

Code of conduct

SMA Mineral shall be a competitive, fair, reliable and responsible partner to our employees, customers, suppliers, stakeholders, authorities and the wider world that comes into contact with our company. In order to achieve this, we actively work on climate and environmental measures. We safeguard good business ethics and strive for long-term and trusting relationships. The Code of Conduct guides us in this work by describing our values and the requirements we set for our employees and business partners.

About the Code of Conduct

The basis of the Code of Conduct is SMA's core values that guide us in everything we do. Our Code of Conduct is based on the UN Global Compact and its ten principles within the areas of human rights, labour law, the environment and anti-corruption. The principles of the UN Global Compact are based on the UN's Universal Declaration of Human Rights, the UN Sustainable Development Goals, the Rio Declaration and the ILO Core Conventions on Rights at Work.

- It applies to all companies within the SMA Group and the content of the Code of Conduct shall be followed and respected by all those active within the Group, from the Board of Directors and management to individual employees.
- We also require that the Code of Conduct be respected and followed by our business partners (customers, partners, suppliers).
- The Code of Conduct provides a comprehensive framework that shall always be applied and can be supplemented by detailed guidelines and procedures within individual areas.

SMA's Code of Conduct, together with our core values, is our most important document. It helps us make the right decisions on a day-to-day basis – decisions that affect all of us and that make both our workplace and the world around us a little better. That's how we take responsibility.

Our core values guide us

SMA Mineral operates based on its core values that we summarise as: Expertise, Reliability, Flexibility and Innovation. These values are an important factor in the company's success and describe our shared corporate culture.

• **Expertise**

Expertise is fundamental for us to be able to understand the needs of the customer and provide the right service. The right expertise is also required to ensure that work is undertaken while maintaining the highest possible safety standards.

• **Reliability**

Satisfied customers come back and they act as ambassadors who attract new customers to us. Theoretically, it's no more difficult than that.

In practice, this means that we must always be alert and deliver what we promise, in all aspects, down to the smallest details. Our reputation as a reliable company is built up over a long period by everyone.

- **Flexibility**

Sometimes more or less tricky situations arise. That's when we demonstrate why SMA Mineral is the market leader. We can achieve a lot and solve many challenges with personal commitment and flexibility.

- **Innovation**

Just because things currently work fine doesn't mean they can't be done better. The desire to constantly improve efficiency, safety and quality – and by extension our competitiveness – is embedded in our day-to-day work and in our consciousness.

HUMAN RIGHTS AND LABOUR LAW

We safeguard human rights

Internationally recognised human rights shall be protected and respected. In terms of privacy law, SMA respects personal data and handles it with care in accordance with laws and regulations, such as GDPR.

We uphold the right to freedom of association

SMA does not accept restrictions on the rights of employees to freedom of association or collective bargaining. Employees shall be able to exercise those rights, without being hindered or risking retaliation, even in countries where the right to organise is restricted or prohibited.

We do not accept forced or bonded labour

Work shall only be undertaken on a voluntary basis. Personal documents and possessions may not be seized. Employees shall be free to leave the workplace after the end of their shift. Illegal labour must not be used.

We do not accept child labour

All forms of violence, coercion or exploitation of children are unacceptable. A person under 18 years of age is considered a child, in accordance with the first article of the UN Convention on the Rights of the Child. Employees under the age of 18 shall be protected from hazardous tasks that involve a risk to health and safety, such as night work.

We do not accept victimisation or discrimination

SMA has zero tolerance for all forms of victimisation, bullying and discrimination. We have a responsibility to avert, prevent and act. Any employee or business partner who sees or suspects violations is obliged to point this out.

We work for equality and diversity

The equal value of all people is a matter of course. SMA works to increase diversity and equality in all parts of its operations, and equality is a prerequisite in all our workplaces. Everyone shall enjoy the same rights and opportunities regardless of gender, transgender identity or expression, ethnicity, religion or other belief, disability, sexual orientation or age.

We prioritise a safe work environment and employee health

SMA's workplaces shall be safe, inclusive and secure, without accidents. At the heart of our work is the health and safety of our employees.

- We adopt a long-term and systematic approach to developing the work environment and promoting the health of our employees, in order to prevent injuries and illness.
- All employees in our workplaces shall be involved in work environment management and follow our guidelines and the rules of the workplace. Employees take responsibility for their own work environment and the work environment of others. We consider everyday life and take care of one another and ourselves.
- There shall be appropriate equipment and expertise in our workplaces for the protection of people and property.
- We work to ensure that the entire value chain, in accordance with each individual country's work environment legislation, actively promotes a healthy and safe work environment.

We safeguard fair employment terms

SMA does not accept employment terms that undermine national and local legislation or ILO core conventions.

- Signed collective agreements shall be respected and complied with.
- Working hours and the minimum wage shall comply with the national laws of the country in which the product is manufactured or the service is performed.

ENVIRONMENT AND SUSTAINABILITY

We safeguard the climate and the environment

SMA contributes to sustainable social development and continuously works to prevent environmental risks and minimise our impact on the environment and climate.

- Our environmental work is systematic and fully integrated into our operations. We shall work to promote the development and use of environmentally friendly technologies and conduct business with as minimal an impact on the environment and public health as possible.
- We comply with and respect laws and other relevant environmental requirements.

We work to reduce the environmental impact of our operations

SMA actively focuses on the areas in which the business has the greatest environmental impact from a life cycle perspective and works to:

- Phase out products that are hazardous to the environment and health.
- Increase resource efficiency.
- Minimise our carbon emissions.

SMA is working progressively and with continuous improvements to achieve a better environmental performance. Employees and business partners at SMA's workplaces are responsible for reporting any deviations and environmental events. We encourage knowledge of, and the development and dissemination of, environmentally friendly technologies.

We set requirements for business partners

SMA's business partners and their own environmental performance play an important role in our environmental work. This is reflected in purchasing processes in the form of requirements and guidelines. In collaboration with our business partners, we will drive the development of environmentally friendly products and solutions forward.

CORRUPTION, BUSINESS ETHICS AND BUSINESS PRINCIPLES

We comply with laws and regulations

SMA complies with the laws, rules and regulations that apply in the markets where we operate. We require our business partners to act in the same way.

We do not accept corruption

SMA always acts responsibly and ethically in its business relationships. We do not tolerate any form of corruption, bribery or extortion. This means, among other things, that:

- We act and make decisions without regard to our own personal gain, or that of family and friends. Nor do we exploit relationships with business partners for our own benefit.
- We avoid situations that may create, or give the impression of creating, conflicts of interest. If a conflict of interest cannot be avoided, the matter must be openly reported to the immediate manager. If an employee is involved in a business activity outside SMA (known as an external activity), this shall be approved by SMA.
- We never violate the applicable law on giving or accepting bribes. We do not give or accept gifts or services with a value in excess of SMA's established levels, nor do we provide or accept hospitality beyond the normal course of business. We adapt to our business partners' rules on gifts, hospitality, etc. if these are stricter than our own rules.

We comply with competition laws

SMA operates in accordance with applicable competition legislation on the markets where we operate. We act to promote healthy competition in tenders, quotations, procurement and purchasing.

- We undertake to do business with a high level of integrity and have zero tolerance of bribery and corruption.
- Our attitude is that competition is developmental and drives our company forwards. We shall comply with current competition legislation in all parts of our business and in all markets where we operate.
- We do not accept any form of unlawful anti-competitive behaviour, such as, for example, price collusion, forming cartels or abuse of market dominance.
- We act correctly and do not engage in exercising undue influence or manipulation so that competition is distorted.

We work to tackle financial crime

SMA takes its share of responsibility for tackling financial crime in the industry. Financial crime distorts competition and leads to instability, unpredictability and reduced resources for the legal part of society.

- We maintain accurate accounting of financial transactions.
- We distance ourselves from and actively work against undeclared work.

COMPLIANCE

We demand compliance with the Code of Conduct

The principles of the Code of Conduct are continuously followed up on as a natural part of the business. In this respect, the management team and managers at all levels have a particularly significant responsibility to lead by example. An employee who feels uncertain about application of the Code of Conduct in their day-to-day work can get guidance from their manager.

Employees of SMA shall raise the alarm if they suspect a violation of the Code of Conduct or any applicable legislation. SMA provides a number of options for reporting suspicions of violations. In the first instance, SMA's and business partners' employees should report the issue to their immediate manager. If, for whatever reason, this is not appropriate, it is possible to submit an anonymous report via SMA's whistleblowing system.

SMA does not tolerate any form of retaliation against employees or other persons in our workplaces who report suspicions or actual actions that violate this Code of Conduct in good faith.

If an employee of SMA does not act in accordance with the Code of Conduct, this will lead to corrective actions. If a business partner repeatedly or seriously violates the Code of Conduct, the partnership will be brought to a conclusion.

Persberg, 24-05-2022

Svante Fielding
President and CEO

Appendix

The 10 Principles of the UN Global Compact

Human rights

Principle 1: Support and respect the protection of internationally proclaimed human rights within the company's sphere of influence.

Principle 2: Ensure that their own company is not complicit in human rights violations.

Labour law

Principle 3: Uphold freedom of association and recognition of the right to collective bargaining.

Principle 4: Eliminate all forms of forced and compulsory labour.

Principle 5: Abolish child labour.

Principle 6: Eliminate discrimination in respect of employment and occupation.

Environment

Principle 7: Support a precautionary approach to environmental risks.

Principle 8: Undertake initiatives to promote greater environmental responsibility.

Principle 9: Encourage the development of environmentally friendly technologies.

Anti-Corruption

Principle 10: Work against corruption in all its forms, including extortion and bribery.