



**GRÄNGES**

# Supplier Code of Conduct

GP17

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Appendix to supplier contracts

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## CEO COMMENT

Dear Valued Supplier,

Gränges is an industrial group with global operations. Our values and culture of sustainability are an integrated part of our business today. We are committed to operating in accordance with responsible, ethical and sound corporate and business principles and in compliance with all applicable laws and public regulations, including but not limited to UN Global Compact and its ten principles.

The following Supplier Code of Conduct embodies your commitment to support Gränges' values and principles and is an essential element in our selection of suppliers. We kindly ask that you return a signed copy of the Supplier Code of Conduct to your authorized Gränges representative. By signing the Supplier Code of Conduct, you are confirming on behalf of your company that you accept the values and principles as stated and that your company is contractually bound to comply with all rules and requirements set forth.

Uncompromising adherence to these values and principles is critical to the success of our business relationship. We look forward to our continued business with your company.

Jörgen Rosengren  
President & CEO, Gränges

## 1. INTRODUCTION

Gränges is committed to operating in accordance with responsible, ethical and sound business principles and in compliance with all applicable laws and regulations. We aim to be a responsible and reliable business partner and expect our suppliers, contractors and vendors (“Suppliers”) to maintain similarly high sustainability standards and principles.

The intention of this Supplier Code of Conduct is to increase awareness and improve transparency of responsible and sustainable business practices in our supply chain.

Gränges AB and its affiliates (“Gränges”) require for Suppliers to sign this Supplier Code of Conduct which specifies what Gränges expects and requires from our Suppliers in terms of adhering to our sustainability principles.

Gränges holds the right to follow up on compliance with the requirements set in this Supplier Code of Conduct, and Suppliers shall, on demand, provide Gränges with relevant information concerning the requirements outlined in this Supplier Code of Conduct.

## 2. GENERAL PRINCIPLES

### 2.1 Compliance with laws

- Suppliers shall comply with all applicable laws and regulations. Should differences exist as a result of local customs, business practices, norms, laws, or regulations, either this Supplier Code of Conduct or local requirements must be applied, whichever sets the strictest standard of conduct.

### 2.2 Selection of business partners, agents and other intermediaries

- Suppliers shall promote the principles set forth in this Supplier Code of Conduct to potential business partners, agents and other intermediaries.

### 2.3 Standards toward own suppliers

- Suppliers shall promote the implementation of the principles set forth in this Supplier Code of Conduct towards their own suppliers.

### 3. BUSINESS AND MARKETPLACE PRINCIPLES

#### 3.1 Conflicts of interest

- Suppliers shall not take part in or seek to influence any decision in circumstances that could give rise to an actual or perceived conflict of interest. Such circumstances may be a business interest or a personal interest in the subject matter – economical or otherwise – directly or through someone closely related. If suppliers become aware of a potential conflict of interest, they will notify Gränges immediately.

#### 3.2 Prohibition of corruption, bribery and improper payments

- Suppliers shall agree to have zero-tolerance for corruption and to ensure compliance with all governing anti-corruption laws, conventions and regulations.
- Suppliers shall not, in order to obtain or retain business or other improper advantage in the conduct of business, offer, promise or give any undue advantage to a public official (or a third party) to make the official act or refrain from acting in relation to the performance of his/her duties. This applies regardless of whether the advantage is offered directly or through an intermediary.

##### **Gifts and hospitality**

- Suppliers shall respect and comply with practices regarding gifts and hospitality.
- Gifts and other favours to Gränges or any of Gränges' employees, representatives, partners or anyone closely related can only be given or granted provided that they are modest, both with respect to value and frequency, and provided that the time and place are appropriate.
- Gifts or other favours shall not be offered or received in connection with contract bidding, evaluation or award.

#### 3.3 Money laundering

- Suppliers shall comply with all applicable laws and regulations governing the prevention of money laundering, and agree not to participate in any money laundering activities.

#### 3.4 Fair competition

- Suppliers shall always compete in a fair manner and comply with applicable antitrust laws and regulations. Suppliers shall not enter into agreements with competitors that could potentially breach antitrust laws or regulations, nor take any advantage of any dominant market position.

#### 3.5 Responsible trade

- Suppliers shall comply with all applicable international export, import and trade laws in all countries where Suppliers' conduct business, including applicable trade restrictions, sanctions or other measures resolved on by the EU or UN

### 3.6 Personal information

- Suppliers shall observe all applicable privacy laws when collecting, using and sharing personal information about individuals.

## 4. EMPLOYMENT AND WORKPLACE PRINCIPLES

### 4.1 Open and non-discriminatory workplace

- Suppliers shall treat their employees equally and fairly. Supplier shall not accept any form of illegal harassment or discrimination.
- Suppliers shall not tolerate retaliation relating to reporting, engaging in investigations or rejecting any form of harassment.

### 4.2 Human rights and fair working conditions

- Suppliers shall respect and support internationally proclaimed human rights.

#### **Forced labour**

- Suppliers shall not engage in any form of forced labour or employ people against their own free will, nor shall personnel be required to lodge “deposits” or identity papers upon commencing employment.

#### **Minimum age of labour**

- Suppliers shall only employ workers who are at least 15 years of age or the applicable minimum legal age, whichever is higher.
- Suppliers shall protect young workers, who are between 15 and 18, by limiting their schedules and tasks including heavy work, hazardous work and night shifts.

#### **Freedom of association and right to collective bargaining**

- Suppliers shall respect the rights of their employees, to the extent allowed by applicable laws and regulations, to form a workers' council, collective bargaining unit or other employee representations, and to enter into collective bargaining agreements

#### **Working hours**

- Suppliers shall comply with local law or agreements regarding working hours and do not permit working hours that are not in compliance with local laws and industry standards.

#### **Wages**

- Suppliers shall ensure that wages paid to employees and hired labour are considered fair and comply with local laws and regulations.

### 4.3 Healthy and safe work environment

- Suppliers shall work ambitiously, through continuous improvement, for a healthy, safe and secure work environment, which as a minimum is in accordance with applicable law.
- Suppliers shall strive towards a safe and injury-free workplace that protects the health and fosters the well-being of employees and all persons directly or indirectly related to the company's operations, for example contracted workers or consultants. No employee or individual at Suppliers' workplace should be at risk of injury.
- Suppliers shall commit to train their employees and work to increase employees' health and safety awareness, skills and knowledge for the purpose of preventing accidents and occupational illnesses as best as is feasible.

### 4.4 Concern for the environment

- Suppliers shall undertake their operations with due respect for the environment and a more sustainable future. Suppliers shall comply with relevant environmental laws and regulations and environmental permits. Suppliers shall work to minimize harmful discharge, emissions and waste production and thereby reduce Suppliers' environmental footprint and consumption of natural resources.
- Suppliers shall strive to understand the environmental impact of their activities and operations and, wherever possible, proactively prevent and reduce the harmful effects that Suppliers' actions and activities can have on people and the environment.

## 5. MONITORING AND COMPLIANCE

Any violation of the values and principles set forth in this Supplier Code of Conduct by Suppliers or any of the Suppliers' commonly owned or controlled affiliates may be regarded as a material violation of the contractual obligations towards Gränges.

### 5.1 Global sustainability requirements

We expect Suppliers to continuously monitor and review that they act in accordance with the expectations and requirements as set forth in this Supplier Code of Conduct. In the event that Suppliers suspect or conclude non-compliance with these principles and requirements Suppliers should without delay inform Gränges of this and of the work that has been done to resolve the situation. In such event, Suppliers agree to cooperate in good faith with Gränges to complete a self-assessment and to submit to a qualified third party to perform a sustainability audit at Suppliers' facilities, the results of which audit will be shared with Gränges.

Gränges reserves the right to immediately cease any business for cause with any Supplier who is in clear, verifiable violation of the values and principles set forth in this Supplier Code of Conduct.

## 5.2 Sustainability risk screening and desktop assessments

We also expect that significant<sup>1</sup> Suppliers complete an evidence-based desktop sustainability assessment, currently managed by an external party. Gränges annually screens its significant Suppliers in a desktop tool for potential environmental, social and corruption risks, and Suppliers identified to have a potential medium or high sustainability risk are required to complete such an assessment. We see this as a platform to enforce sustainable practices, ensure continuous improvements, develop collaboration and build lasting relationships with Suppliers.

## 5.3 Confirmation of compliance

We, the undersigned, hereby confirm on behalf of our company ("Supplier") that:

1. We have received and reviewed the values and principles set forth in this Supplier Code of Conduct.
2. By signing this document, we undertake to acknowledge and use our best efforts to comply with all requirements set forth herein and beyond any other contractual obligations that we might have entered into with Gränges or any of its affiliates.
3. This document shall be solely governed by the same laws that govern the commercial relationship between Supplier and the Gränges affiliates with whom we transact business and if not specified, the laws of the domicile of the purchasing Gränges affiliate.

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Name of Company

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Place/Date

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Authorized Signatory

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Name/Title

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Place/Date

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Authorized Signatory

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Name/Title

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<sup>1</sup> All metal suppliers (suppliers of primary ingots, purchased slabs, recycled aluminium, alloying elements) as well as other suppliers which have an annual purchase value above SEK 5 million or an equivalent amount in local currency.