

Mycronic Group Supplier Code of Conduct for Service Providers and non-critical Suppliers

Introduction

The purpose of this Supplier Code of Conduct for Service Providers and Non-Critical Suppliers ("SCoC-SP") is to outline the minimum ethical standards and expectations Mycronic AB and its group companies ("Mycronic") require its Suppliers (as defined below) to comply with when doing business with Mycronic in terms of protection of human rights, promoting fair employment conditions, ensuring safe working conditions, ensuring ethical business practices and responsible management of environmental issues. This SCoC-SP is based on the Ten Principles of the UN Global Compact.

In addition to the Suppliers compliance with all relevant laws, regulations and standards in the countries in which the Supplier operates, this SCoC-SP applies also when it stipulates a higher standard than required by national laws and regulations. This SCoC-SP forms an integral part of all contracts between the Supplier and Mycronic. Mycronic reserves the right to terminate business relationships with Suppliers who fail to comply with these standards.

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1 Definitions

"Supplier"	Is any person or legal entity which provides Mycronic with products or services. In addition to Suppliers who have a direct contractual relationship with Mycronic, this definition also includes the Suppliers' sub-suppliers.
"Mycronic Representatives"	Includes the company's employees and legal representatives.

2 Laws and Regulations

The Supplier is expected to operate in full compliance with applicable national, government and/or local laws, regulations and guidelines of the countries in which it operates and which are applicable to the Suppliers business operations. The Supplier shall also fulfil its legal obligations with respect to applicable agreements, understandings or any other binding obligation. This SCoC-SP goes further and sets out Mycronic's standards, in order to advance ethical, social and environmental responsibilities.

3 Human Rights

The Supplier is required:

- To respect human rights, including the internationally recognized standards in the Universal Declaration of Human Rights, and not be complicit in human rights violations within its sphere of influence.
- To duly map its human rights impacts whenever the need for such action is agreed.
- To have in place adequate remedial mechanisms in case of any human rights violations.

4 Labor Rights

These principles shall apply to all recruitment and employment practices such as applications for employment, promotion, access to training, job assignments, wages, benefits, rewards, transfers and redundancies.

4.1 Fair Employment Conditions

The Supplier is required:

- To ensure that no person below the minimum legal age for employment shall be employed or engaged.
- To recognize employees' freedom of association and right to bargain collectively. Representatives for trade unions shall not be subject to any discrimination.
- Not to use any kind of involuntary or forced labor.
- Not to harass or discriminate against any employee.
- To treat all employees fairly and respectfully.
- To fulfill all applicable legal Occupational Health and Safety requirements.

4.2 Wages and Working Hours

The supplier is required:

- To pay employees at least the minimum wage and applicable overtime wages.
- To ensure that the terms of the employment and working hours shall be fair and reasonable.

5 Environment

The Supplier is required to fulfill all environmental requirements defined in relevant laws, regulations and environmental permits.

6 Responsible Business

Mycronic has a zero-tolerance policy for any form of corruption and financial irregularity, for example bribery, facilitation payments, fraud, money laundering, extortion or embezzlement and requires adequate procedures in place to prevent bribery in all commercial dealings undertaken by the Supplier. The Supplier is required to conduct its business in full compliance with Mycronic's Supplier Code of Conduct for Service Providers and Non-Critical Suppliers, or the Suppliers' own equivalent ethical rules, whichever are stricter.

This means, among other things, that the Supplier is required and undertakes:

- To conduct business in full compliance with all applicable antitrust and fair competition laws.
- To prevent situations where there is a conflict of interest between the Supplier and Mycronic. Any conflict of interest in any business dealings with Mycronic, of which the Supplier is aware, shall be declared to Mycronic to allow Mycronic the opportunity to take appropriate action.
- To act in compliance with applicable procurement laws, regulations and particular procurement contracts when entering into business relations with governmental agencies and their officials.
- To act in compliance with all applicable anti-corruption and anti-bribery laws, by, among other things, refusing to receive anything of value for the purpose of obtaining or retaining business or any improper benefit or advantage.
- To ensure that all business and commercial dealings are transparently performed and accurately recorded in the Supplier's books and records, and that there is no actual or attempted participation in money laundering.
- To ensure that no confidential information in the Supplier's possession regarding Mycronic is used to either engage in or support insider trading.

7 Customs and Trade Restrictions

The Supplier is required:

- To conduct all transactions in accordance with applicable export control and customs laws and regulations.
- To conduct all business in compliance with laws, regulations and trade restrictions imposed by sanctions authorities e.g. governments, international organizations (such as the United Nations) and supranational bodies (such as the European Union).

8 Data Privacy, Cyber Security and IT

The Supplier is required to properly handle sensitive information, including confidential proprietary and personal information, and ensure that such information will not be used for any other purpose than for which it was provided. When obtaining and processing personal data, the Supplier must comply with all applicable laws and regulations on the processing of personal data and ensure an adequate level of data protection for both employees and customers.

The Supplier is required:

- To not use public computers with/or public networks in connection with assignments from Mycronic.
- To ensure that the IT equipment used to perform assignments from Mycronic is equipped with updated anti-virus protection and protection against breaches of the IT systems, such as a firewall or equivalent.
- To ensure that devices used for Mycronic assignments are password protected and that all employees has individual accounts with password protection. Passwords must be changed at least once every 6 months and follow best practice regarding password strength e.g., more than eight characters etc.
- To keep up to date on security related happenings.
- To apply healthy suspicion with regard to the reliability of websites and email messages. Email messages from an unknown origin or sender should not be opened, links shall not be clicked on and attachments shall not be opened. Caution shall be applied in respect to pop-up windows, advertisements and invitations.

8.1 Security reporting

The Supplier is required to report to Mycronic IT (corporateit@mycronic.com) if the Supplier suspects that there may have been a security breach or system abuse in the Suppliers IT environment.

If in doubt about the security level of your devices, please contact Mycronic prior to any data processing.

9 General Requirements

The Supplier is required to immediately report any non-compliance with this SCoC-SP to Mycronic.

Reports can be submitted confidentially and anonymously (where permitted by law) via Mycronic’s whistleblowing system. For more information or to raise a concern, please see Mycronic Whistleblowing Policy or visit <https://report.whistleb.com/mycronic>.

10 Guidance

Notwithstanding Mycronic’s right to terminate the agreement subject to section 16, in the event Mycronic finds the Supplier not meeting the requirements and expectations set out in this SCoC-SP, Mycronic may offer guidance specifying which issues need to be corrected or improved. The Supplier must then take corrective actions promptly as advised by Mycronic.

11 Enforcement

A breach of this SCoC-SP that is not possible to rectify or, if possible to rectify, is not rectified within thirty (30) days from notification will be considered a material breach of the main contract between Mycronic and the Supplier.

If Mycronic has the right to terminate the Agreement, such termination will also apply to all outstanding orders unless otherwise notified by Mycronic. This notwithstanding, a breach which causes Mycronic significant economic or reputational loss and which Mycronic cannot reasonably be expected to tolerate will always constitute a material breach without a right for the Supplier to rectify such breach.

Hereby _____ [Please fill in your company’s name] agrees to at all times comply with the ethical standards and requirements outlined in Mycronic Supplier Code of Conduct for Service Providers and Non-Critical Suppliers .

Company name:

Business ID number (if any):

Place:

Date:

Title:

Texted name:

Signature