

**BUSINESS
PARTNER
CODE
OF CONDUCT**

Adapteo.

Business Partner Code of Conduct

Approved by the Adapteo Board of Directors (“Board”)
20 September 2022

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Introduction

By providing buildings that adapt to people and the planet we enable societies to become resilient and sustainable.

Adapteo's purpose is "Building adaptable societies". We believe that society will go through immense change in the years to come. As our ways of life, user needs, and sustainability demands evolve, facilities have to transform accordingly.

Sustainability is an integrated part of our brand and services. With a circular construction concept, Adapteo provides buildings that can adapt to the needs of both people and planet. We use climate-smart raw materials, resource-efficient production, innovation and an inclusive approach. We offer adaptable solutions that help our customers become more sustainable. We also work to ensure ethical business practices in our operations and through our value chain.

Adapteo is a signatory to the UN Global Compact and we are committed to its fundamental principles on human rights, labour rights, the environment and anti-bribery and corruption throughout our operations. This also includes building sustainable relationships with any individual or business that acts on behalf of Adapteo, or performs any services for or on behalf of Adapteo, in any capacity (our "Business Partners"). We take responsibility for the Business Partners we cooperate with and expect from them the same level of integrity, honesty and ethical behaviour as they can expect from us, including securing that their own Partners do too.

Business Partners can include suppliers, distributors, agents, resellers, joint venture partners, consultants, customers and strategic partners.

At Adapteo, we are proactive, collaborative and committed, always with our customers' best interests in mind. We seek collaborations in every area, both internally and externally, and we are committed to delivering the best solutions to our customers at all times, having both people and the planet in mind, and to build adaptable societies together. Adapteo prioritises long-term collaboration with Business Partners who work to strengthen our and their reputation for the highest ethical standards and for long term sustainable profitability. This will improve our joint businesses. Our Business Partners play a critical role for our brand building and our high quality standards, and this is why we have developed this Business Partner Code of Conduct ("The Business Partner Code") and we require our Business Partners to make every effort to comply with it.

Requirements

1 Legal compliance

Ensuring awareness of, and compliance with, relevant legal requirements is the baseline for complying with The Business Partner Code.

We expect our Business Partners to be updated on, and comply with, applicable international regulations and conventions, as well as regional and national legislation together with the content in this Business Partner Code. If the requirements of this Code are stricter than local laws, the Business Partner shall follow the Code.

Business Partners shall:

- Comply with relevant legislation regarding human rights, labour rights, working conditions, health and safety, environment, tax, anti-bribery and corruption and anti-money laundering practices, as well as the requirements set out in this document, and obtain all legally required permits, licenses and registrations.
- In cases where local laws or regulations provide a stronger protection than the requirements in The Business Partner Code, allow such local laws or regulations to prevail.
- Be aware of whether any domestic regulation or its enforcement is in conflict with international human rights standards, and strive to honour the spirit of universally recognised human rights.
- Communicate transparently. Provide correct and consistent information to its stakeholders in a timely manner and in accordance with applicable stock exchange rules.
- Be able to demonstrate their compliance with local legal requirements upon request.

2 Health and safety

Health and safety are fundamental at Adapteo. Business Partners shall provide a safe and healthy working environment and take all practicable steps to prevent incidents and injuries.

Business Partners must have an adequate, risk-based health and safety program, including, for example, a health and safety policy, relevant instructions and training that is understandable to all employees. The scope of the health and safety program must be appropriate in relation to the nature of the business and risks related to the business. The program must include, at minimum, the following activities.

- **Safe and healthy workplaces:** The Business Partner ensures a safe working environment and provides adequate information, training, facilities, provisions and protective equipment to safeguard the health and wellbeing of all personnel.
- **Workplace conditions:** The Business Partner ensures that the work premises are clean, well lit, adequately ventilated and kept at acceptable temperatures and noise levels, and provides free access to clean drinking water, hygienic toilets and clean areas to eat meals. If accommodation is provided, ensures that each employee has the right to his/her own bed. Provides separate sleeping areas, toilets and showers for men and women.
- **Designing safe products:** The Business Partner assures that its products and services are designed, produced and provided with relevant safety information such that they are safe for their intended use.

3 Labour and human rights

It is of great importance that Adapteo's Business Partners treat their employees fairly, with dignity and respect, and that they respect human rights.

- **Protecting Human Rights.** The Business Partner is aware of, respects and upholds human rights in its operations and makes reasonable efforts to ensure it is not complicit in human rights violations via its business relations.
- **No discrimination.** The Business Partner does not tolerate discrimination, harassment or less favourable treatment in hiring and employment practices, due to gender, age, ethnic origin, different age groups, religion, trade union activity, pregnancy or other legally protected characteristics.
- **No forced or compulsory labour.** The Business Partner ensures that all work by employees and contract personnel is voluntary and all workers are free to leave upon reasonable notice. No employees or contract personnel are forced to deposit money, passports, education certificates or similar documentation as a condition for employment.
- **No child labour.** The Business Partner does not employ any person younger than the age for completing compulsory education or younger than 15 years. The Business Partner ensures that young people above minimum age but under 18 years are not subjected to working conditions that jeopardise their education, health or safety.
- **No precarious employment.** The Business Partner ensures that their employment relationships do not cause insecurity or social or economic vulnerability for their workers. All work is performed according to a recognised and documented employment relationship and the Business Partner does not use sub-contracting to undermine the rights of workers.
- **Working hours:** The Business Partner complies with applicable laws and industry standards on working hours.
- **Employee conditions:** The Business Partner informs all employees of their employment conditions, including rights and obligations, in the employee's native language or a language they understand, for example in a written labour contract.
- **Fair remuneration.** The Business Partner complies with relevant governments' minimum wages, or industry standards approved on the basis of collective bargaining, whichever is higher. Ensure that employees with the same experience and qualifications receive equal pay for equal work and equal opportunities.
- **Freedom of association and right to collective bargaining.** The Business Partner respects the right of all employees to form and join trade unions and to bargain collectively and individually.

4 Environment

Protecting the environment and contributing to sustainable development is of great importance to Adapteo.

Business Partners shall actively strive to increase the positive, and limit the negative, impact of their operations and supply chain on the environment and society.

- **Environmental risks:** The Business Partner shall establish, implement and maintain a risk-based program to reduce or minimise any negative environmental impact from its activities, products and services.
- **Precautionary measures and climate neutral techniques:** The Business Partner takes a precautionary approach to environmental challenges, undertakes initiatives to promote greater environmental responsibility, and strives to develop and support climate neutral techniques in their products, processes, designs and material selection.

- **Environmental responsibility:** The Business Partner shall actively work with, and provide information and documentation pertaining to the following areas:
 - Chemical and hazardous material management
 - Waste management
 - Emissions to air, water and soil
 - Energy management
 - Water consumption
 - Transport and travel

Business Partner-specific requirements and targets related to environmental performance may be defined in commercial agreements.

- **Sustainability policy and targets:** The Business Partner shall be aware of and contribute to Adapteo's sustainability policy, strategy and targets.

5 Anti-bribery and corruption, anti-money laundering and competition law

Adapteo is committed to conducting business with high ethical integrity. We have zero tolerance of bribery and corruption or money laundering. We also respect competition laws which prohibit anticompetitive agreements and abuse of market power.

- **Secure anti-bribery and corruption compliance.** The Business Partner complies with local laws and international anti-bribery and corruption conventions and shall not engage in, or cause Adapteo to engage in, any form of corrupt practices, including extortion and bribery or by giving a financial advantage (e.g. cash, cheque, bank transfer) or any other kind of advantage, benefit or thing of value to another party on Adapteo's behalf. We appreciate good working relations, but gifts, entertainment and hospitality should (i) only be given or received by the Business Partner if they are directly related to a business purpose, provided there is no obligation on either side, and (ii) never be given to influence any act or decision of a person in his or her official capacity. It is key for Adapteo to bear our own costs. We consider moderate representation at lunches and dinners for business purposes legitimate, but do not accept event fees, or expenses for travel and lodging to be covered by our Business Partners. We do not accept gifts from Business Partners, and Business Partners should not accept gifts when providing services on our behalf.
- **Secure anti-money laundering compliance.** The Business Partner complies with all applicable anti-money laundering laws and regulations and shall not engage in, or cause Adapteo to engage in, any form of laundering of criminal property.
- **Secure fair competition compliance.** The Business Partner respects and complies with applicable competition laws and regulations, and establishes systems to prevent competition law infringements. Adapteo's employees and Business Partners shall not participate in any collaboration or behave in any other manner that could be perceived as restricting competition. Adapteo's employees and Business Partners are aware that the information, working documents and systems provided by Adapteo, or which are developed based on information provided by Adapteo, and which are not public, must be treated as confidential. Adapteo's employees and Business Partners show caution in handling the company's documents and information.

6 Responsible sourcing

The Business Partner commits to work proactively to ensure that raw materials such as minerals and wood in its products and its supply chain are responsibly sourced. The Business Partner is therefore expected to have a policy and a due diligence framework at the centre of its sourcing activities to identify materials, goods and services that are at risk of causing harm or negatively impact human rights and/or the environment. If national laws or regulations require higher standards than outlined in this Code then those shall prevail. Documentation of such policy and practices shall be provided to Adapteo upon request.

In addition to this Code, Business Partners providing materials to Adapteo shall pay specific attention to Appendix 1 – Specific materials and product requirements, that contains a list of substances and materials that are restricted and/or require evaluation. Business Partners shall also adhere to Adapteo's Packaging Manual regarding approved and restricted packaging materials that will be updated from time to time.

7 Compliance and follow-up

We encourage our Business Partners to strive towards continuous improvement, and to establish, implement and maintain recognised management systems and standards related to the areas described in The Business Partner Code. Risk assessment, implemented policies, processes and routines, clearly communicated roles and responsibilities, relevant training and instructions, establishment, and performance evaluation of measurable goals, along with functioning control systems, serve as the foundation for a successful implementation of The Business Partner Code.

All business relations between Adapteo and our Business Partners must be based on honesty, trust and cooperation. The Business Partner co-operates with Adapteo in a transparent manner, provides Adapteo with any information that Adapteo may request regarding the standards in the Code, including completing self-assessments and granting Adapteo personnel, or a third party of Adapteo's choice, access to relevant premises and information to conduct on-site audits of the Business Partner's and sub-contractors' sites and facilities. We expect our Business Partners not to mislead us. Violation of The Business Partner Code will cause negative impact to the business relationship with Adapteo, including, but not limited to, the risk of contract termination. We also expect our Business Partners to evaluate and monitor their supply chain and collect relevant information regarding the supply chain's compliance to be given to Adapteo upon request.

It is the Business Partner's responsibility to enforce and verify legal compliance and compliance with the Business Partner Code within its own operations and through its supply chain. In case of conflict between requirements under national law and those of The Business Partner Code, Business Partners shall without undue delay consult with Adapteo.

Adapteo treats all business and personal information received in a responsible manner and take measures to ensure that this information remains confidential.

We encourage an active dialogue with our Business Partners on issues related to The Business Partner Code, or other questions concerning sustainability. If there are any questions about how to implement this Code, the Business Partner is to take immediate contact with Adapteo. The Business Partner should also take immediate contact with Adapteo to report any non-compliance with this code, in its own operations or its supply chain.

We encourage our Business Partners to report violations of The Business Partner Code to Adapteo through our Whistleblowing online service, run by a third party, WhistleB, Whistleblowing Centre by accessing the following URL: <https://report.whistleb.com/adapteo>.

Business Partners are responsible for being updated about new or revised requirements in future revisions of The Business Partner Code, available at:
https://www.adapteogroup.com/files/PDF_Doc/Policies/Adapteo-Business_Partner_Code_of_Conduct.pdf

Business Partner signature

As a Business Partner to Adapteo we sign this document to acknowledge that we meet these requirements and that we understand that they are an integral part of our business agreement.

Company

Name

Title

Date and place

Signature

Appendix 1 – Specific materials and product requirements

Background and purpose

Adapteo's sustainability target is to source 100% sustainable materials by 2030. This means we are committed to choosing renewable or recycled materials when possible and minimize our use of virgin, finite, and fossil materials. We shall always evaluate new materials with better sustainability performance to continuously improve the materials used in new production and building upgrades.

This Appendix 1 sets out specific requirements concerning preferred materials, restricted substances and those of high concerns, applicable for Partners using and/or providing products containing the materials stated.

Responsible sourcing of minerals

- When applicable, the Partner is required to have a policy and due diligence frameworks in place, consistent with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.
- The Partner shall also take necessary steps in its supply chain to identify components, materials and/or products that may contain unsustainably mined minerals, meaning minerals excavated at high environmental and/or social costs, or conflict minerals, meaning minerals that may directly or indirectly contribute to the financing of armed conflict, serious human rights violations and serious environmental damage;

Substances of high concern

- Business Partners shall comply with the REACH regulation and the SIN-list and shall actively work to restrict and remove hazardous chemicals on this list as soon as possible as they pose a threat to human health and the environment.
- Products, components, and packaging containing PVC (Polyvinylchloride) shall be kept to a minimum.
- Products or components where it is not technically feasible to substitute PVC are exempted from this requirement and must comply with REACH annexes and candidate list and not contain any substances at levels above 0,1% (w/w).

Timber and wood

- Adapteo is committed to using legally and sustainably sourced timber products through the Forest Stewardship Council, FSC. Partners providing Adapteo with timber products shall always provide sustainable material options, preferably Forest Stewardship Council, FSC, and in other case Programme for Endorsement of Forest Certification, PEFC or similar certification standard, which contributes to Adapteo's target which is to source 100% FSC certified wood.
- Business Partners shall, if requested, provide source and Chain of Custody evidence, including certificates, delivery notes and invoices to confirm compliance with this requirement. Reused, recovered, or reclaimed timber shall be considered compliant if appropriately documented.
- Adapteo does not accept illegally harvested timber or timber products and require Partners to follow the EU Regulation No 995/2010 (Timber Regulation) for traceability.
- Adapteo prohibits the use of endangered species, including tropical wood. This includes, but is not limited to the IUCN Red list, <http://www.iucnredlist.org/> and/or regulated by CITES, <http://www.cites.org/eng/disc/species.php>, appendices I and II, including tropical wood. If needed, the Partner or Subcontractor must be able to verify the source of origin.

Renewable fuels

- Adapteo is committed to achieve fossil free transports by 2030 and encourages the use of electric vehicles, biogas and sustainably produced biodiesel in products and services supplied to Adapteo. Partners using biodiesel shall verify if the product contains palm oil, and in which case, ensure that the palm oil used is sustainably produced and certified according to the Roundtable on Sustainable Palm Oil (RSPO) Mass Balance or higher (www.rspo.org). Biodiesel should not be used from vegetable oils, but the use of 'green' diesel is acceptable from other sources e.g. HVO.

Adapteo.