

# Sparex Limited SUPPLIER CODE OF CONDUCT



Version Status: Final  
Version release date: 10/23/2024  
Last update: 10/28/2024

Sparex Limited UK  
Exeter Airport  
Exeter  
Devon  
EX5 2LJ  
UK  
[www.sparex.com](http://www.sparex.com)

# Overview

Sparex and its Employees are held to the highest standards of Professionalism, Ethical Behavior and Adherence to the Law. These same standards are expected of the Sparex supply base.

This Supplier Code of Conduct is intended to establish a foundation for the crucial relationships Sparex forges with its supply base. Sparex requires strict adherence to the following elements by its entire supply base, tier supply base and any company seeking to do business with Sparex.

Sparex has made a firm commitment to these standards and expects all its Suppliers and sub-Suppliers to adopt and take measures to achieve the same level of conduct committed to by Sparex. With a joint level of participation, Sparex and our supply base can go further, together.



# General

## Scope

This Supplier Code of Conduct ("Code") outlines requirements for Sparex's Suppliers ("Supplier") to comply with in their business transactions with Sparex and in business interactions with their own employees, Suppliers and other stakeholders.

## Applicability

In this Code, "Supplier" means any individual or legal entity which provides Sparex with products, components, materials or services. The definition of "Supplier" also includes Supplier's own 1st tier Suppliers, contractors and other business partners participating in the delivery of products, components, materials or services to Sparex.

## Supplier responsibility for its sub-Suppliers

The Supplier shall take measures to ascertain that its own 1st tier Suppliers, contractors and other business partners participating in the delivery of products, components, materials and services to Sparex comply with the minimum requirements set out in this Code, and that this Code is communicated by the Supplier to them.

# Compliance

## **Legal Compliance**

The Supplier shall comply with all laws and regulations applicable to its operations. Should a requirement of this Code contradict national laws or regulations the Supplier shall comply with whichever is more stringent.

## **Monitoring and Record Keeping**

The Supplier shall maintain the necessary documentation to support its compliance with this Code of Conduct and will allow Sparex the right of inspection and/or review of the respective documentation, including allowing Sparex or its representative to audit any Supplier's facility with or without advance notice. The Supplier shall provide timely and complete responses to Sparex or its representatives' requests for information necessary for Sparex to meet its regulatory reporting obligations.

## **Confidentiality**

The Supplier shall respect Sparex's proprietary information obtained by Supplier employees in the performance of their work, preventing misuse, informal discussion, or disclosure of such information to unauthorized persons, and refrain from knowingly making false or improper records of any document.

# Compliance

## Data Privacy

The Supplier shall ensure appropriate measures are in place to safeguard Sparex data. The Supplier shall also only process, obtain and dispose of Sparex data for agreed upon business purposes and pursuant to the applicable Data Privacy legislation and contractual obligations. All data breaches must be reported to Sparex without undue delay and as soon as is practicable to comply with relevant Data Privacy and contractual obligations.

## Artificial Intelligence

The Supplier shall disclose to Sparex any use of Artificial Intelligence (AI) in the direct procurement of goods and services, and shall ensure that its use of AI complies with regulations and ethical standards.

## Reporting Misconduct

The Supplier shall promptly report any non-compliance with this Code to Sparex's Ethics Line. Sparex's business partners and other stakeholders may report suspected violations anonymously and confidentially.





# Ethical Standards

## **Fair Competition**

The Supplier shall compete in a fair manner in compliance with all applicable antitrust laws and regulations, and shall have standards and procedures in place to ensure that its directors and employees do not engage in any anti-competitive practices.

## **Gifts, Favors, and Improper Payments**

The Supplier shall avoid any situations where a conflict of interest between the Supplier and Sparex exists including interactions with an Sparex employee that could create a conflict of interest with Sparex employee's duty to act in the best interest of Sparex. The Supplier shall disclose to Sparex any potential or existing conflict of interest situation in its relationship with Sparex. The Supplier shall not provide Sparex employees with any gifts or hospitality in any situation in which said gifts or hospitality might influence, or appear to influence, employee's decision in relation to the Supplier.

# Ethical Standards

## **Anti-bribery and Integrity**

The Supplier will not engage in any corruption, give or accept any bribes or other improper payments (such as kickbacks, facilitation payments), especially to government or ranking officials, in connection with the supply of Sparex product or services. All local, federal, state and national laws and regulations, including but not limited to the US Foreign Corrupt Practices Act, must be abided as a condition of supplying Sparex.

## **Anti-money Laundering**

The Supplier shall comply with all applicable laws and regulations on anti-money laundering and privacy and on all applicable economic and trade sanctions.

# Human Rights

Sparex respects the rights enshrined in the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines, and the fundamental rights in the eight core conventions of the International Labor Organization which form the basis for Sparex's Human Rights Commitment. Suppliers are expected to respect these same rights, and at a minimum shall:

## **Child Labor**

The Supplier will establish systems to ensure protection of workers under 18 years of age in its supply chain. The minimum age of all workers must meet or exceed local laws for an employment age and must comply with International Labor Organization regulations. In no case shall any employee be under the age of 15. Workers of ages 15-17 shall be protected from work which is likely to harm their health or physical or psychological safety or development.

## **Forced Labor**

The Supplier will not utilize any form of involuntary or forced labor, inclusive of prison, bonded or indentured labor, and will ensure that recruitment fees and associated costs are not borne by workers.

## **Hours of Work**

The Supplier shall adhere to applicable laws regarding working hours, minimum wages, overtime, sufficient breaks and rest time, sick leave and annual holidays, as well as parental leave and mandatory benefits (e.g. social security), and have appropriate records of these in place.



# Human Rights

## Conflict Minerals

The Supplier shall:

- Ensure that any parts, components or materials it provides to Sparex ("Products) comply with all applicable laws and regulations regarding the responsible sourcing of minerals from conflict-affected of risk-risk areas; and use reasonable endeavors to ensure that any conflict, or responsible minerals or metals in the Products do not directly or indirectly benefit armed groups that commit human rights abuses in conflict-affected and high-risk areas; and
- Upon request and in a timely manner provide to Sparex all documentation and supporting evidence about any use of conflict minerals in the products and the supporting due diligence measures it has taken in this area via designated platforms or communication channels specified by Sparex.

## Terms of Employment

The Supplier shall ensure that all employees are made aware of the key terms of their employment prior to commitment to work.

## Harassment

The Supplier shall respect the dignity and human rights of its employees and contractors, and shall not permit the discrimination or harassment of its employees based on race, religion, color, nationality, gender, age, disability, military status, sexual orientation or any other statute protected by law. Further, no employee shall be held to corporal punishment or use of monetary penalties as an act of punishment.

# Human Rights

## **Collective Bargaining**

The Supplier shall recognize and respect employees' rights to organize freely and bargain collectively where allowed by local law.

## **Supplier Diversity, Equity and Inclusion**

The Supplier shall have a Supplier pool which is free from discrimination, shall encourage and support diversity and inclusiveness among its first-tier Suppliers, including businesses verified to be owned and operated by minorities, women, LGBTQ, indigenous people, veterans, and people with disabilities, locally-based suppliers, and businesses regarded as small and medium enterprises.

## **Risk Management**

The Supplier shall have in place a system for identifying, addressing, and reporting human rights risks and impacts in its own operations and those of its direct Suppliers, including but not limited to the human rights issues addressed in this Code as well as unlawful acquisition of land or water, and excessive use of security forces, use of torture or otherwise inhumane or degrading treatment.

## **Grievance Mechanism**

The Supplier shall have in place a system for its employees as well as employees and other stakeholders to file grievances without potential for retaliation, and to systematically address those grievances, and shall make Sparex's grievance mechanism available to its employees.

# Health and Safety

The Supplier shall ensure its employees have a safe and healthy work environment with safety procedures and equipment in compliance with all laws and regulations applicable to its operations.

The Supplier shall provide employees and contractors with drinking water, clean toilets, adequate ventilation, emergency exits, proper lighting and access to first aid supplies or other provision for emergency care.

The Supplier shall comply with Sparex's Critical Safety Rules and Contractor & Visitor Safety Program when working at Sparex premises, and will comply with health and safety requirements if, and to the extent, separately agreed with Sparex.



# Climate and Environment

The Supplier shall support a precautionary approach to environmental challenges and undertake initiatives to promote greater environmental responsibility. The Supplier is encouraged to establish and implement procedures to minimize any adverse impact of its operations on the environment and to demonstrate continuous improvements therein. The Supplier shall fulfil applicable environmental requirements set forth in relevant laws, regulations and environmental permits in the jurisdiction where the Supplier operates.

## **Materials, Chemicals, Wastes, and Pollution Prevention**

The Supplier shall monitor, control and appropriately treat wastewater, air emissions and waste generated from its operations including, without limitation, the treatment of hazardous waste, in compliance with applicable legislation and process manufacturer's instructions. The Supplier shall prevent land use change, harmful soil change, water or air pollution, or excessive noise that might negatively impact human health and well-being, and natural ecosystems and biodiversity.

## **Resource Management**

The Supplier shall monitor its energy, water, and materials use, and seek ways to reduce consumption, enhance efficiency, and use recycled and recyclable materials wherever practicable. The Supplier will also investigate the use of alternative materials with lower risk to the environment and human health whenever practicable.

## **Energy and GHG**

The Supplier shall consider the climate impact of its operations and undertake greenhouse gas reduction measures where reasonable. The Supplier shall disclose climate data and share ESG data through the Sustainable Supply Chain Alliance (SSCA) annually.



# Grievance Mechanism

Sparex Ethics Line Phone: +1-866-680-3083

Sparex Alertline: <https://agcocorp.alertline.com>

Sparex Headquarters: Sparex Limited UK  
Exeter Airport  
Exeter  
Devon  
EX5 2LJ  
UK  
[www.sparex.com](http://www.sparex.com)