

TELESTE SUPPLIER CODE OF CONDUCT

Teleste's mission is to create added value for society and people: with our products and services, we build and maintain many of the central, critical functions of society and make everyday life smart, safe, and smooth. Teleste recognizes that the smart, safe, and smooth future is based on sustainable development and social responsibility, and Teleste Corporation and its subsidiaries ("Teleste") are committed to operating in a socially responsible manner.

Similarly, Teleste expects suppliers to adhere to internationally recognized standards on responsible business conduct as outlined in the Teleste Supplier Code of Conduct ("Code"). The purpose of the Code is to communicate Teleste's minimum social, ethical, and environmental expectations for suppliers, contractors, subcontractors, and other stakeholders (collectively "Supplier") working with Teleste.

This Code is based on internationally recognised standards, guidelines, and conventions, such as:

- The UN Global Compact
- The UN International Bill of Human Rights
- ISO 14001
- ISO 45001
- ILO Declaration on Fundamental Principles and Rights at Work & core ILO Conventions
- The OECD Guidelines for Multinational Enterprises on Responsible Business Conduct
- UNGPs on Business & Human Rights

Social, ethical, and environmental responsibility matters are part of Teleste's supplier selection and auditing processes. Monitoring of the Code is done by Teleste's sourcing team based on Teleste sourcing policies, guidelines, and processes. The Code is reviewed, and if needed updated, every two years.

Compliance with the requirements in this Code is mandatory. The Supplier should assign a responsible person accountable for compliance with the Code. The supplier shall ensure that its supplier(s) comply with all applicable laws and regulations and with a materially similar code of conduct that adheres to the principles of this Code.

Definitions

The term "worker" refers to any person that does work under the Supplier's control. The word "Supplier" in the Code shall, where relevant, also include all officers, workers, suppliers, contractors, and subcontractors of a supplier.

When the word "shall" is used, it indicates that it is a requirement from Teleste that is mandatory to fulfil. When the word "should" is used, it indicates that it is recommended that the Supplier fulfils the requirement.

COMPLIANCE WITH LAWS AND REGULATIONS AND THIS CODE

The Supplier shall comply with all applicable laws, rules, and regulations in the respective countries where the Supplier operates, or that are otherwise applicable to its operations, including without limitation:

- All applicable trade and customs laws, including import and export trade control, sanctions, and embargoes,
- All applicable antitrust and fair competition laws,
- All applicable labour, cyber security and data protection legislation, and
- All anti-corruption laws and regulations.

If complying with this Code violates local law, local law always takes precedence. Suppliers are expected to comply with the Code in cases where the Code has more stringent requirements than local law and regulations.

Trade Controls and Customs

The Supplier shall have an appropriate trade compliance program including documented procedures to ensure compliance with applicable laws, to identify and prevent violations, and to ensure adequate recordkeeping.

The Suppliers shall, upon Teleste's request, provide import and export classification data on supplied goods in accordance with applicable import/export lists and provide information on its trade compliance program.

The Suppliers shall ensure that licences, authorisations, payments, and documents required for the import/export of goods are provided to the relevant customs offices and administrative authorities. The Supplier shall ensure that goods are labelled in accordance with applicable laws and regulations.

Management System

The Supplier shall have management systems in place to ensure that the Supplier complies with applicable laws, regulations as well as continues improving in the topics outlined in this Code.

The Supplier shall provide evidence on compliance with this Code upon request by Teleste.

Reporting Non-Compliance

The Supplier shall monitor its compliance with the conditions of this Code. If the Supplier becomes aware that it is in violation with the Code or applicable laws and regulations, it shall disclose such violations to Teleste. This can be done by contacting the Supplier's contact person at Teleste or anonymously through Teleste's whistleblowing channel at www.Teleste.com.

HUMAN AND LABOUR RIGHTS

The Supplier shall respect and comply with the protection of internationally recognised human rights such as those stated in the UN International Bill of Human Rights as well as the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work and fundamental ILO Conventions.

Fair Working Conditions

The Supplier shall treat all workers with dignity and respect, and refrain from behaviour, procedures or other direct and indirect measures that encroach on the human rights of workers and other stakeholders.

The Supplier shall not use any form of forced or compulsory labour under any circumstances, this includes bonded labour, human trafficking, exploiting prison labour and slavery. Intimidation, threats, coercion, public shaming, abuse and physical violence, sexual harassment, bullying, debt bonding, fraud, withholding of wages and any other practice which could be interpreted as menace of penalty or infringing on human rights is strictly forbidden.

The Supplier shall not restrict workers' access to their identity documents, immigration papers, work documents or other personal documents, and shall allow workers to terminate their employment contract given reasonable notice. Workers shall be permitted to move freely at all times without physical restrictions or fear of penalty.

The Supplier shall maintain transparent recruitment processes aligned with the Employer Pays Principle. The Supplier shall ensure that workers do not pay recruitment fees or costs, and that all workers receive an employment contract in a language that they understand.

Rights of Children

The Supplier shall not use child labour, shall comply with local laws regarding child labour and shall only employ workers who meet the minimum age requirement for their location. The Supplier shall maintain age-verification procedures and ensure that workers under the age of 18 do not perform work that could jeopardise their health, safety, or morals, such as night shifts, overtime, hazardous work etc. The Supplier shall support and respect the UN Convention on the Rights of the Child.

Working Hours

A standard work week, excluding overtime, shall not exceed 48 hours. The Supplier shall not exceed the overtime limit laid out in national law or by collective bargaining agreements. Overtime shall be voluntary, any fines or otherwise penalisation of workers that do not work overtime is prohibited. In absence of national legislation or collective agreements that limit the overtime, then the Supplier shall ensure that overtime is used as an exceptional practice and that adequate rest periods are regulated between the Supplier and workers.

The Supplier shall grant workers the right to at least one day off in every seven days, unless exceptions defined by relevant laws and regulation, or applicable collective agreements apply. The Supplier shall document working time and demonstrate compliance through verifiable records upon request by Teleste.

Wages and Benefits

The Supplier shall follow all applicable national laws and regulations concerning wages and benefits, including overtime and minimum wage. The Supplier shall pay workers an adequate wage, as set out in national laws or in collective agreements. Compensation for overtime shall follow national legislation or regulation. In the absence of legislation on overtime compensation, then a premium shall be paid for overtime work. Any deduction of workers' wages as a punishment or disciplinary measure is forbidden. The Supplier shall pay workers on time and provide workers with clear information concerning worker's wages and benefits, when workers will receive their wages, and what workers final wage payments consist of.

Freedom of Association and Right to Collective Bargaining

The Supplier shall respect the rights of its workers to associate freely, join or not join labour unions, seek representation, join workers' councils, to bargain collectively and overall join groups that promote and defend their occupational interests in accordance with local laws. Workers shall be able to communicate openly with management regarding working conditions without fear of reprisal, intimidation, or harassment.

Non-Discrimination and Diversity

The Supplier shall support diversity and equal opportunity and not tolerate harassment. The Supplier shall provide a workplace free of discrimination and have zero tolerance for discriminatory behaviour, practices, or systems. Discrimination is defined as any distinction, exclusion or preference made based on e.g., race, gender identity, sexual orientation, ethnicity, physical appearance, pregnancy, religion, political opinion, nationality, military status, social origin, age, disability, marital status, or union affiliation, which has the effect of nullifying or impairing equality of opportunity or treatment in employment or occupation. It may also include other specifications made by applicable laws and regulations, or by the Supplier.

The Supplier shall ensure equal remuneration for men and women for work of equal value, in line with the ILO Equal Remuneration Convention (No. 100). The Supplier shall not subject workers to medical tests that are unnecessary for job function. Results from necessary medical tests shall not be used in a discriminatory way. The Supplier shall provide reasonable accommodation for religious observance and practices.

Conflict Minerals

The supplier shall comply with all relevant conflict minerals regulation. The Supplier shall only use conflict free tin, tantalum, tungsten (also called wolfram), gold and cobalt, and take due diligence measures, appropriate to the Supplier, to ensure that minerals used by the Supplier do not originate from conflict sources. The Supplier shall provide written evidence of the due diligence measures and sources of the minerals upon Teleste's request.

Indigenous Communities and Tribes

The Supplier shall support the human rights of indigenous communities and tribes, and when applicable take special measures to safeguard the persons, institutions, property, labour, cultures, and environment of the peoples concerned. Indigenous and tribe communities are defined as per the ILO Indigenous and Tribe Peoples Convention (No. 169).

HEALTH AND SAFETY

The Supplier shall provide a safe working environment that supports accident prevention and minimizes exposures to health and safety risks. The Supplier shall comply with all applicable health and safety laws and regulations in the countries in which the Supplier operates as well as international conventions and declarations.

Occupational Health and Safety

The Supplier shall have processes to identify hazards within and without the control of the Supplier, assess health and safety risks based on identified hazards, and mitigate hazards. Hazards can include, but are not limited to, workload, work hours, victimization, harassment, bullying, hazards arising from organisation's culture and leadership, equipment, materials, substances, infrastructure, human factors, emergencies etc. The hazards shall be mitigated by Hierarchy of Control. If hazards cannot be eliminated, substituted, or mitigated by redesigning processes, equipment, or work, then the Supplier shall ensure that workers receive adequate information on the risks associated with the identified hazard, adequate training on how to safely complete tasks and adequate safety equipment, including personal protective equipment.

The Supplier shall have processes in place to monitor effects of hazardous work on workers. Measures shall be taken to remove pregnant and breast-feeding workers from hazardous working conditions and to minimize the exposure of said workers to relevant workplace hazards. Occupational Health and Safety measures shall not incur any cost for workers.

Emergency Preparedness

The Supplier shall have processes to identify, prepare and respond to emergency situations. These situations can include natural, technical, and man-made events that take place during or outside working hours. The Supplier shall have an emergency response plan in place, with adequate equipment such as, but not limited to, first aid equipment, fire extinguishing equipment, and alarm systems. The response plan shall be communicated to all relevant stakeholders. Workers and other relevant stakeholders shall receive training on the response plan. The emergency response plan shall be tested periodically, e.g., using response drills, and revised as needed. The response plan should also include actions for preventing or mitigate potential adverse environmental impacts because of the emergency.

Working and Living Conditions

The Supplier shall follow national laws and regulations regarding housing, labour, health, and fire safety in facilities. At a minimum, work facilities shall be kept clean and safe, with adequate, unobstructed emergency exits, adequate lighting, clean and potable water, heating and ventilation systems, safe place to store personal belongings, sanitary food preparation, storage and/or eating facilities and adequate sewage and garbage disposal systems. If the Supplier provides housing for workers, then the Supplier shall at a minimum provide adequate and decent housing as defined in accordance with the housing standards in ILO's Workers' Housing Recommendation (No. 115).

ETHICS

Teleste is committed to high standards of integrity, honesty, and fairness in all internal and external relationships. Teleste does not authorize, condone, encourage, or promote, directly or indirectly through others, unlawful or unethical behaviour, and the Supplier shall follow the same principles in its operations and actions.

Anti-Corruption

Examples of corruption include, but are not limited to, bribery, conflicts of interest, fraud, money laundering, embezzlement, concealment and obstruction of justice, and trading in influence.

The Supplier shall not directly or through third parties offer, give, accept, or receive undue pecuniary or other advantages to/from persons, entities, or public officials, to obtain or retain business or otherwise gain improper advantage. In addition, the Supplier must never offer bribes to Teleste employees to e.g., obtain or retain business with Teleste. Bribes include gifts,

benefits, fees, loans, commissions, dividends, cash, gratuity, rewards, goods, services, or any other inducements given to influence a decision, action, or omission. Also gifts that are not given with the purpose of gaining improper advantage can be interpreted as a bribe if they are not reasonable, proper, and appropriate. The Supplier shall implement and maintain transparent and auditable policies and practices that counter corruption, bribery and extortion and ensure appropriate gift giving, business relationships and conduct.

The Supplier shall prohibit the use of facilitation payments. The Supplier shall not make any illegal payments to political groups, candidates and parties, or public office candidates and entities. Internal controls and measures shall be in place or developed to ensure compliance with relevant anti-corruption legislations and regulations.

Prevention of Money Laundering

Money laundering is the practice of engaging in financial transactions to conceal the identity, source or destination of money connected with criminal activity and of creating the appearance that such money obtained originated from a legitimate source. The Supplier shall act in accordance with all applicable international standards and applicable laws on prevention of fraud and money laundering and shall not do or omit to do anything to cause any party to be in breach of any of such international standards or laws.

Conflicts of Interest

The Supplier must avoid conflict of interest situations, meaning a situation in which the Supplier has or may have competing interests or loyalties. The Supplier shall disclose any situation that appears to be a conflict of interest, or could potentially be a conflict of interest, between the Supplier and Teleste.

Fair Competition

The Supplier shall compete fairly and honestly in delivering products and services. The Supplier shall carry out their activities in a manner of high integrity and in consistence with all applicable competition laws and regulations. The Supplier shall not engage in any anti-competitive activities or agreements with competitors, such as price fixing, bid rigging, output quotas/restrictions or dividing markets.

Intellectual Property

Confidential information and intellectual property are Teleste's valuable corporate assets. The Supplier shall respect and protect intellectual property at all times, conform to all applicable laws and international treaties on intellectual property rights and responsibly use intellectual property ensuring that such use does not infringe any Teleste's or third party's intellectual property.

Anti-Counterfeit

The Supplier shall strive against piratism in the selection of purchase channels to be used. The Supplier shall conduct its purchasing through authorized or otherwise trusted channels, and not support component purchases outside of these channels.

Disclosure of Information

Information regarding the Suppliers labour, health and safety, environmental practices, business activities, structure, financial situation, and performance is to be disclosed in accordance with applicable regulations and internationally recognised accounting and disclosure standards. The Supplier shall only disclose reliable and accurate information on conditions or practices in its own operations and in the Supplier's supply chain.

Whistleblowing

The Supplier should ensure that it has a program in place for worker or other stakeholder whistleblowing that ensures the confidentiality, anonymity, and protection of person(s). The Supplier should make all workers and other relevant stakeholders aware of the program, as well as how and for what purposes the program can be used.

Confidential Information and Data Security

The Supplier shall not misuse or disclose any information that may be Teleste's confidential information. The Supplier shall protect the privacy, confidentiality, and security of Teleste and other stakeholder's information, and have processes, procedures, policies, software, and hardware that ensure safe, secure, and proper handling of information, especially confidential information, and personal data. This includes having cyber security systems that protect the Supplier's information systems and networks from security threats, such as, but not limited to, fraud, sabotage, vandalism, cyber-attacks.

The Supplier shall comply with all applicable data protection and privacy laws. Transfer of technology and know-how shall be done on mutually agreed terms while respecting intellectual property rights, confidentiality, privacy, security, and personal data protection.

Personal Data

All personal data collected, stored, processed, or disseminated by the Supplier shall be done so in a transparent, fair, and secure way, while allowing the data subject participation and choice. To the extent the Supplier is processing personal data of EU individuals as defined by the EU General Data Protection Regulation (GDPR), the Supplier must comply with the provisions of the GDPR by only using such personal data for the business purpose for which it was provided, implementing all necessary measures of security and confidentiality in order to protect this type of data, working with Teleste to ensure the compliance with regulations governing the transfer of such data outside the EU, deleting such data at the expiry of any retention periods agreed between the Supplier and Teleste and to reply to any request from data subjects.

ENVIRONMENT

Teleste is committed to protecting the environment, complying with environmental legislation and regulations, and supporting sustainable development by monitoring our environmental impact and mitigating our material environmental impacts. The same expectations are placed on suppliers.

The Supplier shall respect the environment and operate in compliance with applicable environmental laws and regulations. The Supplier shall obtain, maintain, and follow all required environmental permits, approvals, and registrations. The Supplier shall identify which adverse environmental impacts it causes or contributes to and continuously strive to improve environmental performance. The Supplier shall have an environmental management system, appropriate to the Supplier, in place for managing and mitigating environmental impacts. The Supplier shall apply a precautionary approach towards environmental challenges.

Waste and Pollution

The Supplier shall ensure proper air pollution management, water management and waste management in line with national legislation and regulation. The Supplier shall monitor and actively strive to eliminate or minimize pollution and waste caused by the Supplier, e.g., by modifying production, maintenance, and facility processes, substituting materials, re-use, conservation, recycling efforts.

Use of Hazardous Substances

The Supplier shall have procedures and policies in place to ensure that hazardous substances, chemicals, and waste are identified, labelled, and managed. Hazardous substance refers to any article, or chemical that has properties that are e.g., explosive, flammable, corrosive, oxidising, radioactive, toxic, or toxic to the environment.

The Supplier shall strive to minimize the use of hazardous substances when possible. The Supplier shall ensure that proper safety precautions are taken along the whole life cycle of substances, including the safe handling, movement, storage, use, recycling or reuse and disposal of said substances. The Supplier shall ensure that all chemicals and substances used by the Supplier is in compliance with relevant laws and regulations, e.g., REACH and RoHS.

Climate Change and GHG Emissions

The Supplier shall monitor its energy use and calculate its Scope 1 and 2 greenhouse gas emissions as described by the GHG protocol. The Supplier should monitor its Scope 3 emissions and work towards setting science-based reduction targets for own operations and the value chain that are aligned with the Paris Agreement goal to keep within a 1,5-degree global warming scenario.

Resource use and circular economy

The Supplier shall strive to conserve the use of natural resources, including water, minerals and fossil fuels in products and across its operations. The Supplier shall encourage the development of environmentally sound technologies and circular economy and consider the environmental impact of products' life cycle early in the design phase. Environmentally sound technologies, according to the UN Global Compact, protect the environment, are less polluting, use resources in a more sustainable manner, recycle more of their wastes and products and handle residual wastes in a more acceptable manner than the technologies for which they are substitutes.

RIGHT TO AUDIT

Upon request of Teleste, the Supplier provides Teleste access to any and all relevant information and documents needed to verify the Supplier's compliance with the Code. Should Teleste have a reasonable ground to believe that the Supplier may be in breach of this Code, Teleste may itself or through a third-party auditor, and subject to fourteen (14) days prior notice, survey the Supplier's premises to validate the Supplier's compliance with the Code. Teleste keeps the right to audit without prior notice, in case there has been major non-conformities. In case the Supplier, in the reasonable opinion of Teleste, is in breach of the conditions of this Code, Teleste is entitled terminate the business relationship with the Supplier with immediate effect.

SIGNATURE

By signing this Code, the Supplier agrees to implement and adhere to Teleste's Supplier Code of Conduct as outlined above.

Place and date _____
Company name and ID _____
Signature _____
Title and name in block letters _____