



**SUPPLIER  
CODE OF  
CONDUCT**

# SUPPLIER CODE OF CONDUCT

## KMD'S COMMITMENT

Being a responsible IT company, KMD Group is committed to ensuring high ethical standards throughout our business. We are a signatory to the UN Global Compact, we are subject to the UN Declaration of Human Rights and we commit to the OECD Guidelines for Multinational Enterprises, which set out requirements for us and our supply chain.

*WE REQUIRE THAT OUR SUPPLIERS MAINTAIN THE SAME HIGH STANDARDS ON ETHICAL BEHAVIOR AS WE REQUIRE WITHIN OUR OWN ORGANIZATION*

Per Johansson  
CEO, KMD Group

We expect that our suppliers recognize their social, environmental and financial responsibility. This Supplier Code of Conduct, in the following referred to as the "Code", contains the requirements that we require our suppliers to operate in accordance with;

- business integrity
- human rights and labor
- health and safety
- environmental protection.

The Code is part of the Responsible Supply Chain Program in the KMD Group.

## SCOPE

This Code applies to any legal or natural person who supplies goods or services to the KMD Group, in this Code referred to as "supplier" or "suppliers". KMD Group means KMD A/S or any of its directly or indirectly majority-owned subsidiaries.

We expect our suppliers to ensure that their subsidiaries, affiliates and sub-suppliers which directly or indirectly provide goods or services to the KMD Group also meet the requirements of this Code. This entails that the subsidiaries, affiliates and sub-suppliers must be informed about and implement measures necessary to comply with the principles of this Code.

## GENERAL PRINCIPLES

Compliance with this Code is an enforced part of any agreement or contract between a supplier and the KMD Group, just as the supplier is required to comply with applicable laws and regulations.

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## **BUSINESS INTEGRITY**

In the KMD Group, we continuously work on maintaining high standards of ethical conduct. We expect the same from our suppliers.

### **Corruption, Gifts and Entertainment**

The supplier must comply with applicable laws and regulations concerning anti-corruption, including the UK Bribery Act and the US Foreign Corrupt Practices Act. The supplier must focus actively on avoiding any form of corruption, including extortion and bribery or similar methods, employed for the purpose of acquiring unlawful commercial advantages.

The supplier must also refrain from offering lavish gifts and extravagant entertainment to any employees of the KMD Group or on behalf of the KMD Group.

### **Money Laundering**

The supplier must be firmly opposed to all forms of money laundering and must only conduct business with partners involved in legitimate business activities with funds derived from legitimate sources. The supplier must take reasonable steps to prevent and detect any illegal form of payments and prevent its financial transactions from being used by others to launder money.

### **Sanctions**

The supplier must take reasonable steps to ensure that no entity or person subject to the sanctions lists of the UN, the EU or other applicable sanctions laws and regulations, is involved in or unlawfully benefits from the

supplier's operations, including its supply chain. In addition, the supplier must prevent involvement in any transaction prohibited by applicable sanctions laws and regulations.

### **Competition Law**

The supplier must comply with applicable competition laws and regulations, including national, EU and US competition law and must not cause or be part of any breach hereof.

### **Confidential Information and Data Protection**

The supplier must treat data belonging to the KMD Group with confidentiality and protect it against unauthorized use, unlawful processing and against accidental loss, destruction, damage, alteration or disclosure.

The supplier must ensure that personal data is handled in accordance with applicable data protection laws and regulations.

### **Conflicts of Interest**

The supplier must ensure that its employees do not participate in any activities where there is a conflict between the personal interests of the employee and the professional interests of the supplier in its relationship with the KMD Group.

### **Tax**

The supplier must act in accordance with applicable national tax laws and regulation, including joint taxation, and the OECD Transfer Pricing Guidelines for Multinational Enterprises.

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## HUMAN RIGHTS AND LABOR

The KMD Group believes that all employees deserve a fair workplace. We therefore expect our suppliers to treat employees with the utmost dignity and respect.

### Human Rights

The supplier must support and respect internationally proclaimed human rights.

### Freedom of Association and Collective Bargaining

The supplier must respect the employees' right to form and join associations of their own choosing and their right to collective bargaining.

### Forced and Compulsory Labor

The supplier must support the elimination of all forms of forced and compulsory labor and must ensure that it does not occur in any part of its supply chain. If the supplier is subject to UK Modern Slavery Act 2015, the supplier must ensure compliance with the requirements therein.

### Child Labor

The supplier must respect children's right to development and to receive education, and the supplier must never support or make use of child labor. Child labor is defined as work performed by young people under the age for completing compulsory education, and work may not in any case be performed by young people of less than 15 years of age (14 years of age where this is permitted in pursuance of the ILO convention 138, cf. note 3). Where local laws and regulations provide for a higher age limit, this must be respected.

### Non-discrimination

The supplier must ensure equal rights and opportunities for its employees and the supplier must not discriminate based on race, ethnicity, gender, age, marital status, religion, political affiliation, union membership or sexual orientation.

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## HEALTH AND SAFETY

Workers' health, safety and wellbeing are important to the KMD Group.

The supplier must ensure sufficient working conditions for its employees that comply with applicable laws and regulations. The KMD Group requires the supplier to integrate sound health and safety practices and to ensure that all workers have the right to refuse unsafe work and to report unhealthy working conditions.

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## ENVIRONMENTAL PROTECTION

The KMD Group continuously works on minimizing our negative environmental impact and we expect our suppliers to share this commitment.

The supplier must comply with all relevant legislation. The supplier must seek to prevent, minimize and attend to any adverse environmental impact of the supplier's own activities, products and services.

Suppliers must deliver and use products with ecolabel and energy saving products to the extent such products are available in the market unless KMD has specifically requested otherwise. Suppliers of electronic hardware must comply with the RoHS directive (2011/65/EU) and (EU) 2015/861).

### Minerals and Metals from Conflict-Affected and High-Risk Areas

If the supplier supplies products or components of products which contain metals or minerals covered by the OECD "Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas", the supplier must ensure compliance with these guidelines.

### COMPLIANCE WITH THIS CODE

The supplier must ensure fulfilment of its obligations under the terms of this Code and be able to document its processes for fulfilment of the individual obligations at the KMD Group's request. Depending on the risk profile of the supplier, it may be asked to participate in the KMD Group annual supplier screening process. Subject to prior notice thereof, we additionally reserve the right to conduct an audit to verify that the supplier complies with this Code.

The KMD Group believes that dialogue is paramount to achieving the standards set out in the Code. If the supplier acts in non-compliance with one or more of the principles of this Code, the KMD Group will cooperate with the supplier to draw up a remedial plan. Only when we assess that a supplier is not capable nor showing any intention of remedying the issue, or when repeated violations of the Code are made by the supplier, will we consider it a material breach, and the result may be a termination of the cooperation.

### REPORTING NON-COMPLIANCE

The supplier is encouraged to promptly report possible violations of laws, regulations or this Code to its primary contact in the KMD Group.

If it is not possible or appropriate to use the ordinary reporting avenues, possible violations made by KMD Group employees or consultants acting on behalf of the KMD Group may be reported via the KMD Group Whistleblower Program.

#### **It is possible to report via the following whistleblowing avenues:**

- Electronic Whistleblower System:  
[kmd.whistleblownetwork.net](https://kmd.whistleblownetwork.net)
- KMD Group in-house Compliance Officer:  
Mail: [complianceofficer@kmd.dk](mailto:complianceofficer@kmd.dk)  
Phone: +45 4178 3093
- Independent Whistleblower Attorney,  
Anders Etgen Reitz:  
Phone: +45 5374 2710

Any contact via the Whistleblower Program will be treated and stored confidentially. The KMD Group guarantees that reporting made in good faith about possible violations conducted by the KMD Group will not have negative effects on the cooperation with the supplier.

Visit <https://www.kmd.net/about-kmd/csr/supply-chain> to download the latest version of the Code and to find more information about KMD Group's Responsible Supply Chain Program.

DECLARATION CONCERNING RESPONSIBLE BUSINESS CONDUCT IN SUPPLY CHAINS

We, the undersigned hereby declare that we understand the “KMD Supplier Code of Conduct” and will adhere to its principles when providing goods or services to KMD Group.

Date

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Company

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Name

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Title

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Signature

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