

# Supplier Code of Conduct



# Purpose and objectives

**In an ever-changing and increasingly digitalized world, there is urgent need for tactical IT systems that are fit for purpose and produce the desired effect. MilDef provides unique solutions to those needs with high quality, speed, and accuracy.**

MilDef strives to conduct business responsibly and in compliance with applicable laws and regulations.

Our Suppliers play an important part in our sustainability journey, and we can never succeed without our partners and suppliers in the value chain. In our vision to become;

## Your number one choice for tactical IT.

we therefore need all Supplier’s full commitment to support us on this sustainability journey through the care they invest in the parts, components, and services they deliver.

We encourage our suppliers to establish their own codes of conduct based on similar standards.

Any external part providing materials, products, or services to MilDef is included in the concept of a Supplier. This code applies to all MilDef Suppliers. If a supplier fails to meet our expectations as set out in the Supplier Code of Conduct, MilDef’s general approach is to encourage improvement. The expectation is supported by our work with continuous improvement where we learn from our mistakes, solve issues before they potentially cause harm or risk, identify root causes and to continuously improve our methods and processes. Critical deviations or repeated unwillingness to make improvement, however, may jeopardize the supplier’s relationship with MilDef. MilDef expects our suppliers to work in a similar fashion and improve to create value together.

At MilDef we believe in healthy and fair business relations with customers, suppliers, partners, colleagues, and other stakeholders. At all levels, people shall be treated with a service-minded approach and utmost respect. To reinforce this approach, the MilDef Group of Companies has adopted a set of core values:

Proactivity	Priority	Integrity	Unity
			
Plan for the future; act today	Put 80% effort on the 20% that matters most	We say what we do and we do what we say	Work together as one

Adding to the core values, MilDef has through this Supplier Code of Conduct adopted a set of principles inspired by the UN Global Compact.

## General requirements

MilDef design and sell products and services to a variety of industries and business segments. Our ability to serve our customers are based on a global and agile supply chain. The mandatory requirements, applicable laws and regulations, industry practices and codes of practice governed in the value chain are reflected in this Code of Conduct and suppliers are expected to operate accordingly.

Flow down of the content shall be done to employees, parent, subsidiaries and affiliates as well as sub-contractors in a manner that is understood by everyone. Our suppliers are further expected to have documented processes for passing down applicable requirements through their supply chains.

## Ethical and Social Sustainability

### Labor standards

All work shall be voluntary, and the supplier must actively work to not recourse to any use of forced, bonded, or indentured labor. Our suppliers shall comply, at a minimum, with all applicable labor laws and regulations, including those pertaining to minimum wages, overtime work, danger pay, and other benefits and entitlements mandated. Payment of wages shall be done in regular intervals, not longer than one month, in full and directly to the workers concerned. The wages, hours of work and other working conditions provided by suppliers shall be not inferior to the best conditions existing locally, for work of the same character performed in the same working position and environment.

Supplier shall not employ children below the minimum age of employment or completion of compulsory schooling. All works under 18 shall be protected from performing any work that is potentially hazardous or may interfere with the child's education or that may harm the child's health, physical, mental, social, spiritual or moral development.

All workers shall have the same rights of opportunity and treatment in respect of employment and occupation without discrimination on grounds of gender, race, or ethnic origin, religion or belief, age, social status or sexual orientation. This includes recourse from engaging in discriminatory employment practices relating to recruitment, promotion, training, remuneration and benefits.

MilDef expects its entire supply chain to work in compliance with national occupational health & safety legislation and to promote safe & healthy workplaces. At minimum, suppliers shall ensure access to clean water and sanitary facilities, fire safety, emergency preparedness, and response, industrial hygiene, adequate lightning and ventilation, occupational injury and illness treatment facilities, machine safeguarding and adequate housing, where applicable.

### Human Rights

MilDef commits to respect human rights, which means to avoid infringing on the human rights of others and to address these impacts where they occur, as set out in the UN Guiding Principles on Business and Human Rights. MilDef commits to respect any internationally recognized human rights standards – understood, at a minimum, as the International Bill of Rights and the ILO's Declaration on the Fundamental Principles and Rights at Work. All Suppliers are expected to comply these standards and perform due diligence activities within its supply chain to safeguard proper human rights conditions are met.

### Corruption and bribery

MilDef promotes healthy long-term business ethics with all its stakeholders and counteracts any form of corruption. MilDef is strongly committed to comply with applicable antitrust laws that prohibits illegal agreements between competitors that undermine competition, this includes bribes, influence payments, kickbacks or other unlawful payments to any government or similar agency officials. Our suppliers are expected to adhere to the highest standards of moral and ethical conduct and shall not engage in any form of corrupt practices, included but limited to extortion, fraud or bribery in accordance with United Nations Convention against Corruption.

**Controversial Materials and Conflict Minerals**

Supplier are expected to provide products made from material, including constituent minerals that are sourced responsibly, including adequate due diligence, and to support efforts to eliminate the use of any mineral which directly or indirectly finance or benefit groups that imposes serious violation to human rights.

## Climate and Environment

MilDef strives to protect our environments and to minimize our impact on the climate. Supplier are encouraged to undertake initiatives to promote greater environmental and climate responsibility within its own operation and throughout the value chain by measuring, manage and where applicable reduce impact and emissions.

Our suppliers are also expected to, at a minimum, follow applicable laws and regulations as well as conduct their business in a manner that actively manages environmental risks.

## Trade Controls and Sanction

Our suppliers are expected to have established processes to ensure that their business conduct is complying with all applicable laws and regulations governing export, re-export, transfer and import of controlled hardware, technical data, software and services.

All suppliers are required to conduct their business comply with all relevant financial sanctions, trade embargoes and other restrictive measures imposed by any applicable government authority, including but not limited to the European Union, the United Nations, and the USA. Compliance processes shall include screening of third parties with whom they do business.

## Counterfeit Goods

All products delivered to MilDef are expected to be free from counterfeit parts and material. MilDef expects our supplier to only use parts and materials from original equipment or components manufacturers, or their authorized sources, and to comply with applicable laws, regulations and industry protocols.

Suppliers shall implement and maintain methods and processes, appropriate to their products to prevent the usage of counterfeit parts and materials. Any part or material detected shall be reported, quarantined and prevented from re-entering into the supply chain

## Information security

MilDef expects all suppliers to develop, implement and maintain adequate security measures to protect information including confidential, proprietary, personal, export controlled, government security classified and controlled unclassified information that are created, collected, handled, stored or are responsible for, in accordance with applicable laws, regulations, contractual requirements, regardless of whether such information belong to the supplier, MilDef or out customers.

Suppliers are expected to proactively address security issues and to notify and support MilDef of remedying any security breach.

## Misconduct

MilDef care for an open business climate and want to work in a long-term and sustainable way. As part of this work, we have set up a whistleblower solution to quickly detect any misconduct that could seriously damage our value chain, our operations, or our employees.

If you have become aware of or suspect that someone active within MilDef or in our value chain is not acting in accordance with current legislation or our Code of Conduct, this shall always be reported. In the first instance, misconduct shall be reported to your direct contact at MilDef. If this is not possible, you can use our whistleblowing solution, which is managed by an external party with extensive experience in these types of cases.

Our hope is that malpractices can be quickly noticed and remedied before the underlying causes grow.

The whistleblower solution offers you as a whistleblower the opportunity to be anonymous and the report is handled with the utmost confidentiality by our partner.

## Scope and availability

The policy applies to all entities within the Group.

Possibly affected key stakeholder groups: Suppliers, Sub-suppliers, Customers, Investors

This Policy is disclosed internally on the company Intranet, and externally on the company Supplier Portal.

This Policy is part of the MilDef Terms and Conditions and apply to all Suppliers to MilDef.