

# BUFAB GROUP POLICY

## Supplier Code of Conduct

**BUFAB**

Document owner	Group Sustainability
Version	9.0
Adopted by the Bufab Board of Directors	2025.04.24
Document type	Policy

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### 1. Background and purpose

At Bufab AB (publ), including its subsidiaries, ("Bufab"), we are committed to operational excellence, ethical and responsible conduct, fair and respectful treatment of all individuals, and practices that promote safety, health, and environmental protection.

Bufab's business is based on close, long-term relationships with customers, suppliers, and other business partners. With this Supplier Code of Conduct, we communicate to our suppliers that we expect them to operate as Bufab; in accordance with internationally recognized standards on Human Rights, Labour Rights, Environment and Anti-corruption.

The Bufab Supplier Code of Conduct or equal requirements must be required from all of the supplier's 1st tier sub-suppliers providing products or material to Bufab. The suppliers shall adopt the Supplier Code of Conduct in their supply chain secure transparency and control in line with Bufab Code of Conduct.

### 2. Audience

This Code of Conduct applies to all employees, contractors, consultants, and business partners associated with Bufab globally. It is intended for anyone who represents Bufab, both internally and externally, and ensures that the company's values are upheld in every aspect of our operations.

### 3. Policy statement

#### 3.1. General principles

##### 3.1.1. Local compliance

Where there are differences between the provisions of this Supplier Code of Conduct and national laws or other applicable standards, suppliers shall adhere to the higher or more stringent requirements.

##### 3.1.2. Commitment and demonstration of responsible business

Supplier shall upon request by Bufab, provide evidence of its compliance with the obligations set out in this Supplier Code of Conduct.

##### 3.1.3. Fair competition

Bufab respects and is committed to the rules governing free and fair competition and to complying with applicable antitrust and other laws regulating competition. Our suppliers shall equally commit to competing in a fair manner in compliance with all applicable competition laws and regulations.

When conducting business with Bufab, our suppliers shall deal fairly with all individuals and entities with whom they interact and shall not take advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material acts, or any other unfair dealing or practice.

Our suppliers shall not engage in collusive binding, price fixing, price discrimination or other unfair trade practices in violation applicable antitrust and other laws regulation competition.

### **3.1.4. Confidentiality**

Our suppliers shall not disclose nor use for their own purposes any other Bufab trade secrets, confidential information, knowledge, designs, data, skill, or any other information considered by Bufab as sensitive information.

Our suppliers shall respect the intellectual property rights of Bufab and of others, observe and respect all patents, trademarks, and copyrights, and comply with all requirements and terms of their use.

## **3.2. Anti-corruption**

Suppliers that Bufab does business with must not use illegal payments, bribes, frauds, kickbacks, or other questionable inducements to influence any business transaction. Bufab specifically prohibits bribery by any of its employees or agents. A practice that conflicts with this policy might be considered acceptable in a particular country, however it is not acceptable for Bufab.

## **3.3. Principles of human rights and social justice**

Suppliers must support and respect the protection of internationally proclaimed human rights and make sure that they are not complicit in human rights abuses.

### **3.3.1. Non-discrimination**

All employees of the supplier shall have equal opportunities based on competencies, experience, and performance regardless of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, union affiliation, social background, or ethnic origin and should respect the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP). All employees should be treated with respect. Discrimination, physical or verbal harassment, or any illegal threats are not tolerated.

### **3.3.2. Forced labor**

Supplier will not engage in or support forced, bonded or compulsory labour, nor shall the Supplier require any form of deposit or confiscate identification papers from employees. The use of private or public security forces shall not restrict the mobility of the company's personnel and it's not accepted to hold identification documentation of workers without the worker's consent.

### **3.3.3. Child labor**

Bufab respects the children's right to development and education. Suppliers must not engage in child labor. The supplier shall ensure that no employee is younger than the legally fixed age for employment. Minimum age is the age for completion of compulsory schooling, but not younger than 15 years, or not younger than 14 years, in countries where the ducation system is inadequately developed.

The supplier should abide by the UNGC Convention 182 and Convention 138 and comply with all relevant national and international laws, regulations, and provisions applicable in their country of production or operation. If child labor is found at our suppliers, it's their

obligation to enrolling the children in schools and offering income-generating alternatives for the parents or above-working age members of the family.

### **3.3.4. Freedom of association**

Suppliers must respect the right of employees to join any organized associations of their own choosing and to bargain collectively as permitted by local laws and regulations. Suppliers shall respect the recognized unions. The supplier should also equally respect an employee's right to refrain from joining a union.

### **3.3.5. Working hours and compensation**

The Supplier shall comply with applicable laws on working hours. Where such laws do not exist, a workweek should not be more than 60 hours including overtime. Employees shall be allowed at least one day off every seven days. Employees shall have a written employment contract specifying the terms and conditions of their employment in a language that they understand. Records must be kept about employees' working hours.

## **3.4. Health and safety**

Suppliers to Bufab shall safeguard a healthy and safe working environment for all employees, in accordance with international standards and national legislation. Where the supplier provides its employees with accommodation such facilities must at a minimum be clean, safe, and meet the employees' basic needs.

A supplier must establish organizational structures and procedures for the effective management of health, safety, and environmental risks. Appropriate information and training on health and safety should also be offered to the employees.

## **3.5. Environment**

A supplier should take precautions to reduce environmental impact, undertake initiatives to promote greater environmental responsibility and encourage the development and diffusion of environmentally friendly technologies. A supplier's actions should be based on the relevant national and international laws, regulations, and standards in respect to a sustainable environment. Supplier shall minimize its environmental impact and continuously improve its environmental performance by focusing on Greenhouse Gas Emission, Energy consumption, Logistic, Product, Waste, Recycling and work towards a Zero Pollution for Air, Water and Soil. Bufab has signed the international Science-Based Targets Initiative (SBTi) as a part of its efforts to further reduce global greenhouse gas emissions. We have committed to set targets that are aligned with the Paris Agreement, intended to limit global warming to 1.5°C. We believe it's the right thing to do and we expect our suppliers to support Bufab in reaching those targets. Climate change affects everyone on the planet, and we all must do what we can to limit it by implementing environmental targets and monitoring activities in environmental focus areas.

### 3.6. Material compliance & conflict minerals

Various regulations govern the production, distribution, and use of chemicals and substances. Examples include REACH (Registration, Evaluation, Authorization, and Restriction of Chemicals) in the European Union and the Toxic Substances Control Act (TSCA) in the United States. As Bufab is present on a global market and serves customers globally, information about compliance status becomes essential for Bufab and their customers market availability and access, as well as to conform to environmental policies and procedures.

The Restricted Material and Substance List (RMSL) is a compilation of substance-, chemical- or materials regulations that Bufab Group restricts or prohibits for use in applications or markets due to environmental, health, safety, or regulatory concerns. The RMSL is valid for all materials, products, parts, packaging, and components supplied to, or put on the market, by any company within Bufab Group.

The information in the RMSL serves to inform Bufab companies as well as suppliers and other stakeholders about unwanted, banned or restricted chemical substances and their status.

Suppliers shall follow the Bufab RMSL and inform Bufab companies about the inclusion of substances & materials above stipulated thresholds. See Appendix 1.

## 4. Roles and responsibilities

Bufab reserves the right to actively verify and audit the suppliers' compliance with Bufab Supplier Code of Conduct without announcement on premises. These audits may be performed either by Bufab employees or by a third-party auditor assigned by Bufab.

If Bufab finds that the Supplier is not meeting the requirements and expectations set out in this CoC, Bufab will offer guidance specifying which issues need to be corrected promptly. Bufab nevertheless reserves the right to cancel outstanding orders, suspend future orders or terminate the contract with the Suppliers in case of a material breach of this CoC.

The latest version of this document is always posted on, [www.bufab.com](http://www.bufab.com) and it is the responsibility of the supplier to stay updated on any changes.

<https://www.bufab.com/about-us-2/for-suppliers/supplier-code-of-conduct>

In case of any discrepancy or inconsistency between the English version and the local version, the English version shall always prevail.

### 4.1. Reporting of violations

Any violations of the principles set forth in this Code of Conduct shall promptly be reported to Bufab. Violations can be reported to your Bufab contact or Bufab "Compliance Line" at [compliance@bufab.com](mailto:compliance@bufab.com) <https://www.bufab.com/about-us-2/for-suppliers/supplier-code-of-conduct>

*Ref. Whistle Blower Policy*

### 5. Exceptions

There are no exceptions to this policy. Any need for exceptions to this policy must be clearly defined and documented. All exceptions shall be approved by the Board of Directors of Bufab.

### 6. Monitoring and compliance

Bufab takes compliance with the Code of Conduct seriously. Monitoring mechanisms will be implemented to ensure adherence to this policy. These may include:

- How your company have implemented this policy and informed your employees and suppliers of their rights, duties and responsibilities.
- How your company and all employees comply with local law and the Bufab Group policies.
- How the company has established an adequate human rights due diligence process.
- How the company has incorporated international human rights and labour conditions into operations, business processes and decision-making including UN Guiding Principles on Business and Human Rights, the International Bill of Human Rights, which consist of the Universal Declaration of Human Rights and the two Covenants that implement it, as well as the International Labour Organizations' Declaration on Fundamental Rights and Principles at Work and the core conventions that underpin it.
- How the company promote employee awareness of the importance of compliance with all applicable competition and anti-corruption laws and regulations.
- How your company act fair, accurate and in an ethical way when conducting business
- How your company treating our employees, business partners and other stakeholders equally, with respect and in accordance with established international legislation.
- How your company reduce greenhouse gas emissions in line with our signed international Science-Based Targets initiative (SBTi).
- What activities do your company have in place to: reduce energy & water consumption, reduce logistic emissions, show efficient use of raw- and recycled material, minimize waste and residual products.
- How do your company verify acting according to UN Global Compact with Business Partners worldwide.
- How do your company manage sustainability and quality issues.

### 7. References to associated documents

Apart from this Supplier Code of Conduct Policy, Bufab has several related group wide policy documents, which can be found at [www.bufabgroup.com](http://www.bufabgroup.com).

Further details can be found in the Bufab Group's policies:

- Anti-Bribery Policy - The Bufab Group shall always conduct business in accordance with the Bufab Anti-Bribery Policy and not engage in or support any corruption.
- Quality Policy - Bufab Group employees strive to always deliver "Right from me" ensuring efficient processes.
- Environmental Policy - The Bufab Group believes in strict management of environmental and quality issues, in order to support management and employees a Bufab Quality Policy and a Bufab Environmental Policy has been adopted.
- HR (Human Resources) Policy - The Bufab Group believes in treating our employees equally and with respect.
- To support this, a Bufab HR Policy has been adopted, with details of the Company's and the
- employee's responsibility.
- Whistle Blower Policy – enables coworkers to raise serious concerns they may have about matters occurring within or concerning Bufab.



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CEO Bufab Group



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Group Sustainability & Sourcing  
Director

### 8. Log of updates

Revision	Date	Update
1.0	2023.12	Adopted by the board
2.0	2024.02	Added on child labour
3.0	2024.06	Added targets
4.0	2024.06	Corrected version of the document
5.0	2024.06	The document was edited to have 5 pages as before.
6.0	2024.06	Signed document
7.0	2025.01	Material compliance placed in appendix, control of sub-suppliers, Rights of Indigenous Peoples, security forces shall not restrict the mobility of the company's personnel, work towards a Zero Pollution for Air, Water and Soil.
8.0	2025.01	Updated with Bufab Group in the title.
9.0	2025.05	New policy document structure adopted by the board



## **9. Appendix 1: Bufab Restricted Materials & Substance List (RMSL)**

### **9.1. Background**

The field of chemical compliance and product market access is indeed complex, involving a range of regulations, standards, and processes developed to ensure products are free from harmful chemicals.

Various regulations govern the production, distribution, and use of chemicals and substances. Examples include REACH (Registration, Evaluation, Authorisation, and Restriction of Chemicals) in the European Union and the Toxic Substances Control Act (TSCA) in the United States. As Bufab is present on a global market and serves customers globally, information about compliance status becomes essential for Bufab and their customers market availability and access, as well as to conform to environmental policies and procedures.

The Bufab Restricted Material and Substance List (RMSL) is a compilation of substance-, chemical-, or materials regulations that Bufab Group restricts or prohibits for use in applications or markets due to environmental, health, safety, or regulatory concerns. The RMSL is valid for all materials, products, parts, packaging, and components supplied to, or put on the market, by any company within Bufab Group.

The information in the RMSL serves to inform Bufab companies as well as suppliers and other stakeholders about unwanted, prohibited or restricted chemical substances and their status.

### **9.2. Governance & responsibility**

Bufab Group Sustainability is responsible for the management of the RMSL.

Suppliers must not include any banned substances in products delivered to Bufab.

Suppliers must inform Bufab about the presence of restricted substances or substances of concern above stipulated thresholds.

Suppliers are expected to always adhere to any regulations applicable to them.

Suppliers shall report about the use of any “restricted” or “substance of concern” listed in the RMSL and shall use the approved Bufab reporting systems/procedures, where available, for this purpose.

Suppliers are expected to implement processes to assure compliance to the RMSL.

Business Units and Bufab companies are responsible to ensure compliance with RMSL through appropriate resources and processes.

Any deviation from RMSL requirements shall be promptly reported to Bufab Group Sustainability and/or Quality, Sourcing function.

Substance classification

"Banned substances," "restricted substances," and "substances of concern" are terms commonly used in the context of product safety, environmental regulations, and public health. They refer to different categories of chemicals or substances that are subject to specific regulatory measures or restrictions. In the context of this document the below definitions apply.

### 9.2.1. Banned substances

Banned substances are substances which are prohibited. These substances have been determined to pose such significant hazards that their use is strictly forbidden. Banned substances must not be used in any Bufab products, parts and articles.

### 9.2.2. Restricted substances

Restricted substances are chemicals or compounds for which there are limitations on their use, concentration, or specific applications. These restrictions are imposed to minimize risks to human health, safety, or the environment. While not outright banned, these substances can only be used under specific conditions or within defined limits. Restrictions on substances often come with detailed regulations specifying permissible concentrations, labelling requirements, handling procedures, or other controls. Restricted substances are prohibited in certain applications relevant to Bufab Group.

**Suppliers should inform Bufab companies about the inclusion of restricted substances above stipulated thresholds (see maximum concentration values).**

Restricted substances may be used after decision from the Bufab company if the application is unmistakably outside the scope of the legislation in question or in compliance with to the specific conditions / thresholds stipulated within the regulation. Please note that Bufab requires REACH, ROHS and the Stockholm Convention to be followed globally.

### 9.2.3. Substances of Concern (SoC)

Substances of Concern (SoC) are substances where presence must be evaluated and monitored. This includes substances currently being evaluated for regulations applicable to the Banned or Restricted categories, or substances with legal requirements for reporting and/or monitoring.

**Suppliers should inform Bufab companies about the inclusion of Substances of Concern above stipulated thresholds (see maximum concentration values).**

### 9.2.4. Maximum concentrations of restricted substances

The RMSL requirements apply to substance present in concentrations above 0.1% in weight. However, a substance forbidden (Banned substances) by the RMSL shall not be intentionally added even if the resulting concentration of the substance would be below 0.1% in weight.

The concentration shall be calculated on purchased material or article (for assembled products on all subcomponents).

Concentration for RoHS and POPs substances listed on Stockholm Convention shall be calculated on homogeneous material as defined in the RoHS directive. General limit values are 0.1% except for Cadmium where the threshold is 0.01%. RoHS exemptions and limit values in force apply.

If different concentration values, then mentioned above are foreseen by legislation, the most stringent value applies.

Bufab may define other material specific requirements in Component Specifications, Technical Guidelines or other documentation as well as supplier agreements.

### 9.2.5. Banned

- EU Directive 2013/59/Euratom on ionizing radiation
- EU Regulation 1005/2009/EC on substances that deplete the ozone layer
- EU Regulation 2019/1021/EC on persistent organic pollutants Annex I, POP
- Stockholm Convention: Substances listed in Annex A: Elimination
- EU Regulation 1907/2006/EC REACH Annex XIV
- EU 1907/2006/EC REACH Annex XVII, entries 1, 6, 24-26, 68

### 9.2.6. Exemptions

Exemptions can only be made if such are allowed by the regulation/directive mentioned. All exemptions shall be reported to Bufab and documented by the Bufab Company. Restricted.

- EU Regulation 517/2014/EC on fluorinated greenhouse gases
- EU Regulation 2019/1021/EC on persistent organic pollutants Annex II, POP
- EU Directive 2011/65/EU on the restriction of the use of certain hazardous substances in electrical and electronic equipment
- EU Regulation 1907/2006/EC REACH Annex XVII, entries 2, 4, 5, 7, 8, 12-21, 23, 31-38, 41, 43, 45, 46, 47, 49, 50, 59-63, 71, 74, 76
- REACH: Candidate List of Substances of Very High Concern for Authorisation
- EU 2017/852 Regulation on mercury
- US Toxic Substances Control Act Section 6(h): Regulation of Persistent, Bio accumulative, and Toxic Chemicals Under TSCA Section 6(h)
- California Safe Drinking Water and Toxic Enforcement Act of 1986, usually referred as "Proposition 65"
- EU Directive 2006/66/EC on batteries and accumulators and waste batteries and accumulators
- EU Directive 94/62/EC on packaging and packaging waste
- Stockholm Convention: Substances listed in Annex B: Restriction

Suppliers should inform Bufab companies about the inclusion of restricted substances above stipulated thresholds. See concentration values above.

ROHS exemptions can only be made if such are allowed by the regulation/directive mentioned. All exemptions shall be reported to Bufab and documented by the Bufab company. For example, EU RoHS exemptions for lead in machining steel.

### 9.3. Substances of concern

- Stockholm Convention: Proposed POP Candidates
- US Dodd-Frank Wall Street Reform and Consumer Protection Act, Section 1502
- Responsible Minerals Initiative (RMI): 3TG + Cobalt + Mica
- REACH: Current recommendations for inclusion in the List
- REACH: Proposals to identify Substances of Very High Concern (submitted)
- REACH: Submitted restrictions under consideration (if proposed restriction is applicable to Banned or Restricted categories)
- Per- and polyfluoroalkyl substances (PFASs), Submitted restrictions under consideration
- Halogens: Chlorine  $\leq$  900 ppm. Bromine  $\leq$  900 ppm. Total Halogens  $\leq$  1500 ppm.
- EUDR Regulation (EU) 2023/1115: EU rules to guarantee that the products EU citizens consume do not contribute to deforestation or forest degradation worldwide.
- Suppliers should inform Bufab companies about the inclusion of restricted substances above stipulated thresholds. See concentration values above.

### 9.4. Expectations on suppliers

- Suppliers must agree to monitor updates of chemical compliance regulations included in the RMSL, and without delay declare any inclusion of regulated substances to Bufab. This includes, but is not limited to, monitoring updates related to REACH Restriction Appendix XVII, REACH Authorisation (Annex XIV) and the REACH Candidate List.
- Banned substances must not be used in any Bufab products, parts and articles. Exemptions to Banned substances must only be made if such are allowed under the applicable regulation/directive and communicated to and documented by Bufab.
- Suppliers must declare all items containing Restricted substances or Substances of Concern to Bufab, including Substances of Very High Concern (SVHCs) on the REACH Candidate List above 0,1% (w/w) to Bufab. Even though the minimum requirement is to declare these substances they should be avoided (where possible) and phased out over time.
- All exemptions shall be declared to Bufab, e.g. EU RoHS exemptions for lead as alloying element in galvanized steel. Even though the minimum requirement is to declare these substances they should be avoided (where possible) and phased out over time.
- For EU suppliers an ECHA (European Chemicals Agency) SCIP IDs shall be provided for all articles containing SVHCs in a concentration above 0,1% (w/w). For non-EU suppliers, Bufab will require specific product information to fulfil the SCIP-registration requirement.
- Any presence of intentionally added biocides should be declared to Bufab.
- Suppliers shall ensure that all the products and components provided to Bufab do not directly or indirectly contribute to armed conflict. Any presence of 3TG minerals (tin, tantalum, tungsten, and gold) or Cobalt/Mica should be declared to Bufab. Bufab requires suppliers to identify and disclose the source of 3TG minerals and Cobalt/Mica used in products supplied to Bufab upon request.
- Suppliers shall upon request sign product specific compliance declarations for products supplied to Bufab.
- Suppliers shall upon request respond to requests for conflict minerals due diligence and submit their CMRTs (Conflict Minerals Reporting Templates) upon request.
- Suppliers are expected to share information about sustainable forest stewardship, including certifications and due diligence information to fulfill requirements according to EUDR.
- Suppliers are encouraged to share Full Material Declarations and Test protocols with Bufab upon request.

### 9.5. Information on specific substances

European Chemical Agency: [EUCLEF - ECHA \(europa.eu\)](https://euclef.eu)

Access to European Union law: [EU law - EUR-Lex \(europa.eu\)](https://eur-lex.europa.eu/)

Directive 2013/59: [Directive - 2013/59 - EN - EUR-Lex](https://eur-lex.europa.eu/eli/dir/2013/59/oj)

EU Regulation 1005/2009/EC on substances that deplete the ozone layer: [Regulation - 1005/2009 - EN - EUR-Lex](https://eur-lex.europa.eu/eli/reg/2009/1005/oj)

EU Regulation 2019/1021/EC on persistent organic pollutants: [Regulation - 2019/1021 - EN - EUR-Lex](https://eur-lex.europa.eu/eli/reg/2019/1021/oj)

EU Regulation 517/2014/EC on fluorinated greenhouse gases : [Regulation - 517/2014 - EN - EUR-Lex](https://eur-lex.europa.eu/eli/reg/2014/517/oj)

EU Directive 2011/65/EU ROHS II: [RoHS Directive - European Commission](https://eur-lex.europa.eu/eli/dir/2011/65/oj)

REACH Annex XIV: [Authorisation List - ECHA](https://echa.europa.eu/annex-xiv)

REACH Annex XVII: [Substances restricted under REACH - ECHA](https://echa.europa.eu/annex-xvii)

REACH Candidate List: [Candidate List of substances of very high concern for Authorisation - ECHA](https://echa.europa.eu/candidate-list-table)

Chemicals under TSCA Section 6(h): [Persistent, Bio accumulative, and Toxic \(PBT\) Chemicals under TSCA Section 6\(h\) | US EPA](https://www.epa.gov/tscacandidate-list)

Proposition 65 List: [The Proposition 65 List - OEHHA \(ca.gov\)](https://oehha.ca.gov/proposition-65)

Pop's listed in the Stockholm Convention: [Listing of POPs in the Stockholm Convention](https://www.unep.org/popstocks)

Pop's substances proposed: [List of substances proposed as pop's](https://www.epa.gov/poplist)

Fact sheet Dodd Frank Act: [SEC.gov | FACT SHEET](https://www.sec.gov/ocie/FACT-SHEET)

RMI Minerals Due Diligence: [Minerals Due Diligence \(responsiblemineralsinitiative.org\)](https://responsiblemineralsinitiative.org/)

EUDR Regulation (EU) 2023/1115: [Regulation - 2023/1115 - EN - EUR-Lex](https://eur-lex.europa.eu/eli/reg/2023/1115/oj)

REACH recommendations for inclusion in the Authorisation List: [Recommendations for inclusion in the Authorisation List - ECHA](https://echa.europa.eu/annex-xiv)

REACH proposals to identify Substances of Very High Concern previous consultations: [Proposals to identify Substances of Very High Concern previous consultations - ECHA](https://echa.europa.eu/annex-xiv)