



# SUPLIER'S CODE OF ETHICS



The values of “**SMILTAINIS ir KO**” JSC are based on principles of high quality, respect for people, and social responsibility. We believe our suppliers are essential partners in achieving these goals and creating a sustainable future. Our operations are grounded in a strong commitment to act honestly, ethically, and responsibly, and we expect our suppliers to adhere to these high standards as well.

This Supplier Code of Ethics reflects our shared values and expectations. It establishes the fundamental principles we expect all our suppliers to follow to ensure fair, responsible, and sustainable practices. We encourage suppliers to develop innovative solutions, maintain high product and service quality, care for their employees and communities, and contribute to environmental initiatives.

Together, we can achieve the goal of creating products that meet the highest standards and contribute to a better world. We are committed to collaborating with suppliers who understand and support our approach and strive to improve good practices in the areas where our company has set ambitious goals:





## 1. SOCIAL STANDARDS

### Ensuring Employee Safety and Health

- Suppliers must comply with all legal requirements regarding employee safety and health.
- Suppliers must ensure safe and healthy working conditions by implementing appropriate procedures, certified OHS management systems, and/or internal programs, as well as good practices and solutions aimed at preventing accidents and occupational injuries and diseases.
- Suppliers should establish safety goals, monitor, analyze, and record their implementation, and continuously improve workplace safety.
- Ensuring Dignified and Non-Discriminatory Working Conditions
- Suppliers must comply with all legal requirements regarding employment relationships.





- Suppliers must provide equal, fair, and appropriate working conditions concerning working hours, remuneration, social guarantees, rest periods, and holidays.
- Suppliers must not tolerate any form of degrading behavior or harassment at work.
- Suppliers must lead responsibly, ensuring the development of employees' skills, workplace safety, and a proper balance between professional and personal life.
- Respect for Human Rights
- Suppliers must ensure human rights within their organization, supply chain, and sphere of influence as defined in the Universal Declaration of Human Rights.
- Suppliers must not employ or exploit children or engage in any illegal or forced labor.
- Suppliers must ensure equal rights and opportunities at work and must not discriminate against employees or other stakeholders based on gender, age, sexual orientation, race, nationality, language, ethnic origin, social status, disability, religion, or any other legally protected status.
- Suppliers must respect employees' rights to organize if these organizations' goals do not contradict applicable laws.



## 2. ENVIRONMENTAL STANDARDS

### Continuous Improvement in Environmental Impact Management

- Suppliers must comply with all legal requirements regarding their environmental impact.
- Suppliers must continuously assess the risk of their activities' negative impact on the environment and take all necessary measures to reduce this risk.
- Suppliers should establish goals aimed at reducing their activities' negative environmental impact.
- Responsible Sourcing and Use of Raw Materials
- Suppliers should strive to source raw materials responsibly, considering environmental protection criteria.
- Suppliers should use raw materials and natural resources rationally, reducing the negative impact on biodiversity, climate change, and water scarcity.
- Reduction of Greenhouse Gas Emissions.







- Suppliers should strive to reduce the quantities of greenhouse gases, including carbon dioxide, generated directly or indirectly by their activities as much as reasonably possible given the scale and nature of their operations.

#### Responsible Waste Management

- Suppliers must comply with legal requirements regarding waste management.
- Suppliers should aim to reduce the quantities of waste generated by their activities.
- Suppliers should ensure proper waste management, including collaborating with waste recyclers to minimize the risk of negative environmental impact.

### 3. ETHICAL STANDARDS AND MANAGEMENT SYSTEMS

#### Responsible Management of Social and Environmental Impact

- To ensure business development and responsible management of the business's impact on the environment and social life, it is important to establish appropriate goals and principles for quality management. These should be clearly communicated to employees and other stakeholders. Therefore, the supplier must determine principles of operational sustainability and responsibility and prepare relevant documents outlining the implementation measures. These documents should include the supplier's priorities in environmental protection, social responsibility, and management.
- Suppliers must not purchase or sell raw materials or their components subject to international sanctions or other restrictions.
- Suppliers must not collaborate with high-risk countries listed on the "black" and "grey" lists published by the Financial Action Task Force (FATF) (<https://www.fatfgafi.org/en/countries/black-and-grey-lists.html> ) or with countries subject to European Union (<https://www.sanctionsmap.eu>) or United States (<https://sanctionssearch.ofac.treas.gov/> ) sanctions.
- Suppliers must not attempt to purchase or sell raw materials, goods, or services through third parties to circumvent these sanctions or restrictions.

#### Anti-Corruption

- Suppliers must not tolerate any form of corruption in their activities.
- Upon encountering corruption, suppliers must take strict measures to eliminate it and deter future occurrences.

#### High Business Ethics Standards

- Suppliers must adhere to ethical behavior principles in all activities.
- Suppliers should implement measures to increase awareness and understanding of ethical principles among employees and management.



#### 4. PRIVACY AND DATA PROTECTION

- Suppliers must comply with their obligations under applicable data protection laws, associated regulatory requirements, and policies related to privacy and information security when personal data is collected, stored, processed, used, or transferred.



#### 5. INTELLECTUAL PROPERTY

- Suppliers must respect intellectual property rights, including trademarks, patents, copyrights, and trade secrets. Unauthorized use or disclosure of intellectual property is prohibited.
- Suppliers must ensure that any new intellectual property created in collaboration is properly protected and registered in accordance with applicable laws.
- Suppliers must not transfer, sell, or otherwise use intellectual property with third parties without consent.
- Suppliers must take all necessary measures to prevent unauthorized use or infringement of intellectual property.



## CONCLUDING PROVISIONS

The Supplier Code of Ethics of “SMILTAINIS ir KO” JSC applies to all suppliers and subcontractors collaborating with “SMILTAINIS ir KO” JSC. We expect our suppliers to continuously improve to meet the highest social, environmental, and business ethics standards outlined in this Code, and to take appropriate corrective measures when their activities become incompatible with responsible business principles. At the same time, “SMILTAINIS ir KO” JSC is committed to supporting and assisting suppliers in enhancing their awareness of responsible business practices and developing their activities in accordance with sustainability and responsibility principles.

We believe that respecting and adhering to the principles and standards outlined in this Code will strengthen cooperation and partnership with suppliers and promote the growth of all stakeholders involved.



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