

Supplier Code of Conduct

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Arnos Australia Pty. Ltd. expects all its suppliers and subcontractors to share the principles which are expressed in this Supplier Code of Conduct and that comprise an important component of supplier selection and evaluation. Moreover, we expect our suppliers to replicate these standards further down the supply chain. This Supplier Code of Conduct is therefore made available to our suppliers with the goal of strengthening our mutual understanding of how sustainability should be practiced in day-to-day business.

1. Ethics

To meet social responsibilities, suppliers are expected to conduct their business in an ethical manner and to act with integrity. Ethical requirements include the following aspects:

Business Integrity

Suppliers are expected not to practice or tolerate any form of corruption, extortion or embezzlement. Suppliers will not offer or accept bribes or other unlawful incentives to / from their business partners. Suppliers are expected not to offer to Arnos Australia Pty. Ltd. employee's gifts, or any other kind of personal benefit resulting from the relationships with the suppliers. Only token gifts and entertainment provided they are appropriate to the intended business purpose and consistent with local business practice and laws are acceptable.

Fair Competition

Suppliers will conduct their business in line with fair competition and in accordance with all applicable anti-trust laws.

Privacy & Intellectual Property

Suppliers will safeguard and make only appropriate use of confidential information and ensure that all employees' and business partners' privacy and valid intellectual property rights are protected.

Identification of Concerns

Suppliers will provide means for their employees to report concerns or potentially unlawful activities in the workplace. Any report should be treated in a confidential manner. Suppliers will investigate such reports and take corrective action if needed.

Conflict Minerals

Suppliers are expected to ensure that products supplied to Arnos Australia Pty. Ltd. do not contain metals derived from minerals or their derivatives originated from conflict regions that directly or indirectly finance or benefit armed groups.

2. Labour

Suppliers are expected to protect the human rights of their employees and to treat them with dignity and respect. This includes the following aspects:

Child Labour Avoidance

We do not tolerate child labour in our supply chain. Suppliers should avoid any sort of child labour in their business operations consistent with the ILO's² (International Labour Organization) core labour standards and the United Nations Global Compact principles.

Freely Chosen Employment

We do not tolerate slavery, servitude and forced or compulsory labour and human trafficking in our supply chain. Bonded, indentured or involuntary prison labour is not accepted as well.

Diversity and Inclusion

Equal treatment of all employees will be a fundamental principle of the supplier's corporate policy. Typical discriminatory treatment takes into consideration – consciously or unconsciously – irrelevant characteristics of an employee such as race, national origin, gender, age, physical characteristics, social origin, disability, union membership, religion, family status, pregnancy, sexual orientation, gender identity, gender expression or any unlawful criterion under applicable law. Suppliers will ensure that their employees are not harassed in any way.

Arnos Australia Pty. Ltd. encourages suppliers to provide an inclusive and supportive working environment and to exercise diversity when it comes to their employees as well as in their decisions to select subcontractors.

Fair Treatment

Suppliers will provide their employees with a workplace free of harsh and inhumane treatment, without any sexual harassment, sexual abuse, corporal punishment or torture, mental or physical coercion or verbal abuse of employees, or the threat of any such treatment.

Suppliers are expected not to unfairly terminate any employment contract or without clear evidence specify that the termination of an employment contract, in relation to the working performance of an employee, is permitted by law.

Working Hours, Wages and Benefits

Working hours for suppliers' employees will not exceed the maximum set by the applicable national law. Compensation paid to employees will comply with applicable national wage laws and ensure an adequate standard of living. Unless otherwise provided by local laws, deductions from basic wages as a disciplinary measure will not be permitted (this does not exclude the entitlement of damages on a contractual or legal basis). Suppliers are expected to provide their employees with fair and competitive compensation and benefits. Compensation and benefits should aim at providing an adequate standard of living for employees and their families. Suppliers' employees will be paid in a timely manner.

Freedom of Association

Suppliers will be committed to an open and constructive dialogue with their employees and workers' representatives. In accordance with local laws, suppliers will respect the rights of their employees to associate freely, join labour unions, seek representation, join works councils and engage in collective bargaining. Suppliers will not disadvantage employees who act as workers' representatives.

3. Health, Safety, Environment, and Quality

Suppliers are expected to provide a safe and healthy working environment and, if applicable, safe and healthy company living quarters, and to operate in an environmentally responsible and efficient manner. Suppliers will integrate quality into their business processes. This comprises the following aspects:

Quality Requirements

Suppliers will meet generally recognized or contractually agreed quality requirements in order to provide goods and services that consistently meet Arnos Australia Pty. Ltd.'s needs, perform as warranted and are safe for their intended use.

Regulations

Suppliers will comply with all applicable quality, health, safety and environmental regulations. All required permits, licenses and registrations will be obtained, maintained and kept up-to-date. Suppliers will fulfil their operational and reporting requirements.

Product Safety

Material safety data sheets containing all necessary safety-relevant information will be made available by suppliers for all hazardous substances and will be provided to Arnos Australia Pty. Ltd. and other parties in case of a legitimate need.

Occupational Health and Safety

Suppliers will protect their employees from any chemical, biological and physical hazards and physically demanding tasks in the workplace as well as from risks associated with any infrastructures used by their employees.

Suppliers will provide appropriate controls, safe work procedures, preventative maintenance and necessary technical protective measures to mitigate health and safety risks in the workplace. When hazards cannot be adequately controlled by these means, suppliers will provide employees with appropriate personal protective equipment. Safety information relating to hazardous materials.

A safe and healthy working environment also includes as a minimum potable drinking water, adequate lighting, temperature, ventilation and sanitation and, if applicable, safe and healthy company living quarters.

Process Safety

Suppliers will have safety programs in place for managing and maintaining all their production processes in accordance with the applicable safety standards. Suppliers will address product-related issues and their potential impact during all stages of the production process. For hazardous installations the supplier will conduct specific risk analyses and implement measures that prevent the occurrence of incidents such as chemical releases and/or explosions.

3. Health, Safety, Environment and Quality

Emergency Preparedness, Risk Information and Training

Suppliers will make available safety information on identified workplace risks and suppliers' employees will be correspondingly trained to ensure they are adequately protected. Suppliers will identify and assess likely and potential emergency situations in the workplace and minimize their impact by implementing emergency plans and response procedures.

Waste and Emissions

Suppliers will have systems in place to ensure the safe handling, movement, storage, recycling, reuse and management of waste, air emissions and wastewater discharges. Any of these activities that have the potential to adversely impact human or environmental health will be appropriately managed, measured, controlled and handled prior to release of any substance into the environment. Suppliers will have systems in place to prevent or mitigate accidental spills and releases into the environment.

Resource Conservation and Climate Protection

Suppliers are expected to use natural resources (e.g. water, sources of energy, raw materials) in an economical way. Negative impacts on the environment and climate will be minimized or eliminated at their source or by practices such as the modification of production, maintenance and facility processes, material substitution, conservation, recycling and material reutilization. Suppliers will engage in the development and use of climate-friendly products and processes to reduce power consumption and greenhouse gas emissions.

4. Management Systems

Suppliers are expected to implement management systems to facilitate compliance with all applicable laws and to promote continuous improvement with respect to the expectations set forth in this Supplier Code of Conduct.

This includes the following aspects:

Legal and Other Requirements

Suppliers will comply with all applicable laws, regulations, contractual agreements and generally recognized standards.

Communication of Sustainability Criteria in Supply Chain

Suppliers will communicate the principles set forth in this Supplier Code of Conduct to their supply chain.

Commitment and Accountability

Suppliers are encouraged to fulfil the expectations set forth in this Supplier Code of Conduct by allocating appropriate resources.

Risk Management

Suppliers are expected to implement mechanisms to identify, determine and manage risks in all areas addressed by this Supplier Code of Conduct and with respect to all applicable legal requirements.

Documentation

Suppliers are expected to develop adequate documentation to demonstrate that they share the principles and values expressed in this Supplier Code of Conduct. This documentation may be reviewed by Arnos Australia Pty. Ltd. upon mutual agreement.

Training and Competency

Suppliers will establish appropriate training measures to allow their managers and employees to gain an appropriate level of knowledge and understanding of the contents of this Supplier Code of Conduct, the applicable laws and regulations and generally recognized standards.

Continuous Improvement

Suppliers are expected to continuously improve their sustainability performance by implementing appropriate measures.

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