



**Suzuki
Garphyttan**

Supplier code of conduct

1. Introduction

Suzuki Garphyttan Group is a world-leading supplier of advanced spring wire and a part of the Japanese Nippon Steel Corporation. We are a global company conducting environmentally licensed operations with manufacturing in Sweden, England, USA, Mexico, and China. We have 100 years of experience in development and production of products meeting the highest requirements on quality and reliability on the market.

Our vision "Together for a better tomorrow" expresses Suzuki Garphyttan's long-term direction and the decisions we take. It is a guiding principle that inspires a common approach to our various tasks.

We believe that a strong commitment to sustainability is essential for managing the challenges and opportunities we have. We support the UN Sustainability Development Goals such as Good health and well-being, Quality education, Gender equality and Decent work and economic growth.

We respect the UN Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention against Corruption as outlined in the ten principles of the United Nations Global Compact.

Our Suppliers, including contractors, distributors, and agents, play an integral part in our business and our sustainability commitments. We can never succeed without our suppliers in the value chain. We therefore need all Supplier's full commitment to support us in managing our challenges by complying to the minimum sustainability requirements set force in our Supplier Code of Conduct.

The Supplier Code of Conduct is based on recognized international standards, principles, and best practices, and is compliant with the Suzuki Garphyttan's Code of Conduct.

2. Our requirements

2.1 Legal compliance

Suppliers must be aware of and comply with all applicable laws and regulations regarding human rights, labor rights, environment, and anti-corruption practices in each jurisdiction(s) where they operate as well as

obtaining all legally required permits, licenses, and registrations

In cases where local laws and regulations are less restrictive, the requirements in this Supplier Code of Conduct shall apply.

2.2 Labor and human rights

Suppliers must treat all their employees (regardless of their employment status) fairly, ethically, respectfully and with dignity.

2.2.1 Health and Safety

Suppliers must ensure that the employees have a working environment that is safe, hygienic and promotes good health. Suppliers must ensure that:

- All employees are protected from exposure to potential health and safety hazards
- Relevant and functioning personal protective equipment is provided, free of charge, to all employees

Relevant first aid kits are easily accessible, and that employees with training in first aid are available.

- Employees do not work under the influence of drugs and/or alcohol
- Employees are adequately trained in how to safely carry out their work
- All employees have a right and an obligation to stop unsafe work

Firefighting equipment must be maintained and clearly marked. Accessible evacuation routes and emergency exits must be maintained. Evacuation drills must be carried out regularly.

Work rooms must be clean and well lit, have adequate ventilation and acceptable temperature and sound level. Clean drinking water must be provided as well as hygienic toilets and clean canteens.

2.2.2 Child labour

Suppliers shall prevent all forms of child labour. Routines must be in place to ensure that children are not being hired and that measures are taken if child labour is found, with the child's best interests in mind. The minimum working age is the age of completion of compulsory school, but never less than 15 years. Young workers (under the age of 18) must not be allowed to perform work that could be detrimental to their health and development. They must not be allowed to work night shifts.

2.2.3 Forced labour including human trafficking (“modern-slavery”)

All work must be voluntary. The employee must have the right to stop working after a reasonable period of notice. All overtime must be consensual. The suppliers shall not require employees to hand over personal certificates or identity documents as a condition of employment and shall not use disciplinary measures such as fines, unfair salary deductions or withholding of salary.

The suppliers must be proactive in managing risks related to human trafficking. A robust anti-human trafficking policy must be set up and the suppliers need to train their employees to recognize signs of trafficking.

2.2.4 Working hours

Suppliers must ensure that employees are not ordered to work more than eight hours per day or 48 hours per week on a regular basis. All working hours must be registered in a truthful manner. Working hours must be divided into normal working hours and overtime. The suppliers must ensure that the employees are given sufficient time to rest between different shifts and that overtime work is voluntary and does not exceed 12 hours per week.

2.2.5 Salaries and benefits

Suppliers must ensure that employees' salaries are not less than the minimum wage prescribed by local legislation and that the salaries are paid directly to the employees, at the agreed time and in full. Truthful documentation of all salaries and other benefits must be available and pay slips for the employees must be provided.

2.2.6 Freedom of association and collective bargaining

Suppliers must recognize and respect freedom of association and the right to collective bargaining. Employees must have the right to organize in a union without negative consequences, and reversely those employees who choose not to participate in workers' associations shall be respected for their choice.

In countries where the right of association is limited or under development, the suppliers must recognize the importance of open communication and direct engagement between employees and management to discuss salary and working conditions without negative consequences.

2.2.7 Anti-Harassment

Suppliers shall not tolerate any corporal punishment or threats thereof, unreasonable disciplinary actions, mental or physical coercion, verbal abuse, sexual or other harassment and abuse of an employee.

2.2.8 Non-Discrimination

Suppliers shall not discriminate in hiring and employment practices such as promotion, benefits, access to training and layoffs on the ground of ethnicity, gender, parenthood, age, religion, political opinions, national origin, social origin, disability, sexual orientation, trade union involvement or other comparable reasons.

2.2.9 Rights to report concerns

Suppliers must ensure that all their employees have the right to report concerns regarding compliance with legal requirements and/or company policies/rules to their employer without fear of reprisal.

2.2.10 Conflict-free origin of minerals

Suppliers must implement adequate due diligence following the OECD Due Diligence Guidelines with respect to sourcing, extraction and handling of minerals containing tantalum, tin, tungsten, and gold. Suppliers must ensure that products and materials being purchased by Suzuki Garphyttan do not contain any of these elements that originates from Democratic Republic of Congo or adjoining countries, where the mining and trading of these minerals are being used to support armed conflicts and deteriorate

2.3 Environment

Suppliers must actively strive to limit the negative effects on the environment that their operations causes.

This work should at least include identification of significant environmental impacts, measurements of impacts and planned activities to reduce the use of energy and other resource, the amount of waste, and emissions to air, water and land.

Chemicals used in the operations must be handled in such a way that risks to the environment are minimized. Potentially hazardous substances must be identified in products and articles used in the operations and suppliers must ensure that these substances are safely handled, transported, stored, recycled, and disposed.

Preventive measures must be in place as soon as there is reason to believe that an activity could harm the environment.

Suppliers shall monitor, track, and document its use of natural resources such as water, raw materials, and energy in different forms.

2.4 Business integrity

Supplier relations with Suzuki Garphyttan must be based on trust, transparency, honesty, and accountability and suppliers must conduct their business ethically and with the utmost integrity.

2.4.1 Anti-Corruption

Suzuki Garphyttan has zero tolerance of corruption such as bribery, conflicts of interest, fraud, embezzlement, unlawful kickbacks, extortion, and nepotism/cronyism.

Suppliers must establish processes to prevent corruption in their own operations, for instance, by implementing an anti-corruption policy and by providing relevant training to their staff. They must ensure that they do not offer or receive any form of inappropriate benefit (gift, favour or hospitality) with the intention to improperly influence a business decision, whether it involves government officials or private individuals.

Suppliers must avoid any situation that may involve a conflict of interest, or the appearance of a conflict of interest, between the supplier and Suzuki Garphyttan.

2.4.2 Fair Competition

Suppliers must establish processes to prevent competition law infringements, such as price fixing, market sharing or bid rigging, for instance, by implementing a fair competition policy and by providing adequate training to their staff.

2.4.3 Intellectual Property

Suzuki Garphyttan may share confidential information and/or intellectual property elements with its suppliers. If so, the suppliers are required to protect Suzuki Garphyttan's confidential information from improper disclosure, theft, or misuse.

3. Governance

Suppliers are expected to implement necessary processes to ensure that the requirements described in this supplier code of conduct are complied with. Furthermore, the suppliers are also requested to ensure that its suppliers comply with the requirements.

When signing a contract with Suzuki Garphyttan, the ability to live up to this code of conduct will be a parameter in the overall assessment of suppliers.

To ensure that the code of conduct is complied with, Suzuki Garphyttan expects the suppliers to continuously assess risks of negative impacts, manage and prioritize identified risks, work on improvements, follow up, and communicate about the development of the work. Suzuki Garphyttan encourages the suppliers to establish, implement and maintain recognized management systems.

Suzuki Garphyttan may verify its suppliers' compliance with this supplier code of conduct by requesting a supplier self-evaluation or by performing an audit by Suzuki Garphyttan (or an external resource designated by Suzuki Garphyttan) at any time, subject to prior written notice.

3.1 Reporting a violation or concern

Suzuki Garphyttan encourages its suppliers to report violations of the supplier code of conduct or any concerns to Suzuki Garphyttan by telephone, e-mail to ???. Suzuki Garphyttan encourages an active dialogue with its suppliers on issues related to the supplier code of conduct. Any person speaking up against violations of the supplier code will be respected and protected.

3.2 Consequences of violations

If the suppliers should violate this code of conduct and the suppliers do not take corrective actions within a reasonable time, the collaboration with Suzuki Garphyttan may be terminated.