service providers, shall provide an explicit warranty that such security forces shall uphold and respect internationally recognized human rights throughout their engagement. The Partner may not contract private security staff or use public security forces that fail to respect human rights.

## Protection of Human Rights Defenders

In instances where the Partner becomes aware of potential risks or threats to human rights defenders in connection with the products or services provided, the Partner shall take a proactive stance to address and mitigate such risks. The Partner shall publicly speak out against any form of intimidation, threat, defamation, and criminalization of human rights defenders.

## Protection of Local Communities and Indigenous Peoples

The Business Partners shall undertake all necessary and reasonable measures to prevent potential adverse impacts on the health, safety, and living conditions of the affected local communities and indigenous peoples resulting from its business activities as a result of meet ILO Convention No. 169.

In particular, risk assessments and comprehensive impact studies shall be conducted to identify any potential adverse effects on the local communities and indigenous peoples, and appropriate preventive measures shall be implemented to mitigate such risks.

The Business Partner shall not contribute to the involuntary relocation of local communities and indigenous peoples through its business operations or by any other means.

## Health and safety

Business Partners must maintain a safe and healthy working environment that complies with all relevant standards and legal requirements in accordance with requirements from ISO 45001.

## Non-Discrimination and Equal Opportunities

Business Partners must not engage in any form of discrimination based on gender, ethnicity, religion, age, disability, sexual orientation, nationality, political opinion, union affiliation, social background or other characteristics protected by applicable law.

All employees, regardless of their background or characteristics, shall be treated with equal respect, dignity, and common courtesy in accordance to ILO Convention No. 111.

On this way, it must respect the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW).

## **2. Environmental**

Business Partners must ensure that they comply with all applicable environmental laws and regulations.

As valued partners of Ficosa, you are expected to demonstrate unwavering commitment to safeguarding the environment and reducing our collective environmental impact throughout the entire value chain.

This involves taking a proactive approach towards reducing the environmental footprint of your operations, products and services, including through reducing emissions and conserving resource and your suppliers.

Any activities, operations, products, or services provided in connection with Ficosa must be conducted in accordance with the environmental standards and legal requirements.

Business Partners should have established procedures in place to monitor and manage their environmental performance effectively. By doing so, they contribute to the overall environmental sustainability goals of our collaborative partnership.

Open Dialogue and Cooperation: Maintaining an open and transparent dialogue with Ficosa concerning environmental matters is essential. Business Partners are encouraged to cooperate with Ficosa to enhance not only our environmental performance but also your own. We value collaboration in our joint efforts to protect the environment.

### Environmental, Energy Management Systems and Energy Efficiency

It is recommended to Business Partner to establish a robust energy management system designed to minimize energy waste, enhance energy efficiency, and reduce overall energy

consumption. This entails implementing measures and technologies that optimize energy usage in your operations and services.

On this way, it is expected that the Business Partner conducts regular reviews of its energy management system, to reduce its direct and indirect CO<sub>2</sub> emissions (including in its upstream value chain).

These reviews should encompass a comprehensive assessment of opportunities, risks, ambitions, and targets related to energy conservation.

It is recommended that Business Partner ensure that the operation of its energy management system is overseen by proficient and knowledgeable employees.

As a guideline, some minimum items that should be monitored are:

- Air quality control & emissions management;
- Reduction of waste, through reuse & recycling, and the provision of sustainable material;
- Water quality & consumption management;
- Safe management of chemicals used in operations and products.

#### **Green materials, recycling and circularity**

The Supplier shall commit to meet Ficosa's level of commitment to green materials, usage of recycled materials and materials of natural origin according to engineering requirements.

Ficosa expects the collaboration from Business Partners to evaluate secured secondary raw materials and to contribute to development of products with premises such as "design for circularity" and "design for disassembly".

#### **Responsible Sourcing of Minerals and Metals**

Business Partners are expected to use only minerals and metals whose extraction, production, transport, trade, processing and export in a such way that do not contribute to human rights abuses, unethical business conduct (e.g. corruption), environmental damage or funding for conflicts.

Business partner commits to complying with, particularly, but not exclusively, the following regulation on conflict minerals:

- EU Regulation No. 2017/821 for Union importers of tin, tantalum and tungsten and gold originating from conflict-affected and high-risk areas.
- Dodd-Frank-Act in respect to Conflict Minerals

## Biodiversity, Deforestation and soil quality

Business Partners should ensure their own business activities do not contribute to or benefit from the illegal conversion of natural ecosystems, including illegal deforestation.

The Business partner are expected to safeguard natural ecosystems and refrain from participating in activities that lead to alteration, deforestation, or harm to natural woodlands and other such ecosystems.

Business partner should monitor and control their impact on soil health, actively safeguarding soil quality and averting the risk of contamination and erosion.

### **3. Responsible Business Conduct**

As the foundation of the business relationship between Ficosa and its Business Partners, trust, transparency, honesty, and accountability are paramount. Ficosa expects its Business Partners to conduct their business ethically and with the utmost integrity, which includes:

#### Compliance with Laws

The Business Partner is required to fully comply with all applicable laws and regulations governing its own business activities and its interactions with suppliers, both locally and internationally. The Partner may not actively engage in or participate in criminal practices in any country or in any form, either directly or indirectly.

#### Corruption, Bribery, and Extortion

Business Partners and their subcontractors must conduct all business operations and transactions in strict adherence to anti-bribery and anti-corruption laws and regulations.

This correspondence serves as a formal notification to ensure your full understanding and compliance with the following requirements:

Business Partners and their subcontractors must operate in full compliance with all applicable laws and regulations relating to anti-bribery and anti-corruption.

This mandate extends to all jurisdictions where your business operates or conducts transactions.

Under no circumstances should Business Partners or their subcontractors engage in or condone any action or omission that could be construed as bribery or corruption. Any such activity, whether direct or indirect, is strictly prohibited and may result in severe consequences, including termination of our partnership and potential legal ramifications.

It is imperative that Business Partners refrain from offering or accepting any form of inappropriate benefit, such as gifts, favors, or hospitality, with the intent to unduly influence any business decision. This prohibition applies equally to interactions involving government officials and private individuals.



Business Partners are advised to exercise heightened caution in situations that are commonly regarded as presenting higher risks of bribery and corruption. These may include, but are not limited to:

- Dealings with government officials, including public procurement processes and regulatory approvals.
- Interactions involving third-party intermediaries, agents, or consultants.
- Charitable contributions or donations that may be perceived as attempts to influence business decisions.
- Hospitality, gifts, or entertainment that exceed reasonable and customary practices.
- Political contributions or support that could be construed as attempts to gain unfair advantages

Business Partners are also expected to ensure that all of their reports, records and invoices are accurate and complete, and that they contain no false or misleading information.

### **Fair Competition**

The Business Partner is required to comply fully with all laws aimed at safeguarding fair competition and prohibiting anticompetitive practices. This encompasses adherence to all federal, state, and international regulations governing fair competition and antitrust matters.

The Business Partner must strictly observe the rules of fair competition and refrain from entering into any agreements, engaging in business practices, or exhibiting behavior that could unlawfully restrict competition.

Should a Business Partner have interactions with a competitor of Ficosa, Business Partner must not share any of Ficosa's sensitive information with the competitor and vice versa, even via third parties.

### **Conflict of Interest**

Any situation between Ficosa and its Business Partners that may involve a conflict of interest, or the appearance of a conflict of interest must be avoided.

In all interactions and transactions with Ficosa, the Business Partner is required to make decisions based solely on objective and unbiased information. Personal interests or any external factors that could influence decision-making must be wholly avoided.

Business Partner must promptly disclose such conflicts. Transparency is essential in identifying any situations that may compromise the impartiality and fairness of our business relationship.

## Trade Sanctions and Export Controls

Absolutely, compliance with trade sanctions and export control laws is crucial for Ficosa's Business Partners. They are required to monitor all trade sanctions applicable to Ficosa and comply with relevant export control laws and regulations.

Trade sanctions are implemented to restrict trade and financial transactions with specific countries, entities, organizations, or individuals for various reasons, such as national security, foreign policy objectives, or human rights concerns.

## Protecting Ficosa's Confidential Information and Intellectual Property

Ficosa may share confidential information and/or intellectual property elements with its Business Partners to facilitate our collaborative efforts. As a Business Partner, you are required to handle any such confidential information in strict accordance with the confidentiality provisions in place. This means exercising the utmost care and discretion to safeguard the confidentiality and integrity of the information shared.

The Business Partner must fully comply with all applicable national and international laws concerning the protection of intellectual property. Intellectual property encompasses a range of assets, including registrable intellectual property rights such as patents, trademarks, and designs, as well as domains, copyrights, and requirements under competition law.

The Business Partner must also take care to ensure that it holds all the necessary rights of use to avoid infringements of intellectual property rights.

## Data Protection

Business Partners must protect personal data and complying with data protection laws is of utmost importance for Ficosa and its Business Partners. When processing Personal Data in the context of their business with Ficosa, Business Partners are required to adhere to all applicable data protection laws and regulations, also known as privacy laws.

Business Partners hold the responsibility to safeguard personal data from improper disclosure, theft, or misuse at all times. If any incident occurs that involves Ficosa Personal Data, Business Partners must promptly report it to Ficosa. This ensures that appropriate actions can be taken to address the situation and protect the privacy and rights of individuals whose data may be affected.

## Artificial Intelligence

Business Partners that develop and/or use artificial intelligence (especially machine learning and deep learning) engage that artificial intelligence is used and handled responsibly, with privacy protection as a priority. Additionally, it is essential that the use of Artificial intelligence is safe, secure, and reliable.

## Animal Protection

Ficosa expects that Business Partner implement standards with best practices and consider to adhered to the following ethical principles:

- The standards of the World Organization for Animal Health (OIE) on animal welfare (Terrestrial Animal Health Code and Aquatic Animal Health Code),
- The Five Freedoms of the British Animal Welfare Committee (AWC) to assess animal welfare (freedom from hunger, thirst, and malnutrition, freedom from discomfort, freedom from pain, injury, and disease, freedom from fear and distress, and the freedom to express normal behavior).
- The 3R principles for animal testing (Reduction, Refinement, Replacement). The goal of the 3R principle is to completely avoid animal testing altogether (Replacement) and to limit the number of animals (Reduction) and their suffering (Refinement) in tests to the minimum necessary.

## 4. Whistleblowing Channel

Ficosa encourage Business Partners to ask questions regarding this Code and are required to promptly raise concerns in case of suspected non-compliance with applicable criminal laws and regulations, or with the requirements under this Code.

Business Partners are expected to collaborate with Ficosa in case of investigation and are expected to not retaliate against anyone who reports suspected business misconduct. To report any incident or claim, Business Partners might use Ficosa Whistleblowing anonymous Channel.

In addition, Business Partner must use its reasonable best efforts to ensure that an equivalent reporting obligation is included in contracts with subcontractors, with subcontractors being required to submit the corresponding whistleblowing reports to the Partner.

## 5. Consequences of violations

Ficosa may require the violating Business Partner to take necessary remedies to address the breach. This could involve paying damages for any harm caused and implementing corrective actions to rectify the violation and prevent similar occurrences in the future.

Depending on the severity of the breach and at Ficosa's sole discretion, further actions may be taken against the violating Business Partner. These actions can range from warnings or penalties to more severe measures, including the termination of the business relationship.



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