

# Code of Conduct

## I. INTRODUCTION

### 1. Purpose of the Code of Conduct

The purpose of this Code of Conduct (the "Code") is to ensure, that suppliers (the "Supplier") to OJ Electronics A/S ("OJ Electronics"), operates in accordance with internationally recognised, minimum standards on human rights, labour and environment. OJ Electronics adheres to the principles of this Code and expects the same of its suppliers.

Compliance of the terms of this Code is a condition of any agreement or contract between OJ Electronics and the Supplier.

The aim of this Code is not to postpone the business relationship between OJ Electronics A/S and the Supplier, but to help suppliers improve social and environmental standards. OJ Electronics is therefore willing to work with our suppliers to achieve compliance with the provisions of this Code.

However, we will not conduct business with a supplier if compliance with the terms of this Code is deemed impossible. Nor will we conduct business with a supplier engaged in violations of fundamental human rights (see zero-tolerance standards below). OJ Electronics will periodically review the adequacy and continued effectiveness of this Code.

### 2. Scope of Application

The terms of this Code extend to all workers, regardless of their status or relationship with the Supplier. This Code therefore also applies to workers, who are engaged informally, on short-term contracts or on a part-time basis.

It is the responsibility of the Supplier to ensure that its sub-suppliers do not violate the standards of this Code.

### 3. General Principles

Any questions or disputes regarding the interpretation of the terms of this Code will be resolved by OJ Electronics. This Code is not and should not be interpreted as a means to circumvent or undermine national laws or national labour inspectorates. Similarly, this Code is not and should not be interpreted as a substitute for free trade unions, nor should it be used as a substitute for collective bargaining.

This Code establishes minimum standards, and OJ Electronics will not accept any attempt to use the terms as a means to lower existing standards or to prevent or discourage collective bargaining. When implementing this Code, the Supplier shall take all necessary measures to ensure that they do not unintentionally leave workers and other beneficiaries in a worse position, than before this Code was introduced.

### 4. Legal Compliance

In addition to meeting the terms of this Code, the Supplier shall comply with all national laws and regulations, as well as other applicable standards (e.g. collective agreements or other Codes of Conduct).

In case of discrepancies between the terms of this Code and national laws or other applicable standards, the Supplier shall adhere to the higher or more stringent requirements. Conflicts between the provisions of this Code

and national laws or other applicable standards shall be evaluated by OJ Electronics in cooperation with the Supplier and relevant stakeholders, in order to establish the most appropriate course of action that will help to foster respect for fundamental human rights, labour standards and the environment. If any conflicts are detected, the Supplier must inform OJ Electronics immediately.

## 5. International Standards

This Code is based on the general principles contained in the Universal Declaration of Human Rights (1948), the International Covenant on Civil and Political Rights (1966), the International Covenant on Economic, Social and Cultural Rights (1966), the Eight Fundamental ILO Conventions and other relevant international human rights and labour standards.

## II. STANDARDS IN THE CODE OF CONDUCT

### 1. Forced Labour

#### 1.1 Forced Labour and Freedom of Movement

The Supplier must not participate in, or benefit from, any form of forced labour including bonded labour, forced prison labour, slavery, servitude or human trafficking. Workers must have freedom of movement during the course of their employment.

#### 1.2 Retention of monetary and/or material goods

The Supplier must not withhold any part of any personnel's salary, benefits, property or documents (e.g. identity cards and travel documents) in order to force such personnel to continue working for them.

#### 1.3 Disciplinary measures

The Supplier must treat all personnel with dignity and respect. The Supplier must not engage in or tolerate the use of corporal punishment, mental or physical coercion and verbal abuse of personnel.

### 2. Child Labour and Young Workers

#### 2.1 Minimum Age Requirements

The Supplier must not engage in, or benefit from, the use of child labour. The minimum age for employees must be no less than the age of completion of compulsory schooling and, in any case, must be no less than 15 years (or 14 years, where established by national laws in accordance with the ILO developing-country exception).

#### 2.2 Educational Remediation Programme

If the Supplier becomes aware that they are employing children of school age, they must ensure that the children are enrolled in an educational remediation programme, rather than being summarily terminated from employment. The programme must include access to education and financial support and must be decided in consultation with the child and the child's family or next of kin.

#### 2.3 Light Work and Apprenticeship Programmes

Where permitted by national laws, the Supplier may employ children between 12 and 15 years to perform a few hours of light work per day. The work must be simple tasks of a limited nature and not interfere with the children's educational responsibilities. Apprenticeship programmes

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for children below the minimum age of employment must be remunerated and clearly aimed at training.

## 2.4 Hazardous and Harmful Work

The Supplier must refrain from hiring young workers (below 18 years of age) to perform any type of work, which is likely to jeopardise their health, safety or morals.

## 3. Discrimination

### 3.1 Discrimination in Employment-related Decisions

The Supplier must not engage in or support discrimination on the basis of race, colour, sex, language, religion, political or other opinion, caste, national or social origin, property, birth, union affiliation, sexual orientation, health status, family responsibilities, age, disability or other distinguishing characteristics. Hiring, remuneration, benefits, training, advancement, discipline, termination, retirement or any other employment-related decisions must be based on relevant and objective criteria.

## 4. Freedom of Association

### 4.1 The Right to Freedom of Association and Collective Bargaining

The Supplier must not interfere with the workers' rights to form and join unions or other associations of their own choosing or to bargain collectively. Nor shall the Supplier discourage membership of unions. Workers' representatives must not be subject to discrimination and must be given access to employees at the workplace. The Supplier must recognise elected workers' representatives and bargain in good faith with them regarding all important concerns at the workplace.

### 4.2 Alternative Measures in Case of State Prohibition on Unions

If trade unions are not allowed in the area of operation, or only state authorised organisations are allowed, then the Supplier must facilitate, and not prevent, alternative measures to allow employees to gather independently to discuss work-related matters and a forum to present work-related concerns to the management.

## 5. Workplace Health and Safety

### 5.1 Health and Safety Standards

The Supplier must ensure that its workers are offered a safe and healthy working environment. This should include, but is not limited to; protection from fire, accidents and toxic substances. Adequate health and safety policies and procedures must be established and followed.

### 5.2 Training and Protective Equipment

The Supplier must provide their employees with the protective equipment and training necessary to perform their tasks safely.

### 5.3 Sanitary Infrastructure

The Supplier must provide a suitable and clean sanitary infrastructure, including access to toilets and potable water, which conforms to the needs and numbers of their employees. Accommodation, if provided by the Supplier, must conform to the same requirements, including the general provisions on health and safety standards, listed above.

## 6. Conditions of Employment and Work

### 6.1 Workplace Violence, including Assault, Harassment and Threats

The Supplier must protect workers from acts of physical, verbal, sexual or psychological harassment, abuse or threats in the workplace, whether committed by managers or fellow workers, including when determining and implementing disciplinary measures.

### 6.2 Remuneration

The Supplier must comply with legal minimum standards or industry benchmark standards concerning wages and benefits, whichever is higher. In any case, the Supplier must always provide a 'living wage', which enables workers to meet their own basic needs and those of their dependents, as well as provide some discretionary income. Overtime is remunerated at a premium rate. Wages must be paid in legal tender and on a regular basis. Deductions from wages must be transparent and must never be used as a disciplinary measure.

### 6.3 Established Working Relationship

All workers must be provided with a written, understandable and legally binding labour contract. The Supplier must not rely on part-time, short-term or casual labourers, trainees or false apprenticeships to pay lower wages and fewer benefits. Conditions for non-permanent and seasonal workers should be no less favourable than for permanent workers.

### 6.4 Leave

The Supplier must grant employees paid holiday and sick leave each year, as well as parental leave to employees, who must care for a new-born or newly adopted child. Women, who take maternity leave, must not face dismissal or threat of dismissal, and must be able to return to work in their former employment at the same rate of pay and benefits.

### 6.5 Hours of Work, Rest Periods and Breaks

The Supplier must ensure that the work-week is limited to 48 hours. Overtime must be voluntary, infrequent and must not exceed 12 hours per week. Employees are entitled to at least one day off per week, and must be given reasonable breaks while working and sufficient rest periods between shifts.

### 6.6 Employee Privacy

The Supplier must respect the privacy rights of their employees, whenever they gather or keep private information or implement employee-monitoring practices.

## 7. Use of Company Security Forces

### 7.1 Company Security Forces

The Supplier must prevent their security guards from violating the liberty and security of others. Security guards must be trained to know, when to intervene in security-related situations and how to use the minimal force necessary.

### 7.2 Relations to State Security Forces

The Supplier must take all reasonable measures to avoid involvement or complicity in human rights violations in their relationships and interactions with state security forces.

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## 8. Environmental protection and industrial accidents

### 8.1 Managing Environmental conditions

The Supplier must strive to minimise the adverse environmental impacts of their activities, products and services through a proactive approach and responsible management of their environmental conditions (including, but not limited to):

- Use of scarce natural resources, energy and water
- Emission to air and release to water
- Noise, odour and dust emission
- Potential and actual soil contamination
- Waste management (hazardous and non-hazardous substances)
- Product issues (design, packaging, transport, use and recycling/disposal)

### 8.2 Compliance with Environmental Legislation

The Supplier must maintain awareness of current environmental legislative requirements, which are relevant to the environmental impacts of their activities, products and services. Also, they must ensure legal compliance through training, awareness, operational control and monitoring.

### 8.3 Continuous Improvement of Environmental Performance

The Supplier must demonstrate continuous improvements of the overall environmental performance related to significant environmental conditions.

### 8.4 Industrial Accidents and Health Emergencies

The Supplier must establish and maintain emergency procedures to effectively prevent and address all health emergencies and industrial accidents, which may affect the surrounding community or have an adverse impact on the environment.

## 9. Company Products

### 9.1 Product Liability

The Supplier must exercise due diligence when designing, manufacturing and testing products. This is to protect against product defects, which could harm the life, health or safety of people likely to be affected by the defective product, or have an adverse impact on the environment.

## 10. Corruption and Bribery

### 10.1 Bribing of Government Officials and private parties

The Supplier must refrain from bribing or using any other method to unjustly influence public officials, the judiciary and/or private parties.

### 10.2 Agents, intermediaries and consultants

The Supplier's contracts with agents, intermediaries and consultants must include a section on anti-corruption and the contract holder's compliance with all applicable laws and regulations.

## III. IMPLEMENTATION OF THE CODE OF CONDUCT

### 1. Records and Documentation

The Supplier must maintain appropriate records to demonstrate compliance with the terms of this Code.

Records must be available to OJ Electronics upon request at any time. Appropriate records include, but are not limited to:

- Names and ages of all workers
- Time sheets
- Payroll records, including wage slips and overtime wage records
- Material safety data sheets, accident records and relevant health and safety certificates and permits
- Environmental records, including data from the monitoring of significant environmental impacts and relevant permits
- Records of any significant instances of non-compliance encountered in relation to this Code, including a summary of the corrective actions taken to remedy the deficiencies

### 2. Definition of Roles and Responsibilities

The Supplier must assign responsibilities within their organisation for the implementation of this Code. As a minimum, the following representatives must be designated:

- One or more management representatives with the responsibility and authority to ensure compliance with the terms of this Code
- A qualified health and safety officer at each facility, responsible for planning, implementing and monitoring the Supplier's health and safety policies and procedures
- A freely elected workers' representative, responsible for facilitating dialogue and communication between the Supplier and their employees on all matters pertaining to this Code. This function may be alternatively carried out by a freely elected trade union representative.

The Supplier must ensure that repeated offences and serious neglect by any of their personnel in relation to matters pertaining to this Code will result in appropriate disciplinary actions, which may include dismissal.

### 3. Training and Awareness Raising

The standards included in this Code must be communicated to all new employees, including managers and supervisors, immediately upon hiring. The Supplier must ensure that all employees are regularly informed about the standards included in this Code and the necessity of acting in accordance with them. In areas with high illiteracy rates, employees must receive verbal instructions. This Code must also be communicated to local unions or other worker representatives. It should always be accessible to all employees in the local languages, where appropriate.

### 4. Complaints Procedures

The Supplier must establish mechanisms for the hearing, processing and settling of employee complaints. Workers must have the right to anonymously submit complaints regarding all workplace concerns, including complaints regarding the Supplier's failure to comply with this Code, without fear of punishment or adverse employment action.

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The Supplier must properly investigate, address and settle all complaints in accordance with their pre-established complaint procedure. Anyone affected by the Supplier's activities must have access to communicate concerns or submit complaints without discrimination or fear of reprisals. The Supplier must properly investigate, address and settle any complaints or concerns raised by local communities and workers.

## 5. Relations to Sub-suppliers

The Supplier is responsible for ensuring that their respective sub-suppliers comply with the terms and standards of this Code. This includes sub-suppliers classified as home-based workers or small farmers. As part of this obligation, the Supplier must:

- Require sub-suppliers to inform the Supplier about other business entities in the supply chain taking part in the production of each order
- Screen and select sub-suppliers based on their ability to meet the standards and terms of this Code
- Make the compliance of the terms and standards of this Code a condition of any agreement or contract that they enter into with sub-suppliers.
- Undertake reasonable efforts to check that sub-suppliers operate in conformance with this Code.

The zero-tolerance standards of OJ Electronics outlined below are also applicable to sub-suppliers.

## 6. Monitoring

OJ Electronics will monitor the operations of the Supplier to assess and ensure their compliance with this Code. Our monitoring programme consists of on-site inspections (or audits) and periodic self-evaluations by suppliers of their premises and those of their subcontractors.

The Supplier must, at any time, freely submit to announced and unannounced audits. The Supplier is required to provide physical access to any auditor from OJ Electronics or an auditor assigned by us. This obligation entails unhindered access to all facilities, records, and where provided by suppliers, housing, as well as employees for confidential interviews. The frequency and intensity of supplier audits will depend on the scale and intensity of suppliers' operations.

## 7. Verification

OJ Electronics reserves the right to let an independent third party of our choice make on-site inspections to verify compliance with the terms of this Code.

## 8. Enforcement, Remediation and Corrective Action

Where instances of non-compliance with the terms of this Code are identified, the Supplier must promptly take corrective action to remedy the deficiencies, as well as take measures to prevent similar problems from recurring in the future.

The Supplier must make timely and reasonable amends to any employee, former employee or community member, whose rights have been violated. Remediation includes, but is not limited to, repayment of all wages determined to have been unlawfully withheld or reinstatement of any employee assessed to have been unlawfully dismissed.

Where instances of non-compliance are detected as a result of audits, the Supplier must be given a fixed period of time to self-correct the deficiency. In the event of failure to self-correct a problem, OJ Electronics is willing to engage in a constructive dialogue with the Supplier to develop and implement a corrective action plan, with appropriate time scales for implementation and improvements to be achieved.

The Supplier's agreement to abide by the corrective action plan allows continuation of the business relationship, as long as OJ Electronics finds that the Supplier is implementing the plan in good faith. In the event of repeated and serious breaches of the terms of this Code, OJ Electronics reserves the right to cease the business relationship with the Supplier and possibly cancel any production or delivery in progress.

## 9. Zero-tolerance Standards

OJ Electronics will not conduct business with a supplier engaged in violations of fundamental human rights. The following practices are therefore considered unacceptable:

- The use of bonded and forced labour, including forced prison labour and human trafficking
- Worst forms of child labour, including forced child labour, child prostitution, and other work which is likely to jeopardise the health, safety and morals of children
- Any harsh, inhumane or degrading treatment or punishment of employees
- The exposure of employees to life-threatening work environments, where they have not been informed of the dangers and where protective measures have not been undertaken
- Deliberate cause of substantial pollution to air or water, or substantial soil contamination
- Any complicity in violations of international humanitarian law and other crimes against the human person as defined by international law, including war crimes, crimes against humanity, genocide, torture, forced disappearances, hostage taking and extrajudicial, summary or arbitrary executions.

If OJ Electronics has reason to believe that such violations are being committed by a supplier, the business relationship will be terminated immediately. If we have reason to believe that a supplier was aware of the violation and willingly operated in violation of fundamental human rights, the Supplier will be reported to the proper authorities.