

Supplier Code of Conduct of UMEGA GROUP AB

We strive to ensure that human rights, environmental requirements are respected, business ethics, transparency are maintained both within the companies of **Umega Group AB (Hennordic UAB, Hentech UAB, Umega Agro UAB, SnoiTherm UAB, SnoiValda UAB, Walter Th. Hennecke GmbH and Snoi Therm GmbH)** and throughout our supply chain, and that the principles of responsible employment are in line with Lithuanian and EU legislation, as well as international standards applicable to the areas in which the companies of Umega Group AB (hereinafter referred to as the “Group”) and their business partners operate.

We aim to apply these principles in collaboration with all our suppliers, whom we hope will set the same or no lower impact reduction targets and encourage them to do so, so that together we can ensure a more sustainable supply chain.

The Supplier Code of Conduct of the Group has been prepared based on the Group’s Human Rights Policy, Environmental Policy, Equal Opportunities Policy, Code of Ethical Business, Code of Ethical Employment and the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises.

The Group invites its suppliers (hereinafter referred to as the “Supplier”) to read this document, confirm it in writing and implement the principles listed below in their day-to-day activities. The Group reserves the right to enquire about/verify compliance with the provisions of this Supplier Code of Conduct (hereinafter referred to as the “Code”). The Supplier must be prepared to provide the Group companies with any necessary information or evidence related to this document so that we can make sure that its company implements all the necessary processes that guarantee responsible practices towards the environment and people. The Supplier must also adhere to the highest standards of business ethics and the following principles:

1. General requirements as to what the Supplier undertakes are the following:

1.1. to comply with all laws of the Republic of Lithuania, other regulations, EU legislation, international agreements and the laws of the country in which it operates. The Supplier must comply with the requirements set out in this Code, even if these standards and requirements are higher than those set out in the legislation of the country in which the Supplier operates;

1.2. to ensure that sanctions established by the European Union, the United Kingdom, the United States of America and the United Nations institutions are not violated. The Supplier shall ensure that its company or a company owned by it, that company’s management or owners (legal persons and/or persons and subcontractors) are not included on the watch and/or sanction lists of the above-mentioned countries and organisations. The Supplier must immediately inform the Group companies with which it has a business relationship if it becomes aware that any of its companies (management or owners who are legal persons and/or persons or business partners) is included on any such sanction and watch lists;

1.3. to ensure the security and confidentiality of the information entrusted to it by the Group companies, and handle personal and other data in an appropriate manner, in accordance with legislation and the provisions of the contracts signed with the Group companies;

1.4. to set clear objectives specifying how it will effectively ensure compliance with the requirements set out in this Code, appoint responsible persons and develop internal procedures to enable the smooth implementation of the requirements set out in this document. The Supplier shall assume responsibility for applying responsible practices throughout its supply chain that are no lower than those set out in this Code;

1.5. the Supplier undertakes to notify the Group through the following channels of any possible violation and/or suspected substantial non-compliance with the provisions of this Code and by the supervisory authorities:

Report anonymously and confidentially by completing the form on our website or by sending an email to skaidrumas@umegagroup.com

or report confidentially in accordance with the procedure provided for in the Law on the Protection of Whistleblowers of the Republic of Lithuania to praneseju.apsauga@umegagroup.com.

More information: <http://umega.wam.lt/reporting/>

In addition to using this reporting channel if needed, the Supplier is encouraged to establish a system for reporting possible violations within its own companies.

2. With regard to human rights, the Supplier undertakes the following:

2.1. to protect and respect human rights, treat all employees with respect, without prejudice to their dignity and guaranteeing the fundamental human rights;

2.2. to ensure the defence of human rights, assess potential human rights risks throughout the supply chain and take preventive measures. The Supplier shall have an approved human rights policy and due diligence processes to determine what measures are taken to prevent potential adverse human rights impacts;

2.3. not to tolerate any form of discrimination, not to discriminate based on race, sex, age, religion, ethnic origin, disability, marital status, sexual orientation, pregnancy, social status, membership of an employee organisation and other personal traits, or on grounds that are objectively unjustifiable, either in hiring, employment or termination of employment. It shall be explained in a language that everyone can understand what behaviour is not tolerated and active steps shall be taken to stop discrimination and prevent it from occurring in the companies in the first place;

2.4. not to tolerate any form of psychological, physical, sexual, or verbal harassment, intimidation, threats, mobbing or abuse, or any inducement or coercion to do so;

2.5. to respect employees' freedom of expression, including their right to privacy, and refrain from taking any action that may restrict or otherwise adversely affect their freedom of expression;

2.6. to ensure that products/services and business processes are designed to respect the aspects of the right to privacy and freedom of expression related to human rights;

2.7. to respect the right to privacy of its employees, customers and others involved in the collection of personal information or the implementation of employee monitoring measures;

2.8. to ensure that children are not employed in the Supplier's companies and throughout its supply chain. The Supplier undertakes to comply with national and EU laws and international standards relating to the protection of minors and children;

2.9. to promote diversity, inclusion and equality, and not to tolerate any form of discrimination. All employees must have equal opportunities to work, develop, undergo training and pursue a career;

2.10. to maintain and encourage appropriate behaviour, ensure that no one is subjected to harsh or cruel treatment in the workplace, including sexual harassment, psychological and physical abuse, bullying, insults and violence. Employees cannot be threatened. Disciplinary measures must be applied in accordance with the requirements of national legislation and internationally recognised human rights. Unwarranted disciplinary measures, denial of pay and social benefits, withholding of documents, or prohibition from leaving the workplace are not allowed;

2.11. to ensure freedom of peaceful assembly and association, including trade unions and works councils. Employees have the right, in accordance with legislation, to hold meetings and form or join trade unions and employee representative bodies. Employees also have the right of collective bargaining. The exercise of these rights may not be prohibited by any means;

2.12. to inform the responsible persons of the Group companies of any potential or actual negative impact on human rights and take steps to eliminate violations, including preventive measures to avoid further incidents of this nature;

2.13. to ensure the safety of persons who report and/or witness human rights violations or similar incidents.

3. With regard to the work environment, the Supplier undertakes the following:

3.1. to provide a safe and healthy work environment in accordance with current safety standards and maintain the established and certified occupational health and safety management system and solutions. Employees must be able to report unsuitable or dangerous working conditions. The Supplier shall implement internal procedures, monitoring and preventive measures to protect people from occupational accidents and diseases and keep statistics on them;

3.2. the Supplier must have an approved occupational health and safety policy, be appointed a responsible person(s), have implemented a workplace risk assessment process, carries out regular briefings and training depending on the specific nature of the job of its employees, ensures compliance with requirements and instructions, provides its employees with collective and personal protective equipment, appropriate work tools, and provides refresher training as needed. If employees are provided with accommodation, appropriate health and safety requirements shall apply to these premises;

3.3. to enable employees to report unsafe working conditions to the Supplier's responsible persons, and ensure that the reports received are properly investigated and any identified non-compliance is eliminated;

3.4. to ensure that there is no forced labour, no prison labour and no modern slavery in the Supplier's companies or its supply chain. The Supplier shall ensure that these provisions are complied with and that in its companies and supply chain: employment is freely chosen; no deposits or employment fees are allowed; employees' personal documents are not taken and retained; employees can leave the workplace outside working hours; employees can leave their job by agreement; and employees have the right to terminate the employment contract in accordance with the procedures provided for by law;

Forced labour is work or service for which a person has not offered themselves voluntarily and which the person is forced to do under the threat of a punishment or other harm.

Modern slavery is the use of any form of force or oppression in the work environment, economic or sexual exploitation and degradation.

3.5. to conclude employment contracts with its employees that comply with the legislative requirements and clearly define working conditions, working hours, conditions for overtime pay, remuneration and the frequency of payment of wages. The Supplier shall comply with all national and EU legislation, regulations and standards of the sector in which it operates relating to labour relations (or equivalent). Working hours, work-rest schedule and overtime must not exceed the limits provided for in the law;

3.6. to provide equitable and adequate remuneration for work performed, pay it regularly, on time and in a fair manner based on performance, provide clear information in a form that the employee can understand about the remuneration paid for each period. The bonus or incentive system must be fair and equitable to each employee and must be clearly communicated. Every preventive action must be taken to ensure that this process does not give rise to discrimination or inequality. All obligations arising from the employment relationship must be set out in writing in the employee's contract of employment. It is not allowed to make any deductions for the cost of work equipment and resources;

3.7. to respect the right of its employees to form and join trade unions, works councils and to bargain collectively without fear of retaliation.

4. With regard to environmental protection, the Supplier undertakes the following:

4.1. to comply with all environmental laws and legislation applicable to the Supplier's activities;

4.2. to actively seek to reduce the negative environmental impacts of its activities and increase the positive impacts, through the control and reduction of GHG emissions, control and reduction of waste, protection of water resources, use of renewable energy sources, achievement of energy efficiency, management of hazardous substances (storage, use, waste management) and circularity in the relevant areas of its activities. The Supplier must have an approved environmental policy and measure its impacts and risks;

4.3. to make every effort to ensure that its activities conserve natural resources, do not damage the soil, pollute water and air, emit harmful noise, threaten access to clean drinking water, impede access to sanitary facilities or harm human health;

4.4. in the production of goods, provision of services and performance of work, to use as little as possible or no hazardous substances or substances whose effects on human health and the environment are unknown and not to pose a risk to human health and the environment;

4.5. to comply with the requirements of waste management legislation, seek to reduce the amount of waste associated with its activities and ensure that waste is properly managed while minimising the risk of negative environmental impacts;

4.6. to aim to reduce the consumption of and to ensure the efficient use of raw materials and natural resources, including water resources, and to increase the use of energy from renewable sources in its activities;

4.7. to carry out, as far as possible, a risk assessment of the environmental impacts of its activities, seek to prevent the occurrence of such risks, and set targets for reducing the environmental and climate impacts of its activities and implement appropriate measures;

4.8. to aim for a responsible and environmentally sound supply of raw materials through circular economy principles, incorporate environmental criteria into procurement procedures, and consider energy efficiency, reuse and recycling in product development;

4.9. when carrying out work or providing services in areas close to human settlements, to act in a manner that does not cause damage to the environment, local communities, their

infrastructure or property, and, in the event of such damage, take appropriate repair and compensation measures that do not harm the interests of local communities or otherwise adversely affect their living, social, and economic environment;

4.10. to seek to manage the environmental impacts of its activities by applying the environmental management standard LST EN ISO 14001 (or equivalent European Union or other international standard) or by developing an environmental programme that assesses the risks of negative environmental impacts arising from its activities and identifies the measures to manage them.

5. With regard to anti-corruption, the Supplier undertakes the following:

5.1. to comply with the law and ethical business standards to prevent bribery, corruption and attempted bribery;

5.2. to have a policy confirming the principles of ethical business conduct and anti-corruption provisions;

5.3. to avoid situations that could give rise to a conflict of interest and, in the event of a potential or actual conflict of interest with the Group companies, immediately alert the responsible persons of the Group companies and/or notify them through the reporting channels referred to in Point 1.5 and promptly take measures to manage and/or eliminate the conflict of interest;

5.4. to refrain from accepting or giving gifts that could be considered illegal, and from providing support, goods, services or work free of charge with the intention of gaining an unfair advantage;

5.5. to refrain from making any illegal payments or giving gifts to the Group companies, their employees, civil servants, political parties, politicians, candidates for political office or any other person;

5.6. to comply with the legislative requirements relating to the provision of charitable donations or support;

5.7. to operate in accordance with the principles of fair competition and not to enter into any form of prohibited agreement that restricts or distorts fair competition;

5.8. not to tolerate bribery, influence peddling, money laundering, abuse of office or any other form of corruption, nor offer, pay, promise or accept any illegal remuneration or any other illegal benefit to any of your clients, suppliers, partners or their representatives;

5.9. to implement corruption prevention measures to manage the risk of corruption in its activities and report possible cases of corruption to the responsible authorities in accordance with the procedures established by applicable legislation;

5.10. if a case of corruption is identified, to take preventive and other measures to ensure that such cases do not recur in the future.

6. Supervising compliance with the Supplier Code of Conduct:

6.1. the Supplier shall ensure the implementation of the provisions of this Supplier Code of Conduct and shall, at the request of the Group, provide documents, data and any other additional explanations that confirm this and that the Group may request in the course of its evaluation of the Supplier and in supervising compliance with this Supplier Code of Conduct;

6.2. the Supplier must ensure and monitor compliance of its activities with legislative requirements and the provisions of this Supplier Code of Conduct. The Supplier shall demand the same from its supply chain;

6.3. the Supplier shall take all reasonable measures to eliminate any non-compliance with the provisions of this Supplier Code of Conduct which it or any Group company may have identified or observed, seek to rectify such non-compliance within the timeframe agreed with the Group and inform the responsible persons in the Group companies of that;

6.4. the Supplier's refusal, evasion or delay in providing information or explanations, the provision of incorrect information, or the failure to rectify any identified non-compliance may be considered a serious violation of this Supplier Code of Conduct;

6.5. in the event of a serious violation of this Supplier Code of Conduct by the Supplier, the Group reserves the right to assess the consequences of such behaviour within the scope of the contract performed by the Supplier, not excluding the possibility of taking appropriate decisions regarding further collaboration;

6.6. the Supplier is encouraged to report in good faith any suspected or actual violation of the provisions of this Supplier Code of Conduct, or notify any difficulty in correcting identified non-compliance with the provisions of this Code, to the Group's contact person as specified in the contract or through the Group's reporting channels as specified in Point 1.5. In addition to using the reporting option if needed, the Supplier is encouraged to establish a system for reporting possible violations in its own companies.

By signing this document, the Supplier confirms that they have read and accept the requirements for responsible business conduct:

Company

Name, surname

Title

Signature

Date

Approved in Umega Group AB,
by the Order of 21 February 2025 of
Gediminas Čeika, CEO of Umega Group AB.