

Polarium Supplier Code of Conduct

1. Introduction

At Polarium we believe that collaboration between employees, customers, suppliers, and investors can only succeed with trusting relationships that bind people together. For this reason, a strong code of ethical and professional conduct must be the foundation upon which Polarium relationships are built.

Polarium's Supplier Code of Conduct ("the Code") sets the principles for suppliers, their employees, agents, sub-contractors, and their sub-suppliers ("the Supplier") to ensure compliance with the standards that Polarium entails. We require the Supplier to conduct business according to set principles and comply with the laws and regulations of the countries they operate in.

Our supplier requirements are based on

- United Nations Global Compact
- RBA Code of Conduct 7.0
- The International Bill of Human Rights
- International Labor Organization Core Conventions
- ILO Fundamental Principles and Rights at Work
- ISO 14001 Environmental Management
- ISO 45001 and ILO Code of Practice in Safety and Health

2. Human and Labor Rights

Polarium respects and supports internationally proclaimed human rights, including the Universal Declaration of Human Rights adopted by the United Nations and expects the Supplier to respect all human rights, including labour rights, throughout its business activities.

2.1. Freedom of Association and Right to Collective Bargaining

Supplier shall grant its employees the right to Freedom of Association and Collective Bargaining in accordance with all applicable national laws and regulations or at least in accordance with the fundamental conventions of the International Labour Organization (ILO).

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2.2. Employment Conditions

Supplier's employees must be provided with wages and benefits that are fair and that meet basic needs and any national legal standard on minimum wage. The basis on which employees are being paid is to be clearly conveyed to them in a timely manner. Supplier must not apply disciplinary or any other forms of deductions from pay.

Supplier must ensure that its employees work in compliance with all applicable laws and mandatory industry standards pertaining to regular working hours, and overtime hours, including for breaks, rest periods, holidays, and maternity and paternity leaves.

2.3. Wages and Benefits

Compensation paid to workers shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. In compliance with local laws, workers shall be compensated for overtime at pay rates greater than regular hourly rates. Deductions from wages as a disciplinary measure shall not be permitted. For each pay period, workers shall be provided with a timely and understandable wage statement that includes sufficient information to verify accurate compensation for work performed. All use of temporary, dispatch and outsourced labor will be within the limits of the local law.

2.4. Working Hours

Studies of business practices clearly link worker strain to reduced productivity, increased turnover, and increased injury and illness. Working hours are not to exceed the maximum set by local law. Further, a workweek should not be more than 60 hours per week, including overtime, except in emergency or unusual situations. All overtime must be voluntary. Workers shall be allowed at least one day off every seven days.

2.5. Forced Labour

Supplier is expected to prohibit forced or compulsory labour in all its forms. Supplier shall ensure that the work relationship between the employees and Supplier is freely chosen and free from threats. Supplier is expected to ensure that all employees shall be free to terminate employment after a period or notice, in accordance with national laws and their employment contract.

2.6. Child Labour

The use of child labour by the Supplier is strictly prohibited, in line with the International Labour Organization conventions. No child below 15 years (or 14 in certain developing countries) is allowed to work, subject to exceptions allowed by the ILO or national law.

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. Suppliers shall ensure proper management of student workers through proper maintenance of student records, rigorous due diligence of educational partners, and protection of students' rights in accordance with applicable laws and regulations.

2.7. Non-Discrimination

Polarium is driven by diversity, equality, and fairness in all organizational decisions. At Polarium, we acknowledge – and appreciate – that all people are unique and valuable and are to be respected for their individual talents.

Supplier is expected to offer equal opportunities and treatment in respect of employment and occupation without any discrimination, including but not limited to, the basis of gender, religion, race, national or ethnic origin, cultural background, social affiliation, functional disability, sexual orientation, marital status, age, or political conviction.

2.8.Humane Treatment

There is to be no harsh or inhumane treatment including violence, gender-based violence, sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, bullying, public shaming, or verbal abuse of workers; nor is there to be the threat of any such treatment. Disciplinary policies and procedures in support of these requirements shall be clearly defined and communicated to workers.

2.9.Freely Chosen Employment

Forced, bonded (including debt bondage) or indentured labor, involuntary or exploitative prison labor, slavery or trafficking of persons is not permitted. This includes transporting, harboring, recruiting, transferring, or receiving persons by means of threat, force, coercion, abduction or fraud for labor or services. There shall be no unreasonable restrictions on workers' freedom of movement in the facility in addition to unreasonable restrictions on entering or exiting company provided facilities including, if applicable, workers' dormitories or living quarters. As part of the hiring process, all workers must be provided with a written employment agreement in their native language that contains a description of terms and conditions of employment. Foreign migrant workers must receive the employment agreement prior to the worker departing from his or her country of origin and there shall be no substitution or change(s) allowed in the employment agreement upon arrival in the receiving country unless these changes are made to meet local law and provide equal or better terms. All work must be voluntary, and workers shall be free to leave work at any time or terminate their employment without penalty if reasonable notice is given as per worker's contract. Employers, agents, and sub-agents may not hold or otherwise destroy, conceal, or confiscate identity or immigration documents, such as government-issued identification, passports, or work permits. Employers can only hold documentation if such holdings are required by law. In this case, at no time should workers be denied access to their documents. Workers shall not be required to pay employers' agents' or sub-agents' recruitment fees or other related fees for their employment. If any such fees are found to have been paid by workers, such fees shall be repaid to the worker.

3. Health and Safety

Supplier shall secure that employees are provided with a healthy and safe working environment in accordance with internationally recognized standards. Supplier shall identify hazards and monitor these to prevent accidents and occupational illness. Whenever necessary, employees are to be provided with, and instructed to use, appropriate personal protective equipment without any charge to employee. Supplier shall provide adequate and regular training to ensure that employees are adequately educated on health and safety issues, including but not limited to, fire safety, correct handling of chemicals and machinery, emergency preparedness and first aid.

3.1. Occupational Safety

Worker potential for exposure to health and safety hazards (chemical, electrical and other energy sources, fire, vehicles, and fall hazards, etc.) are to be identified and assessed, mitigated using the

Hierarchy of Controls, which includes eliminating the hazard, substituting processes or materials, controlling through proper design, implementing engineering and administrative controls, preventative maintenance and safe work procedures (including lockout/tagout), and providing ongoing occupational health and safety training. Where hazards cannot be adequately controlled by these means, workers are to be provided with appropriate, well-maintained, personal protective equipment, and educational materials about risks to them associated with these hazards. Reasonable steps must also be taken to remove pregnant women and 'nursing mothers from working conditions with high hazards, remove or reduce any workplace health and safety risks to pregnant women and nursing mothers, including those associated with their work assignments, and provide reasonable accommodations for nursing mothers.

3.2. Emergency preparedness

Potential emergency situations and events are to be identified and assessed, and their impact minimized by implementing emergency plans and response procedures including emergency reporting, employee notification and evacuation procedures, worker training, and drills. Emergency drills must be executed at least annually or as required by local law, whichever is more stringent. Emergency plans should also include appropriate fire detection and suppression equipment, clear and unobstructed egress, adequate exit facilities, contact information for emergency responders, and recovery plans. Such plans and procedures shall focus on minimizing harm to life, the environment, and property.

3.3. Occupational Injury and Illness

Procedures and systems are to be in place to prevent, manage, track, and report occupational injury and illness, including provisions to encourage worker reporting, classify and record injury and illness cases, provide necessary medical treatment, investigate cases, and implement corrective actions to eliminate their causes, and facilitate the return of workers to work.

3.4. Industrial Hygiene

Worker exposure to chemical, biological, and physical agents is to be identified, evaluated, and controlled according to the Hierarchy of Controls. If any potential hazards were identified, participants shall look for opportunities to eliminate and/or reduce the potential hazards. If elimination or reduction of the hazards is not feasible, potential hazards are to be controlled through proper design, engineering, and administrative controls. When hazards cannot be adequately controlled by such means, workers are to be provided with and use appropriate, well-maintained, personal protective equipment free of charge. Protective programs shall be ongoing and include educational materials about the risks associated with these hazards.

3.5. Physically Demanding work

Worker exposure to the hazards of physically demanding tasks, including manual material handling and heavy or repetitive lifting, prolonged standing, and highly repetitive or forceful assembly tasks is to be identified, evaluated, and controlled.

3.6. Machine Safeguarding

Production and other machinery shall be evaluated for safety hazards. Physical guards, interlocks, and barriers are to be provided and properly maintained where machinery presents an injury hazard to workers.

3.7. Sanitation, food, and housing

Workers are to be provided with ready access to clean toilet facilities, potable water and sanitary food preparation, storage, and eating facilities. Worker dormitories provided by the Participant, or a labor agent are to be maintained to be clean and safe, and provided with appropriate emergency egress, hot water for bathing and showering, adequate lighting and heat and ventilation, individually secured accommodations for storing personal and valuable items, and reasonable personal space along with reasonable entry and exit privileges.

3.8. Health and Safety communication

Participants shall provide workers with appropriate workplace health and safety information and training in the language of the worker or in a language the worker can understand for all identified workplace hazards that workers are exposed to, including but not limited to mechanical, electrical, chemical, fire, and physical hazards. Health and safety related information shall be clearly posted in the facility or placed in a location identifiable and accessible by workers. Training is provided to all workers prior to the beginning of work and regularly thereafter. Workers shall be encouraged to raise any health and safety concerns without retaliation.

4. Environmental Management

Suppliers shall develop, implement, and maintain environmentally responsible business practices. Suppliers shall identify the environmental aspects and associated impacts and minimize adverse effects on the community, environment, and natural resources within their operations, while safeguarding the health and safety of the public.

4.1. Environmental permits and reporting

All required environmental permits (e.g., discharge monitoring), approvals, and registrations are to be obtained, maintained, and kept current and their operational and reporting requirements are to be followed.

4.2. Pollution prevention and resource reduction

Emissions and discharges of pollutants and generation of waste are to be minimized or eliminated at the source or by practices such as adding pollution control equipment; modifying production, maintenance, and facility processes; or by other means. The use of natural resources, including water, fossil fuels, minerals, and virgin forest products, is to be conserved by practices such as modifying production, maintenance and facility processes, materials substitution, re-use, conservation, recycling, or other means.

4.3. Hazardous substances

Chemicals, waste, and other materials posing a hazard to humans, or the environment are to be identified, labelled, and managed to ensure their safe handling, movement, storage, use, recycling or reuse, and disposal.

4.4. Solid waste

Suppliers shall implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle solid waste (non-hazardous).

4.5. Air emissions

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting substances, and combustion by products generated from operations are to be characterized, routinely monitored, controlled, and treated as required prior to discharge. Ozone depleting substances are to be effectively managed in accordance with the Montreal Protocol and applicable regulations. Suppliers shall conduct routine monitoring of the performance of its air emission control systems.

4.6. Material restrictions

Suppliers are to adhere to all applicable laws, regulations, and customer requirements regarding the prohibition or restriction of specific substances in products and manufacturing, including labeling for recycling and disposal.

4.7. Water Management

Suppliers shall implement a water management program that documents, characterizes, and monitors water sources, use and discharge; seeks opportunities to conserve water; and controls channels of contamination. All wastewater is to be characterized, monitored, controlled, and treated as required prior to discharge or disposal. Suppliers shall conduct routine monitoring of the performance of its wastewater treatment and containment systems to ensure optimal performance and regulatory compliance.

4.8. Energy consumption

Suppliers shall monitor their direct and indirect energy use and quantify the associated environmental impacts. Actions to increase energy efficiency and reduce energy-related environmental impacts shall be taken. Whenever applicable, the Supplier shall prioritise using renewable energy-sourced over fossil energy-based electricity within their operations.

4.9. GHG Emissions

Suppliers shall establish a corporate-wide greenhouse gas reduction goal in line with the GHG Protocol. All relevant Scopes 1 and 2 greenhouse gas emissions within the Supplier's business activities shall be tracked, documented, and publicly reported against the greenhouse gas reduction goal.

5. Business Integrity

5.1. Corruption and Bribery

Polarium believes in fair competition and is firmly opposed to all forms of corruption. Supplier shall comply with all applicable laws and regulations on bribery and corruption, including, but not limited to, the U.S. Foreign Corrupt Practices Act (FCPA), the UK Bribery Act 2010 (UKBA), and other applicable national anti-bribery statutes and implementing rules and regulations.

Supplier must never, directly or through intermediaries, offer, request, arrange, promise, or signal the acceptance or giving of a bribe or a kick-back to Polarium employees or representatives or anyone closely related to these, or any other third party in order to obtain or retain a business or other advantage. This includes both bribing of private companies and individuals, as well as the bribing of government/public officials. It is also prohibited to provide any kind of facilitation payments, i.e., a payment to expedite or speed up a routine government action.

5.2. Conflicts of interest

Supplier shall inform Polarium if any Polarium employee has an interest in the Supplier's business which might cause a conflict of interest. A conflict of interest is presumed and must be disclosed if the Polarium employee has a significant financial stake in the Supplier or is negotiating, dealing or in any way interacting with an individual in the Supplier's organization such as spouse, domestic partner, other family member or relative or close friend of the Polarium employee. Supplier shall err on the side of caution and disclose any kind of familial or business ties that may be perceived as a conflict of interest.

5.3. Gifts and Entertainment

Supplier shall not, directly, or indirectly, offer gifts, entertainment, or any hospitality to Polarium employees or representatives or anyone closely related to these, or any other third party, that would constitute a bribe, any violation of laws or could suggest a conflict of interest, or a risk that affects loyalty or influences business decisions. Gifts, entertainment, or hospitality shall never be given or accepted if it can be perceived that they are for the specific purpose of influencing a business decision. Supplier shall never offer gifts, entertainment or hospitality to any public official or their spouses, family members or other close relatives, on behalf, in furtherance of or for the benefit of Polarium.

5.4. Sponsorships, donations and charity

The Supplier shall not, directly or indirectly, offer or accept sponsorship, donation or charity to or from Polarium employees or representatives or anyone closely related to these, or any other third party, if there is a risk that the contribution may be seen as a form of bribe or could otherwise risk influencing the recipients' integrity and business decisions, or create a perceived conflict of interest.

5.5. Responsible sourcing of raw materials

Suppliers are expected to exercise due diligence on the source and chain of custody of raw materials such as, but not limited to, Gold, Tin, Tantalum, Tungsten, Mica, Cobalt etc. in the components and products that they manufacture. Suppliers need to reasonably assure that the material used is sourced in a way consistent with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas or an equivalent and recognized due diligence framework.

Suppliers shall share the information related to the due diligence upon request.

5.6. Intellectual Property

Intellectual property rights are to be respected, transfer of technology and know-how is to be done in a manner that protects intellectual property rights, and customer and supplier information is to be safeguarded.

5.7.No Improper Advantage

Bribes or other means of obtaining undue or improper advantage are not to be promised, offered, authorized, given, or accepted. This prohibition covers promising, offering, authorizing, giving, or accepting anything of value, either directly or indirectly through a third party, in order to obtain or retain business, direct business to any person, or otherwise gain an improper advantage. Monitoring, record keeping, and enforcement procedures shall be implemented to ensure compliance with anti-corruption laws.

5.8.Protection of Identity and Non-Retaliation

Programs that ensure confidentiality, anonymity and protection of supplier and employee whistleblowers¹ are to be maintained, unless prohibited by law. Suppliers should have a communicated process for their personnel to be able to raise any concerns without fear of retaliation.

5.9.Fair Business, Advertising and Competition

Standards of fair business, advertising and competition are to be upheld.

5.10. Disclosure of information

All business dealings should be transparently performed and accurately reflected in the Participant's business books and records. Information regarding participant's labor, health and safety, environmental practices, business activities, structure, financial situation, and performance is to be disclosed in accordance with applicable regulations and prevailing industry practices. Falsification of records or misrepresentation of conditions or practices in the supply chain are unacceptable.

6. Reporting violations

It is the responsibility of the Supplier to make sure that both the content and the spirit of the Code is communicated, understood, and acted upon within their organizations and to encourage employees to reveal behaviour that may be non-compliant with the Code. Explicit or implicit approval of questionable actions will not be tolerated. As soon as any person suspects or has knowledge about any activities, taking place at Polarium or at the Supplier, that may be in violation of this Code, it is this person's responsibility to report it.

Polarium offers an online whistleblowing channel, with the possibility to report and communicate anonymously. Please visit our website to read more about or whistleblowing channel and to submit your report: <https://polarium.com/whistleblower/>

The Supplier shall not retaliate or in any form punish an individual for exercising their right to blow the whistle on suspected misconduct.

6.1. Management Systems

Supplier shall adopt or establish a management system with a scope that is related to the content of this Code. The management system shall be designed to ensure: (a) compliance with applicable laws, regulations and customer requirements related to the participant's operations and products; (b) conformance with this Code; and (c) identification and mitigation of operational risks related to this Code. It should also facilitate continual improvement.

6.2. Audits and Assessments

Supplier shall conduct periodic self-evaluations to ensure conformity to legal and regulatory requirements. The supplier is required to participate in Polarium's Supplier self-assessments and facilitate online and onsite audits by Polarium.

6.3. Corrective action plan

The supplier shall have a process for timely correction of deficiencies identified by internal or external assessments, inspections, investigations, and reviews.

6.4. Compliance and Monitoring

The Supplier is expected to comply with the local laws and regulations in force. Where differences exist between local law and the Code, Supplier must apply either the Code or local requirements – whichever sets the highest standard of behaviour. Polarium reserves the right to terminate the contract at identification or failure to mitigate the risk through corrective action plan.

7. References and associated documents

- United Nations Global Compact
www.unglobalcompact.org
- RBA Code of Conduct
www.responsiblebusiness.org
- The International Bill of Human Rights
www.ohchr.org/en/universal-declaration-of-human-rights
- International Labor Organization Core Conventions
www.ilo.org/asia/decentwork/dwcp/WCMS_143046/lang--en/index.htm
- ILO Fundamental Principles and Rights at Work
<https://www.ilo.org/declaration/lang--en/index.htm>
- ISO 14001 Environmental Management
www.iso.org
- ILO Code of Practice in Safety and Health
www.ilo.org/public/english/protection/safework/cops/english/download/e000013.pdf
- ISO 45001
www.iso.org/standard/63787.html
- OECD OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High Risk Area
www.oecd.org/corporate/mne/mining.htm