



Filtrona Suppliers Code of Conduct

Issue 1

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Message to our Suppliers

Our Code of Conduct for Suppliers ("Code") outlines the principles and values that guide our interactions with our stakeholders, including our suppliers. We believe that by adhering to these principles, we can build and maintain strong, mutually beneficial relationships based on trust, respect, and integrity.

We kindly ask that you familiarize yourself and your team with our Code. We expect all our suppliers to align their practices with the standards set forth in the Code and to conduct business in a manner that reflects our shared commitment to ethical behavior.

If you have any questions or require clarification on any aspect of our Code, please do not hesitate to reach out to us. We value your partnership and appreciate your efforts to uphold these important principles.

Thank you for your attention to this matter. We look forward to continuing our collaboration in a manner that reflects our shared values.

Soon Kit Hooi

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Director of Global Supply Chain and Procurement

Part I: Understanding and applying the Code.

The principles in the Code represent the core sustainability and integrity requirements that we aim to achieve and which we expect our suppliers to support us in achieving.

1. Scope of application

The Code applies to suppliers – including, but not limited to contractors, agents, and consultants.

This includes suppliers' employees at all levels, board members, hired personnel, consultants and others who act on behalf of or represent the supplier.

The Filtrona Group expects all its suppliers to use their best efforts towards ensuring that equivalent standards are complied with and respected within their own supply chain, and by their own direct suppliers. Supply chain in this regard means any party in the chain of suppliers and sub-contractors that supplies or produces goods, services, or other input factors, included in the supplier's delivery of services or production of goods from the raw material stage to a finished product.

2. Applicable laws

The Filtrona Group and its suppliers shall comply with applicable laws and regulations of their country of origin as well as with applicable laws and regulations of the countries where they operate. All parties are expected to act in accordance with relevant international conventions and guidelines set by international organizations, including (but not limited to) by the UN, ILO, and the OECD.

Where differences exist between applicable laws, regulations and the Code or requirements of the contract with the supplier, suppliers shall follow the strictest requirements.

3. Management and compliance

Suppliers shall identify, manage, monitor, and comply with the requirements covered by the Code. This implies having in place, and effectively communicating and enforcing, appropriate policies, procedures, management systems, quality improvement activities, internal control systems, and the human resources necessary to comply with the principles of the Code.

Part II: Handling cases of doubt and breaches of the Code

1. Where to look for Guidance

If suppliers are unsure about the meaning of any part of the Code, then they are encouraged to seek guidance from their usual contact person at the Filtrona Group.

1. Concerns or breaches of the Code

Suppliers are requested to ensure that their own supply chain has a similar code of conduct in place that reflect the principles set out in this Code as part of their routine business practices.

Where you believe that the Filtrona Group or any of its employees have failed to meet the standards that we set out in this Code, then you are encouraged to report such failing or shortcomings to the Filtrona Group via our Right to Speak Web-portal and Helpline.

2. Adherence to the Code

Suppliers shall comply with all aspects of the Code, as mandated by the Filtrona Group via the General Conditions of Purchase and/or any bespoke agreement they have with the Filtrona Group; and/or as a minimum implement and adhere to their own similar code of conduct. In addition, commensurate with the size and nature of their business, we expect our suppliers to have management systems in place to support compliance with all applicable laws and regulations.

Suppliers shall have policies and practices in place to effectively implement these standards within their business. Suppliers shall collaborate with us to assess and continuously improve their impact on the environment and society.

The Filtrona Group reserves the right to audit each of its suppliers' compliance with the Code including carrying out onsite audits upon request. Supplier audits will be evidence-based assessments relating to performance on environmental, social and governance matters and we will share the results of such assessments. Suppliers shall ensure that documentation demonstrating compliance with the Code is retained and shall give the Filtrona Group access to such documentation on reasonable notice.

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Filtrona Principles

What these Principles mean to you as a Filtrona supplier

1. Health & Safety, and the Environment

1.1 Ensuring a healthy, safe, and secure workplace

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| <ul style="list-style-type: none"> Nobody involved with the Filtrona Group operations should suffer any injury or harm. Careful stewardship of the environment is a duty we owe to our neighbours and to future generations. To achieve and maintain the highest standards of occupational health, safety and environmental (HSE) protection. | <ul style="list-style-type: none"> Suppliers shall provide workers with a clean, safe, and healthy work environment in compliance with all legally mandated standards for workplace health and safety in the countries in which they operate. Our Suppliers and those they work with will understand the health and safety risks of their activities and apply strong health and safety management systems, training, and practices in all they do. They will take the necessary precautions to protect everyone from workplace injuries and occupational disease. |
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1.2 Environment – combating climate change and protecting the environment

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| <ul style="list-style-type: none"> We take personal and collective responsibility, along with our suppliers, contractors, and other partners, to prevent or minimise any adverse environmental impact from our activities, products, and services, support the sustainable use of resources, and strive for no environmental incidents. We are continuously improving our environmental performance, including preventing pollution, minimizing emissions, reducing waste and energy consumption and more recycling across our supply chain. We will ensure compliance with relevant legal and other requirements and drive towards best practice and target Zero Waste to Landfill. | <ul style="list-style-type: none"> Suppliers must comply with all local environmental laws applicable to the workplace, the products produced, and the methods of manufacture. Our suppliers must not use materials that are considered harmful to the environment but should encourage the use of processes and materials that support sustainability of the environment throughout their supply chain. Suppliers are encouraged to apply a circular economy mindset to their activities, including adopting a lifecycle perspective, and promoting resource efficiency, reuse, and recycling, and align as far as possible to the Filtrona Group principles. |
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1.3 Climate Action

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| <ul style="list-style-type: none"> We have committed and are working towards: <ul style="list-style-type: none"> ✓ 26% reduction in Scope 1 and 2 in GHG emissions intensity by 2024; ✓ Direct operations will be carbon neutral by 2040; ✓ Net Zero by 2050 ✓ All sites are Zero Waste to Landfill in 2023 | <ul style="list-style-type: none"> Suppliers are encouraged to set near-term and long-term science-based emissions reduction targets; and to track their supply chain climate action. |
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1.4 Responsible sourcing

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| <ul style="list-style-type: none"> The Filtrona Group supports regulatory principles that promote socially responsible sourcing of minerals, chemicals, and other materials. We are committed to the managed reduction and phase out of hazardous substances where feasible | <ul style="list-style-type: none"> Suppliers shall identify through their supply chain due diligence the potential and prevention of the use of materials sourced illegally or unethically. |
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2. Respecting Human and Labour Rights

2.1 Child Labour

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| <ul style="list-style-type: none"> We do not accept child labour or any practice that inhibits the development of children | <ul style="list-style-type: none"> Under no circumstances shall Suppliers let a child under the age of 18 perform hazardous work, including work likely to jeopardize their health, safety, or development. All employees of third parties should be above a country's legal age for employment, or the age established for completing compulsory education. If child labour is discovered within the Supplier's activities, the Supplier shall pursue a remediation programme targeted towards the best interests of the child. |
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2.2 Modern Slavery & Forced Labour

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| <ul style="list-style-type: none"> We believe that all employment should be freely chosen. We have a zero-tolerance approach to modern slavery and forced labour, that could take various forms, such as slavery, servitude, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty by another to exploit them for personal or commercial gain. We are committed to ensuring that there is transparency in our own business and its approach to tackling modern slavery throughout our supply chains | <ul style="list-style-type: none"> Suppliers shall not use forced or compulsory labour, nor restrict the free movement of their employees. Suppliers shall ensure that the work carried out by the workforce is freely chosen and free from threats. Suppliers will not hold a deposit of money or important documents, including passport or other identification documents, as a condition of employment, and shall ensure that all employees are free to leave their employment after serving an appropriate and reasonable notice. Suppliers shall not require employees to pay to be engaged by the supplier (e.g., recruitment fees or other compensations). |
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2.3 Fair pay & benefits

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| <ul style="list-style-type: none"> We recognise the need to reward fairly for skill, contribution, and performance. | <ul style="list-style-type: none"> The supplier must ensure that all wages meet local minimum wage requirements as laid down by the applicable law and, in addition, as determined in accordance with the regulations of the place of employment. Any overtime performed is in accordance with the respective legal requirements and workers must receive adequate compensation for any overtime worked. |
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2.4 Equality, diversity, and respect

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| <ul style="list-style-type: none"> We treat each other openly, honestly, and with respect. We ensure a zero-tolerance approach to discrimination based on age, disability, gender (including identity, expression, and reassignment), marital or civil partner status, parental status (including maternity and paternity status), race, nationality, ethnic or national origin, religion or belief, sexual orientation, or any other personal characteristic. | <ul style="list-style-type: none"> Suppliers are expected to promote equal opportunities for all and value inclusion and diversity. Harassment or discrimination must not be tolerated. Suppliers must comply with local laws regarding discrimination and harassment and physical, verbal, or psychological abuse must not be tolerated. |
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2.5 Freedom of Association and the Right to Collective Bargaining

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| <ul style="list-style-type: none"> The decision on whether to join a trade union or not is an individual choice. | <ul style="list-style-type: none"> Suppliers are expected to respect this choice and the relevant processes and laws on collective representation and consultation where applicable. |
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3. Acting with integrity: Business Ethics and Compliance

3.1 Working with customers, suppliers, partners, and communities

- We compete fairly and with integrity on sales campaigns and bids for external research funding.
- When seeking new suppliers and partners we conduct appropriate levels of due diligence. We take steps to choose suppliers and partners whose values and business behaviour meet high ethical standards.
- We support communities in areas of education and skills, environment, social investment and arts, culture, and heritage. Our investment can include financial, time or in-kind support.
- Suppliers must only engage with employees, agents, intermediaries, consultants, representatives, distributors, teaming partners, contractors, suppliers, consortia, and joint venture partners who meet ours and your standards regarding reputation and conduct.
- Suppliers must listen carefully to requests or concerns from the community and address them appropriately

3.2 Conflicts of interest

- We avoid any situation where conflicts of interest might be influencing our business decisions or behavior or might stop us from acting in the best interests of the Filtrona Group. If we believe there is, or might be, a conflict of interest, we speak up.
- Suppliers are required to report any situations of potential or apparent conflicts between their personal interests and the interests of Filtrona.

3.3 Accurate business records

- We maintain accurate and complete records of our business transactions, supported by documentation that accurately describes all third-party dealings.
- We operate a "No PO No Pay" policy. Purchase orders are our commitment to spend and should be raised before you provide the goods and/or service.
- Suppliers are committed to transparency, verifiability, and accuracy in their dealings, while respecting their confidentiality obligations. All statutory reporting must be correct, registered, and recorded in accordance with laws and regulations.
- Suppliers are expected to have an authorised purchase order for the provision of goods and services requested by Filtrona.

3.4 Anti-bribery and corruption, gifts, and entertainment

- We do not engage in or tolerate any conduct that may constitute bribery or corruption in any form.
- We do not make facilitation payments.
- We never offer, give, or accept anything of value that is, or could be seen as, improperly influencing business decisions.
- Suppliers must conduct their business honestly, fairly, and free from any bribery or corruption.
- Suppliers must not offer or make facilitation payments.
- Suppliers shall never offer or accept gifts of cash or cash equivalents. Hospitality, such as social events, meals or entertainments may be offered if there is a business purpose involved, and the cost is kept within reasonable limits.

3.5 Safeguarding our resources and respecting the confidential information of others

- Our technologies, intellectual property and commercially sensitive and confidential information are vital assets of our business, and we protect them from unauthorised access, use and disclosure.
- We are committed to ensuring that personal and confidential information is preserved and protected and that its business practices and the behaviour of all employees comply with the requirements of all applicable data protection, security and privacy laws and regulations. We will use appropriate nondisclosure or confidentiality agreements to protect our confidential and proprietary information.
- We do not try to find or use the information of other people or organisations, including competitors, that we know is confidential or restricted.
- Suppliers must safeguard our resources and information and ensure that all data and documents are kept secure; and that confidential information is kept confidential and that if information is available that you should not have, you do not use it.
- Suppliers shall keep confidential and not misuse any information about Filtrona that is not shared publicly and is of a confidential nature.
- Such information may include information concerning security, individuals, commercial, technical, or contractual matters and other types of information protected by law.
- Suppliers shall implement appropriate technical and organisational measures to ensure that any processing of personal data as part of the supplier's contractual relationship with Filtrona is in accordance with applicable data protection legislation.

3.6 IT and Cyber Security

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| <ul style="list-style-type: none"> • We individually, and collectively, take responsibility to be vigilant, and ensure we protect our systems and information. • We protect our data by allowing only authorised access. We use access control systems that utilize passwords, multi-factor-authentication, encryption and other defences to ensure confidentiality. • We support the integrity of our data through effective maintenance and mitigating the opportunity for improper modification. | <ul style="list-style-type: none"> • Suppliers shall safeguard the integrity and security of their systems and where applicable, any IT system/service provided to Filtrona by adhering to structured Cyber Security best practice frameworks (e.g., ISO 27001, SOC2, Cyber Essentials Plus) and implementation of adequate organisational and technical security related controls proportionate to any identified risk(s). • Co-operation with Filtrona’s due diligence assessment of the supplier’s Cyber Security posture. • Suppliers shall ensure prompt reporting of actual or suspected Cyber Security attacks or incidents (including Data Breaches) and critical vulnerabilities of any IT systems/ services that are hosting or supporting Filtrona’s data and/ or operations. |
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3.7 Export controls, sanctions and import obligations

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| <ul style="list-style-type: none"> • We are committed to complying with Sanctions and Export Control laws, restricting the countries, suppliers, and people that we send and receive products to. • We regularly assess our supply chain, including its customers, suppliers, and banking arrangements to ensure compliance with applicable sanction regimes and export controls. | <ul style="list-style-type: none"> • Our suppliers are expected to conduct business in compliance with all applicable laws and regulations governing the export, re-export, transfer and import of controlled hardware, technical data, software, and services. • We expect our suppliers to screen third parties with whom they do business and to be fully compliant with all relevant financial sanctions, trade embargoes and other restrictive measures imposed by any applicable government authority. |
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3.8 Competitive behaviour and antitrust

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| <ul style="list-style-type: none"> • We believe in open and fair competition. • We conduct business in an honest, straightforward and hassle-free way | <ul style="list-style-type: none"> • Suppliers shall apply high commercial ethical standards and compete within the framework of competition rules in the markets where they operate. No supplier shall be part of any illegal price cooperation, illegal market sharing or other practice in violation of applicable competition laws. |
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3.9 Preventing the facilitation of tax evasion

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| <ul style="list-style-type: none"> • We do not help our customers, suppliers, or anyone else we work with, to fraudulently underpay, or not pay, tax. | <ul style="list-style-type: none"> • Suppliers must not ask us to do anything which helps them to evade tax. • Suppliers must only raise invoices and other contractual documents which are true to the agreed commercial situation, and which do not include any false information. • Suppliers must not, when acting on our behalf, help others to evade tax. |
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3.10 Anti-Money Laundering

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| <ul style="list-style-type: none"> • We are committed to prohibiting the use of cash for business transactions, and through our Anti-Money Laundering Policy prohibit and pursue the prevention of money laundering and any activity that facilitates money laundering of the funding of terrorist or criminal activities. | <ul style="list-style-type: none"> • Suppliers shall not take part in any form of money laundering and shall implement measures to prevent financial transactions from being used to launder money. |
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3.11 Lobbying and political support

- We are committed to undertaking any lobbying activities in compliance with all applicable laws, and to behave ethically in all our interactions with governments, agencies, and their representatives.
- We do not make corporate contributions or donations to political parties, or to any organisations, think-tanks, academic institutions, or charities strongly associated to a political party or cause.
- Suppliers must act legally and with honesty, integrity, and transparency always, in all interactions with governments, their agencies and representatives.