

heathcoat *fabrics*

Supplier Code of Business Ethics



Heathcoat Fabrics

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Top-Level Commitment

Heathcoat Fabrics Limited (HFL) interfaces with customers and suppliers all over the world. Together these stakeholders all take a close interest in what we do and we recognise that their opinions are influenced by our actions. A good reputation is essential to HFL's ongoing success and this reputation is built on how we all behave, individually and collectively.

Our Supplier Code of Business Ethics (Supplier Code) applies to all our suppliers (Suppliers) and their employees, agents, suppliers and others working on their behalf worldwide. It integrates the principles of the United Nations Global Compact and sets our minimum standards for the behaviour and conduct of our Suppliers.

The Board and management of HFL endorse and support this Supplier Code. We expect all our Suppliers to adopt this Supplier Code or their unique code if it meets the minimum standards set out below.

27.04.2022

Our Standards

Standard 1 - Comply with the law

- 1.1. Suppliers are required, as a minimum standard, to comply with all the laws and regulations of the countries in which they operate. This minimum standard includes compliance with:
 - 1.1.1. laws prohibiting any form of bribery, corruption, money laundering and extortion;
 - 1.1.2. economic sanctions, including any trade, economic or financial sanctions laws;
 - 1.1.3. any export and other trade control laws that may apply to restrict export of certain items to any third-country destination or to military end-users;
 - 1.1.4. laws preventing the trade of conflict minerals; and
 - 1.1.5. environmental legal requirements.
- 1.2. HFL has zero tolerance for corruption, bribery and extortion.

Standard 2 - Compete fairly

- 2.1. HFL believes in competing fairly and vigorously in its market sectors. We expect our Suppliers not to engage in, nor be a party to, agreements, business practices or conduct that, as a matter of law, are anti-competitive.

Standard 3 - Act with integrity in all business dealings

- 3.1. HFL acts with integrity at all times to safeguard the trust in us and held by our Suppliers, customers, shareholders, employees and other stakeholders. We expect our Suppliers to behave in the same way.
- 3.2. Suppliers will not engage in personal activities or make public comments that are intended to damage HFL's business interests or reputation.
- 3.3. Suppliers will not offer, promise, give, demand or accept bribes or other unethical advantage, including excessive or frequent gifts and entertainment, in order to obtain, retain or give business or other advantage.

Standard 4 - Treat other suppliers, partners, and customers properly

- 4.1. Suppliers must work in partnership with HFL and its other suppliers, so as to meet the expectations of our customers, and to ensure quality, value and timeliness throughout the supply chain.
- 4.2. Suppliers must respect and treat in accordance with agreed terms the physical property, IT equipment, communication resources, technology, intellectual property, confidential information, data and any other tangible or intangible assets received from HFL, our customers and others.
- 4.3. Suppliers must insist and ensure their agents, suppliers and others working on their behalf act lawfully and ethically, and in accordance with the values and standards set out in this Supplier Code.

Standard 5 - Treat co-workers respectfully

- 5.1. In employment related decisions, Suppliers should comply with anti-discrimination requirements in the relevant jurisdictions concerning matters of race, colour, national origin, gender, marital status, sexual orientation, religious belief, age or physical/mental disability.
- 5.2. Suppliers must treat all employees with respect and dignity; harassment or bullying is unacceptable.
- 5.3. Suppliers are required to respect the rights of each employee to join or not join a trade union or other bona fide employee representative organisation.
- 5.4. Suppliers must practice good communications with employees and promote consultation, cooperation and teamwork on matters of mutual concern.

Standard 6 - Contribute to healthy, safe and secure workplaces

- 6.1. HFL requires its Suppliers to remain committed to conducting all activities in a manner that achieves the highest practicable standards of health and safety.
- 6.2. Suppliers must protect their employees, physical assets, information and reputation from potential security threats.

Standard 7 - Respect the environment

- 7.1. Suppliers must ensure that, as far as reasonably practicable, any detrimental effects from its activities, products and services upon the environment are minimised.
- 7.2. Suppliers should take initiatives to promote environmental sustainability and encourage the development of environmentally friendly practices and to reduce the overall environmental impact of their operations.

Standard 8 - Contribute to communities

- 8.1. In addition to the provision of employment opportunities and training and development activities, Suppliers must seek, when appropriate, to contribute in some meaningful way to the communities in which they operate by participation in, and support for, community and charitable initiatives.
- 8.2. Suppliers must properly pay the taxes arising on their operations and activities whenever and wherever due.

Standard 9 - Respect human rights

- 9.1. HFL requires Suppliers to uphold all internationally recognised human rights and labour laws wherever their operations are located.
- 9.2. HFL recognises the right of employees of the Suppliers to periodic holidays with pay. We recognise the right to equal pay for equal work and insist that Suppliers ensure that employees must not be forced to work more than the stated legal regular and overtime hours in their country of employment.
- 9.3. HFL will not tolerate any behaviour that does not maintain human dignity and respect. Employees of the Suppliers must be compensated fairly. Compliance by our Suppliers with all relevant labour laws, including those relating to wages, insurance and working hours is expected. Forced, exploited, bonded and child labour are strictly forbidden and human trafficking is not tolerated.
- 9.4. Suppliers must adhere to all relevant government guidelines designed to ensure that products are not incorporated into weapons or other equipment used for the purposes of terrorism or abuse of human rights.
- 9.5. Suppliers must respect the personal dignity, privacy and rights of each individual, and not tolerate behaviour including gestures, language and physical contact, that is sexual, coercive, threatening, abusive or exploitative.

Standard 10 - Maintain high standards of financial recordkeeping and reporting

- 10.1. Suppliers must record all business transactions accurately, prudently and transparently, in compliance with applicable accounting standards and recognised best practice.
- 10.2. HFL requires Suppliers to practice comprehensive assessment and management of risk, and have strong systems of internal control as essential on aspects of their structure and ensure that all risk is managed effectively and reported results are accurate.

Standard 11 - Application and compliance

- 11.1. HFL's Supplier Code, or the Supplier's own equivalent Code of Ethics, should apply throughout any subsidiaries and to all their employees worldwide. We require our Suppliers to monitor their supply chains and analyse information regarding the supply chain's compliance and share this with us.
- 11.2. HFL's Supplier Code of Business Ethics is not intended to replace Suppliers' existing policies or those of its subsidiary businesses. We expect our Supplier Code, or Supplier's own Code of Ethics, to serve as a governing document to which internal policies must adhere.
- 11.3. Suppliers must expect and encourage employees to bring promptly to management's attention any suspected or actual breaches of this Supplier Code or their own Code of Ethics. Employees making such information known through the appropriate channels should not face any adverse treatment for such disclosure. Supplier employees can bring a suspected or known breach of this code to the attention of HFL.
- 11.4. HFL reserves the right to end a business relationship with any Supplier if any of its officers, directors or employees are found to have violated our Supplier Code. We also reserve the right to conduct enquiries and investigations of Suppliers' conduct to satisfy ourselves that these minimum standards are being met.

Attestation: We hereby confirm that we share, respect, adhere to and will apply this Supplier Code as stated above, directly or through our own code (which is no less exacting).

Company name:

Name:

Title:

Date:



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