

## Supplier Standards & Ethical Code

### Appendix 1

March 2023

Related to the

**Procurement Policy**

### Executive Summary

The following document correspond to the appendix 1 – Supplier Standards & Ethical Code, related do the Procurement Policy. Its main goal is to stablish the needed regimentation to ensure the transparency and honesty of Verisure Supplier Partner's.

**Issuing Department:** Group Procurement & Supply Chain

**Owner:** Group Procurement & Supply Chain Director

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## AIM

Verisure Group is committed to conduct its worldwide business in an ethical, legal and socially responsible manner. This commitment extends to the Suppliers with whom we chose to do business. Verisure Group expects the same level of honesty and integrity of its supplier partners that it expects of its own employees. To clarify the exact nature of these expectations, Verisure Group has prepared this Guidelines and Standards which applies globally to all suppliers. Compliance with this Standards is expected of all suppliers as the actions of those with whom we do business may be attributed to Verisure Group and potentially adversely affect Verisure Group's reputation or that of a particular brand within the Verisure Group family.

All suppliers are expected to take all appropriate steps necessary to ensure compliance with these Standards. Suppliers are also expected to be familiar with the business practices of their suppliers and any sub-contractors to ensure that they operate within the guidelines of this document.

## COMPLIANCE WITH LAWS AND REGULATIONS

Suppliers are required to abide by all applicable laws, regulations and standards applicable to its particular industry under the national laws of the countries where the Supplier is doing business. Should the legal requirements and the standards of the industry conflict, the Supplier must comply with the laws of the country in which the products are being manufactured. Suppliers should, however, strive to meet industry standards whenever possible. If local legal requirements apply to the Supplier's manufacturing activities, the Supplier must comply with the local requirements.

## SECURITY

Suppliers will maintain adequate security at all production and warehousing facilities and implement supply chain security procedures designed to prevent the introduction of non-manifested cargo into outbound shipments. Each Supplier facility must have written security procedures to document proof of adequate security controls.

## EMPLOYMENT PRACTICES

Verisure Group expects Suppliers to respect its employees and to strive to improve conditions whenever possible but, in all instances, to be in compliance with the specific requirements relating to employment conditions contained herein.

**Wages & Benefits:** Suppliers shall provide wages, overtime compensation and benefits at not less than the minimum levels required by applicable laws and regulations or which are consistent with the prevailing local industry levels, whichever is higher.

**Working Hours:** Suppliers shall maintain employee work hours in compliance with local standards and applicable laws of the jurisdictions in which the Suppliers are doing business. Unless the national law is different, the maximum standard working time is 48 hours per week or 60 hours per week including 12 hours of overtime work. Unless and except extraordinary circumstances are present, no worker shall work more than 72 hours per 6 days; work more than 14 hours per calendar day (midnight to midnight); or work 7 consecutive days without one day off. Verisure Group will not use Suppliers who regularly require workers to work hours in excess of the statutory requirements.

**Child Labor:** Verisure Group respects the right of children to development and education. Exploitation of child labor or any vulnerable group (illegal immigrants for example) is totally unacceptable. No person shall be employed at an age younger than the legal minimum age for working in any specific country and in no circumstance shall any worker be younger than 14 years of age. In general, all children under the age of 18 must: not be employed in hazardous work; not work night shifts; and are entitled to more breaks than adults.

**Forced Labor:** Forced or involuntary labor will not be tolerated by Verisure Group. Suppliers shall maintain employment on a voluntary basis. Verisure Group will not work with Suppliers who directly or indirectly use in any manner forced labor or prison labor.

**Nondiscrimination / Human Rights:** Verisure Group recognizes that cultural differences exist, and different practices apply in various jurisdictions. However, Verisure Group believes that all terms and conditions of employment should be based on an individual's ability to do the job, not on the basis of physical characteristics or beliefs. Employees of our Suppliers must not be exposed to physical punishment, threats of violence or physical, sexual, psychological or verbal harassment or maltreatment.

Suppliers shall respect internationally recognized human rights, including those expressed in the UN International Bill of Human Rights (the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, and the International Covenant on Civil and Political Rights and its two Optional Protocols) and conduct their business in alignment with the United Nations Guiding principles on Business and Human Rights.

**Freedom of Association:** Suppliers must recognize their employees' rights to choose whether or not to associate with or establish any organization including labor organizations.

**Working Conditions:** Suppliers must provide adequate working conditions for employees and comply with all applicable worker health and safety laws and regulations. At a minimum, adequate working conditions include:

- Access to sanitation, drinking water and emergency exits;
  - Safety procedures for hazardous activities and accident prevention;
  - Proper maintenance of all machinery;
  - Provision of meal breaks; and
  - Adequate ventilation, temperature controls and lighting.
- Residential or resting facilities, if provided, shall also meet these minimum conditions.

## ENVIRONMENTAL & SUSTAINABILITY

Suppliers shall comply with all applicable environmental laws and regulations. This shall include having processes in place to ensure compliance with those regulations relating to the handling, recycling, and disposal of dangerous or hazardous materials.

Verisure's Sustainability program emphasizes that the Company value to society goes beyond protecting people, and it is also important to recognize that Verisure's value goes beyond the boundaries of its own operations.

Verisure's extensive global network of suppliers is not only vital to its ability to provide high-quality security services, it also represents an opportunity to extend its ability to positively impact the communities and environments in which Verisure operates.

Recognizing the importance of Verisure's relationships with suppliers to achieve its mission, Verisure demands from its suppliers not only address quality, cost and reliability requirements, but also a wide range of sustainability and ESG (Environmental Social Governance) considerations, in such areas as business ethics, labor and human rights, and environmental impacts.

Among others, Verisure will establish the fundamental expectations for its suppliers:

- Sustainability performance assessments to evaluate key suppliers' performance.
- Collaboration with suppliers to understand the environmental footprint of Verisure's products over their lifecycles, including the use of Product Sustainability Profiles to identify opportunities for improvement.
- On-going monitoring of emerging global regulatory requirements associated with supply chains, to ensure that its Supplier Sustainability Program addresses those requirements in all markets in which Verisure operates.

## CONFLICT MINERALS

The supplier should be able to prove to Verisure that none of the products, parts, or materials delivered to Verisure will contain Conflict Minerals such as tantalum, tin, tungsten and gold, which are the extracts of the minerals cassiterite, columbite-tantalite and wolframite, respectively (referred to as 3TG metals) and originated from a Covered Country (Democratic Republic of Congo ("DRC") or an adjoining country (Angola, Burundi, Central African Republic, the Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda, and Zambia).

Verisure expects the supplier to perform the necessary due diligence in determining the potential for Conflict minerals in the goods delivered to Verisure and may require Suppliers to provide documents, information, and other evidence that Verisure may consider necessary.

## **GIFT & GRATUITY POLICY**

Verisure Group's employees are prohibited from soliciting or accepting any gifts, gratuities, or other monetary incentives as a condition of doing business. The Supplier has an affirmative duty to report any such request or demand to Verisure Group, and likewise has a duty to avoid using gifts or gratuities before or during the business relationship. Certain business courtesies are not prohibited, such as covering the bill for a business meal or the exchange of gifts in countries where custom requires such courtesies.

## **BRIbery, CORRUPTION & FRAUD**

The Supplier shall comply with applicable laws and regulations concerning bribery, corruption and fraud and shall not offer, give or accept any form of bribe, payment or improper advantage/incentive to or from any public official, international organization or third party, directly or through an intermediary.

The Supplier shall maintain an effective anti-corruption programme and ensure compliance with applicable anti-corruption laws and regulations.

## **FREEDOM OF EXPRESSION AND DATA PROTECTION**

The Supplier shall recognize and respect privacy and freedom of expression within its operations and implement adequate security controls and take necessary precautions against any unauthorized data disclosure to safeguard the interests of the data subjects.

## **MONITORING OF THE SUPPLIER CODE OF CONDUCT**

Verisure Group will review this Supplier Code of Conduct on a regular basis and will revise it to incorporate additional parameters when necessary. Suppliers are invited to contribute towards the further development of the Code of Conduct.

Suppliers shall actively audit and monitor the day-to-day management processes to ensure compliance with this Code of Conduct and assure that employees are advised of the requirements of this Code. Suppliers are also required to disclose all material facts relating to production of products for Verisure Group upon request.

Verisure Group shall have the right to periodically inspect Suppliers and their facilities to verify compliance with this Code either directly or through a third-party. Such inspections may be conducted without notice to the Supplier.

This Code is a general statement of Verisure Group's expectations with respect to its Suppliers. The Code should not be read in lieu of but rather, in addition to the Supplier's obligations as set forth in any agreements between Verisure Group, any of its operating divisions and the Supplier. In the event of a conflict between this Code and any such agreement, the agreement shall control.



We encourage our Suppliers to Speak Up about any suspected misconduct to the principles contained in this document (Supplier Standards and Ethical Code) or applicable laws through our Speak Up platform available on our website [Verisure.com](https://www.verisure.com)