

The background of the entire page is a photograph of a large industrial yard filled with stacks of long, grey metal pipes. The pipes are arranged in neat rows, and some are supported by yellow metal brackets. In the upper left corner, the word "OVAKO" is printed in a bold, white, sans-serif font.

OVAKO

SUPPLIER CODE OF CONDUCT

July 2026



INTRODUCTION

This Code of Conduct for Suppliers (the “Code”) defines the basic requirements placed on Ovako and our Suppliers concerning each party’s responsibilities towards each other, its employees and the environment. We reserve the right to reasonably change the requirements of the Code. In such event, we expect our Suppliers to accept such reasonable changes.

The term “Supplier” used throughout this Code covers all suppliers delivering goods and/or services to an Ovako group entity, i.e. Ovako AB, its subsidiaries and affiliated entities.

The term “employee” implies all people working for the Supplier, including, but not limited to, directly employed, subcontracted parties, trainees and temporary workers.

Each section of this Code is structured as follows;

Requirements

It is the responsibility of the Supplier to meet the requirements outlined in the Code, in its own organization and in its supply chain. A breach of a requirement is considered a breach of the Supplier agreement.

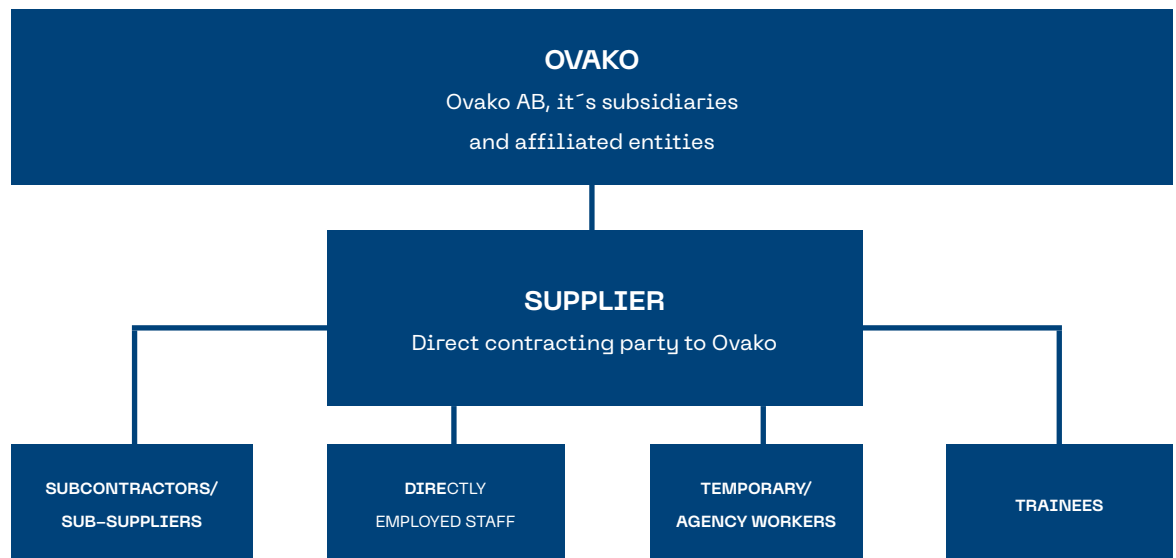
Guide

Information and examples on how to meet the requirements.

How to verify compliance

Compliance can be demonstrated through various forms of evidence, though alternative methods for validation and confirmation may also be acceptable. Ovako reserves the right to conduct supplier audits or engage third-party auditors at any time to verify compliance.

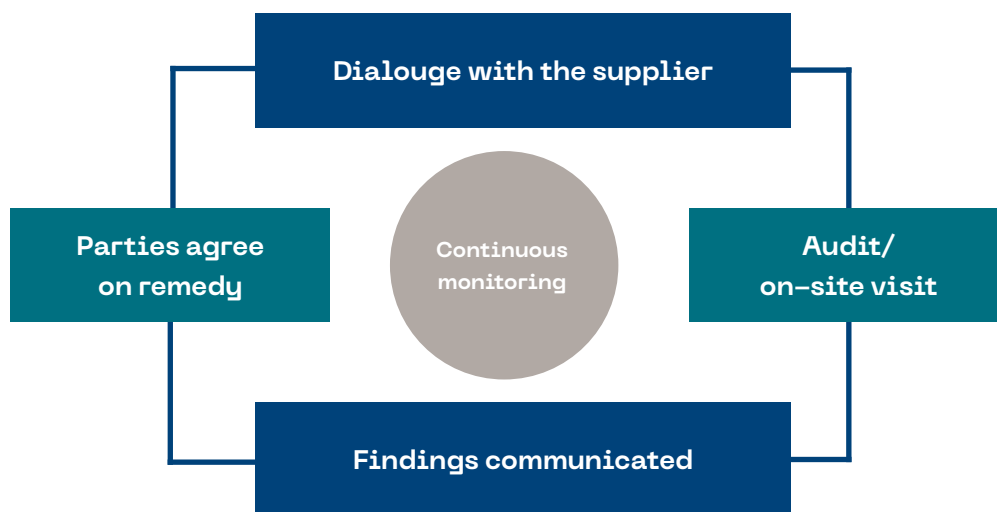
Who is covered by the code?



All are covered by the Code’s definition of “employee”. The Code’s requirements apply to the Supplier’s own organization AND it’s entire supply chain.

BACKGROUND

Our purpose is "Together we create steel for a decarbonized society" with the objective of achieving the best possible high-performance steel that contributes to climate-smart choices. We are convinced that together with our Suppliers we can create shared potential for a better and sustainable future for the world by taking into consideration the economic, environmental and societal impact of our mutual activities.



In case of non-conformity: the parties agree on how and by when the failure shall be remedied.



FUNDAMENTAL PRINCIPLES AND HUMAN RIGHTS COMMITMENT

Ovako is committed to following the principles laid down in the ILO Declaration, the Rio Declaration, the Ten Principles of the UN Global Compact 2000 and the Universal Declaration of Human Rights as a basis for human rights, labour rights, the fight against corruption and environmentally destructive activities. We also follow the OECD Guidelines for Multinational Enterprises, in relevant parts and the UN Guiding Principles on Business and Human Rights. Ovako believes that by following these fundamental principles, and by asking our Suppliers to do so as well, we can all work together for a better and more sustainable future.

Monitoring

For us it is vital to have integrity, to be honest and to behave ethically and this is something Ovako's employees live by. It is equally important that all business relations between Ovako and our Suppliers must be based on cooperation, honesty and ethical behavior. It is the responsibility of the Supplier to ensure that its suppliers comply with the requirements of the Code or equivalent set of requirements, and to evaluate and monitor its supply chain compliance.

By accepting this Code, the Supplier commits to demonstrate and verify compliance with the requirements in the Code upon request and to cooperate with Ovako in a transparent manner. Ovako may verify the Supplier's compliance with this Code by means of dialogue, through audits and/or onsite visits, after giving due notice, or self-assessment questionnaires. Audits and onsite visits can be either with Ovako employees or an independent third party assigned by Ovako. The findings will be communicated to the Supplier and, where relevant, the parties shall agree on how any failure shall be remedied. In case of a situation that does not appear to conform with the Code or the law, it is our expectation that you shall bring this to Ovako's attention as soon as it is practical so that the situation can be evaluated and, where possible, mitigate any non-conformity.

Ovako treats all business and personal information received in a responsible manner and takes measures to ensure that this information remains confidential.

Management system

Ovako encourages its Suppliers to strive for continuous improvement, and to establish, implement and maintain recognized management systems and standards related to the areas described in the Code, which are relevant to the Supplier's size, complexity and risk environment. Risk assessment, implemented policies, processes and routines, clearly communicated roles and responsibilities, relevant training and instructions, establishment and evaluation of measurable goals, along with functioning control systems, serve as the foundation for the successful implementation of the Code.

Employees must have the right to report concerns regarding compliance with legal requirements or company policies/rules to their employer without fear of reprisal.

If an employee has concerns about potential irregularities that could harm Ovako or may violate this Code and/or does not feel safe reporting them within their own organization or sees no appropriate action being taken, they may report the issue directly to an Ovako contact person or through the Ovako whistleblower channel at ovako.whistlelink.com.

¹ ILO Declaration on Fundamental Principles of Rights at Work, June 1998

² The Rio Declaration on Environment and Development, 1992

1. THE CODE ON LEGAL REQUIREMENTS, AWARENESS AND COMPLIANCE

The common starting point for Ovako and our Suppliers is ensuring awareness of, and compliance with, relevant legal requirements. Ovako strives to be updated on and comply with applicable international regulations and conventions, as well as regional and national legislation (including anti-money laundering and countering financing of terrorism, international sanctions, trade restrictions and export control laws/regulations) and we expect nothing less from our Suppliers.

Requirements

We expect our Suppliers:

- to comply with and stay up to date with applicable laws and regulations (including obtaining valid permits) as well as internationally recognized standards, conventions and UN declarations related to the areas in the Code; and
- to be aware of and make Ovako aware of any domestic regulations or enforcement which may come in conflict with the internationally recognized standards and declarations and where practically possible, strive to honor them.

In cases where local laws or regulations provide stronger protection than the requirements in this Code, or should the Code be in violation with laws or regulations, then we shall comply with such law or regulations and allow such local laws or regulations to prevail. The Supplier must notify Ovako in the event of actual or potential contradictions between the Code and applicable laws and regulations.

Guide

- Implement processes and have competent employees that ensure awareness and implementation of existing legal requirements relevant to the business as well as to any relevant changes.
- Obtain all legally required permits, licenses and registrations and make sure that they remain valid.

Verifying compliance

Follow-up may include information on how compliance and awareness is ensured within the following areas:

- health and safety
- human rights
- labour rights
- forced labour
- child labour
- working conditions
- environment
- tax
- anti-corruption practices
- customs and export control
- data privacy
- responsible sourcing of metals and minerals

2. THE CODE ON BUSINESS ETHICS

We compete fairly and honestly and are committed to the principals of fair competition – Ovako always compete for business through product quality and price of our services/products. Therefore, there must be zero tolerance of corruption, including bribery, conflicts of interest, fraud, embezzlement, unlawful kickbacks, extortion and nepotism/cronyism and Ovako is committed to respect competition law, guarding individuals' right to privacy and following customs and export control rules.

We expect the same from our Suppliers. Ovako will never accept that a Supplier supports, directly or indirectly, non-state armed groups or their affiliates and/or public or private security forces that commit abuses.

2.1 Anti-corruption and Anti-money laundering

Requirements - Anti-corruption and Anti-money laundering

Our Suppliers shall be committed:

- to tolerate no form of and not to engage in any form of corruption, bribery or illegal contribution (directly or indirectly), including attempting to influence decision-making, towards the other party's employees any third parties e.g. sub- contractors or public officials;
- to comply with local laws and international conventions referable to anti-corruption and/or anti-money laundry and the Supplier shall not engage in, or cause Ovako to engage in, any form of corrupt practices or money laundry;
- to take measures against any form of money laundering, tax fraud and tax evasion, or other forms of illegal financial activities, i.e. each party shall pay legally required taxes, fees, and royalties and where relevant disclose appropriately all taxes, fees and royalties related to mineral extraction, trade and export from conflict-affected and high-risk areas in accordance with the principles set forth under the Extractive Industry Transparency Initiative (EITI);
- to avoid potential conflicts of interest, e.g. financial or in-kind political contributions, while being engaged with Ovako and the Supplier shall notify Ovako of any potential conflicts of interest that cannot be avoided;

- to perform their business dealings in a transparent manner, e.g. by disclosing financial and non-financial information in accordance with applicable regulations and prevailing industry practices, and accurately reflect them in the companies' financial reports and filings;
- to provide relevant training regarding the above and where needed, establish local processes and policies to prevent corruption, bribery and anti-money laundering.

Suppliers must engage in Ovako's supplier due diligence process, with a commitment to transparency, quality and speed.

Guide - Anti-corruption and Anti-money laundering

- Implement and communicate anti-corruption and bribery policies and procedures to employees and ensure that employees receive appropriate training.
- Enhance awareness of anti-corruption and bribery policies and policies and/or procedures related to conflict of interest through communication and training.
- Establish processes to prevent corruption e.g. put systems in place to document expenses for gifts and meals/entertainment, implement conflicts of interest declarations.
- Implement an adequate financial reporting control system.

Verifying compliance - Anti-corruption and Anti-money laundering

Checkpoints may include:

- Review relevant policies.
- Review records and documentation related to communication, training, gift and meals entertainment records and conflicts of interest declarations.
- Review of financial reports and audit the financial reporting control system.



2.2 Antitrust and Competition

Requirements - Antitrust and Competition

We expect our Suppliers:

- to be aware of and comply with applicable competition laws and regulations that promote fair competition and to observe the highest level of diligence;
- to conduct the business in full compliance with antitrust legislation;
- to always negotiate agreements, regardless of the contract form, in accordance with fair competition principle;
- to not conclude any formal or informal agreement, which intend to prevent or restrict competition, result in the prevention or restriction of competition or breach applicable laws relating to competition or fair trade, e.g. price fixing, market sharing, customer allocation, bid rigging or other illegal restrictive practices;
- to establish systems, policies and provide relevant training to prevent competition law or antitrust legislation infringements.

Guide - Antitrust and Competition

- Implement policies and/or procedures that promote fair competition and ensure that they are communicated to relevant employees.
- Provide proper training about the Supplier's fair competition policies and document/keep records of such training.

Verifying compliance - Antitrust and Competition

Checkpoints may include:

- Review of documentation related to fair competition policies and principles.
- Records of training provided.

2.3 Export Controls, Trade and Economic Sanctions

Requirements - Export Controls, Trade And Economic Sanctions

We expect our Suppliers:

- to maintain and, upon request, share accurate trade data and documents related to their products.
- to comply with local laws and international regulations, including this Code, regarding export control, trade and economic sanctions and not engage in or cause Ovako to engage in any form of sanction breaches in the country/-ies of operation nor with trade sanctions or export control restrictions on a list published by the EU, US, UN, UK or Japan.
- to use its best efforts to ensure that the purpose of the paragraph above is not frustrated by any third parties earlier in the commercial chain, which includes setting up and maintaining an adequate monitoring mechanism (e.g. a sanctions compliance program), to detect conduct by such third party.
- to share accurate data about company ownership (beneficial owner(s)) and management.

Guide - Export Controls, Trade And Economic Sanctions

- Implement trade compliance procedures, including policies for record keeping of relevant documents referring to export control, trade and economic sanctions compliance.
- Maintain and submit relevant and valid information and documentation about your products, such as: HS tariff codes, export control classification status, country of origin and supporting documentation for both non- preferential and preferential origin for free-trade purposes, and the US content in your products.
- Provide relevant training to employees and keep records of such training.

Verifying compliance - Export Controls, Trade And Economic Sanctions

Follow up may include:

- Information and review Suppliers' trade policies and compliance procedures relating to export control, trade and economic sanctions compliance.
- Review of documentation referable to the Supplier's product and where relevant, evidence to ensure the validity of the information.
- Records of training provided.

2.4 Personal Data Protection (GDPR)

Requirements - Personal Data Protection

It is important to comply with agreed terms as well as applicable data protection laws when conducting business and when collecting, processing, or storing personal data of any individual, including but not limited to employees and individuals of third parties. We expect our Suppliers to have the required policies in place as well as an established system to handle any personal data breaches.

Guide - Personal Data Protection

- Make sure employees are aware of policies and procedures related to data collection, storage and protection through information and relevant training.
- Inform individuals as much as possible about when and why their data is used.
- Strive to only use and store the types of personal data, which is necessary to accomplish the lawful purpose, and protect the personal data by taking appropriate technical and organizational security measures.
- If legally required, notify the relevant authorities of any personal data breaches.

Verifying compliance - Personal Data Protection

Follow up may include:

- Review of adopted data privacy policies and implemented systems to uphold legal requirements in relation to collecting, storing and protecting private data.
- Information to employees and records relating to training of employees.

2.5 Confidential Information and IP-rights

Requirements - Confidential Information and IP-rights

Our Suppliers must treat confidential, sensitive or proprietary information with due care and not to use it in any other manner than as permitted. Intellectual property rights such as patents, trademarks, copyrights, trade secrets, know-how and technical data must be respected, i.e. be protected against counterfeiting, disclosure, fraud and theft, and can only be used in accordance with applicable laws and, where relevant, the contractual terms.

Guide - Confidential Information and IP-rights

- Implement internal control systems and procedures, which establish a process for secure handling of confidential information and IP-rights, including limit access to relevant employees.
- Communicate policies and procedures, including relevant training, referable to handling confidential information and IP-rights, to employees.

Verifying compliance - Confidential Information and IP-rights

Follow up may include:

- Audit of implemented control systems and procedures, including review of records and documentation from training.
- Review of non-disclosure agreements and/or IP-rights agreements, where relevant.



3. THE CODE ON LABOUR AND HUMAN RIGHTS

Ovako is a responsible employer and an important community builder. We engage locally and operate globally and as an employer we want to ensure a good and safe working environment for all our employees, and we expect the same level of commitment from our Suppliers in relation to their employees and the community that the Supplier is a part of. The parties recognize that our employees are an important and valuable asset, which helps us succeed in our respective businesses. Each party must uphold the human rights of its employees and treat them with dignity and respect as understood by the international community.

3.1 Fair Treatment

Requirements - Fair Treatment

The employees and applicants for employment shall be treated with fairness, dignity, and respect and the individuals shall be evaluated according to their job-related skills and qualifications for employment decisions.

There shall be no discrimination in hiring or during the employment lifecycle, whether active or by means of passive support on the grounds of age, nationality or ethnicity, religion, political beliefs, sexual orientation, gender identity or expression, physical ability or any other characteristic protected by law or ILO Conventions. There shall be zero tolerance of any form of discrimination and any physical or mental harassment or abuse, expressed verbally or non-verbally. Behavior, language, and physical contact, that is sexual, coercive, threatening, abusive or exploitative must be prohibited.

Each employee's personal dignity, privacy and rights and employees must be respected and shall be protected by law or the International Labour Organization (ILO) Conventions. Public warnings and/or punishment systems must be prohibited.

Guide - Fair Treatment

- Implement and communicate policies and/or practices for recruitment, remuneration, employment, non-discrimination, work environment, task delegation and equal opportunities to employees.
- Foster a discrimination free work culture and develop a workplace where people feel included and safe to contribute and challenge, which promote equal opportunities for and treatment of its employees.
- Implement easily accessible reporting mechanisms, such as whistleblowing channel, investigations and sanctions, which enable employees to use these systems freely without fear of reprisal or retaliation.

Verifying compliance - Fair Treatment

Follow up may include:

- Review of policies and practices for recruitment, remuneration, employment, non-discrimination, work environment, task delegation and equal opportunities.
- Onsite audit of how such policies and practices have been communicated and implemented.
- Audit of reporting mechanism, based on accessibility, function and privacy for individuals using the system.

3.2 Working hours and Compensation

Requirements - Working Hours and Compensation

Decent working conditions are based on reasonable working hours and fair remuneration (wage/compensation/benefits), where workplace injuries are prevented by allowing the employees sufficient rest and time off from work. Hence, we expect the following from our Suppliers.

- Working hours, overtime, breaks/resting hours and leaves must comply with relevant legal requirements, industry standards and/or collective agreements. Furthermore, any other applicable leave regulations concerning annual vacation, illness, or parental absence must be adhered to.
- Excessive overtime must not be the norm, and it should be encouraged to have working conditions, which makes it possible to have a healthy work-life balance, including the possibilities for caring responsibilities, if relevant.
- Employees have the right to be informed of their employment terms and conditions, including their rights, benefits and obligations, in their native language or a language they understand, for example, in a written employment contract.
- You are committed to paying fair remuneration relevant to the market and consistent with industry standards where we operate. At a minimum, wages, compensation and benefits for employees shall be in line with the legal requirements or with applicable collective agreements.
- Employees are paid regularly and are entitled to be informed about a remuneration payment schedule.

Guide - Working Hours and Compensation

- Implement and communicate policies and/or practices for working hours and compensation to employees.
- Document and keep records of actual working hours and all remunerations paid.
- Provide all employees with a pay slip clearly stating all parts of their remuneration, including overtime compensation, hours worked, benefits, legal deductions, bonuses and other relevant posts.
- Inform employees of their employment conditions and ensure that employment contracts are signed.

Verifying compliance - Working Hours and Compensation

Follow up may include:

- Audit of recorded working hours, which should show normal working hours and overtime hours, unless otherwise agreed.
- Adherence to breaks and resting hours, paid statutory holidays and legally stipulated leaves, including paid sick leave and parental leave.
- Comparison between employment contracts, pay slips and remuneration paid to ensure that the remuneration is paid regularly, directly to the employee, at the agreed time, and in full for the time worked during the applicable period.



3.3 Freedom of association

Requirements - Freedom of association

Employees shall have the right to lawfully, voluntarily and without interference, establish and join worker's organizations, trade unions and bargain collectively in accordance with local law and international conventions. Conversely, those employees who choose not to participate in workers' associations and/or trade unions must be respected for their choice. We must recognize the importance of open communication and direct engagement between employees and management, without fear of harassment, discrimination, intimidation, or retaliation and, where relevant, employees shall have the right to appoint independent work representatives.

Guide - Freedom of association

- Strive to achieve a working environment, that allows for mutually constructive engagement, between employees and management, and implement relevant policies that support the employees' freedom of association.
- Communicate and have an open dialogue with employees on working conditions and keep records of meetings and/or communications carried out.
- Review collective agreements on a regular basis.

Verifying compliance - Freedom of association

Follow up may include:

- Evidence that employees have the right to organize and bargain collectively.
- Review of records of meetings and communication, to assess if there is a functioning dialogue between employees and management, and were relevant, that employees have the right to appoint independent work representatives and that such representatives are recognized by management.
- Review of collective agreements, where applicable.



3.4 Human rights Due Diligence

Requirements - Human rights Due Diligence

We must be aware of and address any human rights impacts that we cause or contribute to or that are directly linked to our operations, products, or services.

Ovako expects its Suppliers to have a due diligence process for human rights to identify, prevent and address any adverse human rights impacts within their operations, sub-suppliers, and business relationships, which is appropriate to the Supplier's size and complexity. Human rights due diligence shall be in accordance with international standards, such as the OECD Due Diligence Guidance for Responsible Business Conduct and the UN Guiding Principles on Business and Human Rights. The focus of human rights due diligence shall be on the areas where employees are at the highest risk of human rights abuse.

Guide - Human rights Due Diligence

- Implement relevant due diligence processes and work proactively with human rights for example by performing human rights due diligence to identify, prevent, mitigate, and account for the business impact on human rights.
- Assess the impact of human rights in the Supplier value chain.

Verifying compliance - Human rights Due Diligence

Follow up may include:

- Confirm to what extent human rights due diligences have been conducted on the Supplier value chain.
- Audit the results of the human rights due diligence conducted.



3.5 Forced labour and Trafficking

Requirements - Forced labour and Trafficking

Forced labour, including modern slavery, bonded or compulsory labour, servitude, deceptive recruiting, descent-based slavery and human trafficking is unacceptable to Ovako. We expect our Suppliers to prevent all work performed involuntarily and to protect human dignity in their operation.

Suppliers, including their recruitment agencies, must not engage in or tolerate:

- restrictions of movement, i.e. all employees shall have the right to leave their workplace and accommodations, if relevant, freely;
- excessive recruitment fees or cash deposits;
- surrender of financial or personal documents (e.g. identity documents, passport, visa, work permit etc.) upon commencement of employment or at any time during employment;
- withholding of wages;
- abusive working conditions; debt bondage;
- punishment of any kind, whether physical or mental.

Guide - Forced labour and Trafficking

- Establish policies and/or practices against forced labour, non-tolerance of trafficking and sexual harassment, exploitation and abuse and inform employees so that they are aware of the risks of forced labour and trafficking.
- Make management and employees aware of that certain business practices and/or decisions can put excessive pressure on Suppliers and their subcontractors and lead to forced labour and trafficking.
- Implement easily accessible reporting mechanisms, such as whistleblowing channel, for safe and secure reporting of workplace grievances, including complaints or suspicions of forced labour.
- Inform potential employees that they are not responsible for paying any fees in connection with the employment. The Supplier is responsible for paying recruitment agency fees where such costs are applicable.

Verifying compliance - Forced labour and Trafficking

Follow up may include:

- Audit of overtime work and that it is consensual, unless necessary and mandated according to local laws.
- Confirmation that debt bondage is not used, i.e. there are no deposits, fees, fines, loans, or repayment agreements preventing employees from leaving their employment upon providing reasonable notice. In case of repayment agreement, to confirm that they are foreseeable, reasonable, and limited in time.
- Onsite audit to confirm that employees (i) have the right to leave their accommodation and workplace freely during their leisure time, (ii) are not required to surrender financial or personal document as a condition of employment; and (iii) which are migrant workers are treated fairly and on an equal basis with local employees.
- Review that the Supplier does not use unlawful disciplinary practices or financial penalties, e.g. unfair or illegal deductions from wages, withholding of wages or discontinuing benefits as a disciplinary measure.

3.6 Child labour

Requirements - Child labour

Ovako has a zero-tolerance policy toward child labour. The protection of young workers is of utmost importance, and we expect our Suppliers to uphold the highest standards in this regard.

We expect our Suppliers to:

- comply with all applicable national laws and internationally recognized standards concerning minimum age requirements, thereby ensuring lawful and ethical working conditions for young workers;
- proactively work to prevent child labour within their operations and supply chains. In cases where child labour is identified, any remediation efforts must prioritize the best interests of the child;
- refrain from employing individuals under the age of 15 (or 14, where permitted by national legislation), or a higher minimum age as required by local law; and
- ensure that young workers under the age of 18 are not assigned to night shifts or tasks that may be mentally, physically, socially or morally hazardous, or that interfere with their compulsory education.

Guide - Child labour

- Establish and clearly communicate internal policies and procedures concerning the employment of young workers, including minimum age requirements and permitted job responsibilities.
- Provide regular training to employees and management on child labour policies and related responsibilities.
- Implement accessible and secure reporting mechanisms, such as a whistleblowing channel, to enable the safe and confidential reporting of workplace grievances, including concerns related to child labour.
- Maintain accurate records of official documentation (e.g. birth certificates, national IDs) and operate a robust verification process to ensure compliance with minimum age laws.
- Conduct regular assessments of suppliers and subcontractors to monitor and promote compliance throughout the supply chain.
- Develop and implement corrective action plans that safeguard the welfare of the child if any instance of child labour is identified.

Verifying compliance - Child labour

Follow up may include:

- Review of company policies and practices, including available information for employees, in relation to young workers.
- An audit of the age verification system, including the review of supporting records and documentation, to ensure all workers meet the legal minimum age requirements. This includes an assessment of reporting mechanisms related to child labour.
- Site visits and interviews with management and employees to validate practical implementation and awareness of child labour policies.
- Evaluation of training programs to assess employee understanding and effectiveness of communication regarding child labour standards.
- Monitoring of corrective actions where non-compliance is identified, ensuring that all measures prioritize the best interests of the child.
- Where applicable, a review of supplier and subcontractor compliance as part of a broader supply chain responsibility framework.

3.7 Land and resource acquisition and Use of property

Requirements - Land and resource acquisition and Use of property

Ovako acknowledges that land and the right to tenure is central to ending poverty, income, gender inequality, and for contributing to food security, peace and security.

Hence, we require that the Supplier must

- be the legal and rightful owner or user of the property on which they operate;
- foresee and mitigate any adverse social, health, environmental or economic impacts caused by land or resource acquisition, involuntary resettlement, or restrictions on land use;
- not engage in land grabbing and shall be obliged to respect, promote and protect the rights of indigenous people and communities;
- protect ecosystems, especially key biodiversity areas, impacted by your operations, and avoid illegal deforestation in accordance with international biodiversity regulations, including the IUCN Resolutions and Recommendations on Biodiversity;
- where appropriate, monitor and control your impact on soil quality to prevent soil erosion, nutrient degradation, subsidence and contamination.

In the event of expropriation or imposed relocation, the Supplier must ensure that a remediation plan is negotiated which includes (but is not limited to) to adequate compensation, with the goal to maintain the livelihoods and standards of living of the persons concerned.

Guide - Land and resource acquisition and Use of property

- Evaluate land ownership and/or lease agreements for the property on which the Supplier operates.
- Assess the potential of the adverse economic, social and environmental impacts of land and resource acquisition and develop contingency and remediation plans when applicable.
- Evaluate potential impacts on the previous users or other stakeholders caused by the shift of lease or ownership of the property on which the Supplier operates, as well as impacts resulting from the ongoing operations.
- If expropriation or imposed relocation is required, find the most appropriate remediation in the best interests of the relocated people.

Verifying compliance - Land and resource acquisition and Use of property

Follow up may include:

- Review of landownership and lease agreements.
- Onsite audit of expropriation and/or relocation and the process of relocation.
- Review assessments and plans for contingency and remediation, when relevant.
- Review and/or onsite audit of the impact that the ongoing business is having and previous business has had.



4. THE CODE ON THE ENVIRONMENT

We are committed to developing the best possible high-performance steel, that contributes to climate smart choices through environmental protection practices, prevent overuse of natural resources and reduce overall environmental footprint of our production and products throughout their life cycle. To reach our goal, it is equally important for us that our Suppliers strive to protect the environment in their businesses through continuous improvements to reduce carbon emissions, adapt operations to a circular business model so that we together can contribute to a more sustainable supply chain in the future.

4.1 Minimizing environmental impact

Requirements - Minimizing environmental impact

Our Suppliers shall be committed:

- to act in accordance with applicable law and regulations and international standards regarding environmental protection, such as emissions to the air, noise pollution, ground and water pollution (including obtaining necessary permits, environmental classification, reporting and tests, inspections by authorities and taking corrective actions from such inspections);
- to take precautionary measures as soon as there is a reason to believe that an action could have an adverse effect on, or otherwise harm, the environment or human health;
- to analyze climate adaptation and the potential financial impact from physical and transition climate-related risks, such as extreme weather and increased costs from carbon tax;
- to use resources efficiently and to strive to minimize environmental pollution and negative environmental impact by developing and supporting environmentally friendly techniques in production, in processes, in designs and in the selection of material;
- to minimize water consumption, effectively reuse and recycle water with responsible treatment of wastewater discharges and prevent potential impacts from flooding as a consequence of rainwater run-off, as required by and in accordance with applicable law;
- to be responsible for paying the social and economic costs arising from damage caused by the party; and
- to plan, control, measure/assess and establish relevant and documented strategies and systems on sustainability, including conducting materiality assessments for topics which are identified as key sustainability issues.



Guide - Minimizing environmental impact

- Perform regular environmental risk assessments of the business value chain, as well as evaluating the efficiency of preventive and mitigating actions. Include environmental aspects in product development with a life cycle perspective from raw materials to end of life.
- Support the UN Sustainable Development Goals.
- Implement and communicate policies and/or procedures to employees, e.g. through training, related to minimizing the environmental impact and engaging the employees in relevant sustainability effects.
- Document the risk-based approach to reduce and/or minimize adverse impacts of business on the environment with a plan and provide a routine progress report.
- Work actively to minimize and, where possible, replacing hazardous materials and restricted substances in manufacturing processes and finished products with safer alternatives, minimize waste to landfill and work towards optimizing energy and resource efficiency.
- Actively demonstrate and advocate environmental responsibility by supporting global initiatives referring to climate and resource efficiency and/or circularity and publicly communicate targets and performance related to global environmental issues.

Verifying compliance – Minimizing environmental impact

Follow up may include:

- Audit and follow up on adopted policies, strategies and systems referable to sustainability and if the Supplier works actively with these issues.
- In case of negative impact on the environment, evidence of precautionary measures and efforts are made to minimize the negative impact.
- Review information about the presence of hazardous chemicals and substances of very high concern in the Supplier's products.



4.2 Circularity and by-products

Requirements - Circularity and by-products

We expect our Suppliers:

- to participate in the transition from linear to a circular system and, to the extent possible, incorporate a circular business model into your operations by recycling or reusing waste materials from your production lines and work towards conserving finite resources;
- to secure end-of-life handling and treatment of its products, where possible;
- to investigate the possibility of selling materials to third parties for onward processing, when recycling and/or reuse is not possible, and thereby create new revenue streams;
- to work actively minimizing waste to landfill (especially hazardous waste) and ensure that the waste management program complies with local legislation.

Guide - Circularity and by-products

- Support the UN Sustainable Development Goals.
- Select materials and resources that can be reused and recycled and create a circular business model, where the progress is documented and communicated internally and externally.
- Declare full material content and information about handling and treatment of products at the end of life to secure end-of-life handling and treatment.
- Implement waste management program, to ensure compliance with local legislation and to maximize the reuse of waste material.

Verifying compliance - Circularity and by-products

Follow up may include:

- Audit and follow up on waste management program and validate the goals set in the program.
- Review information about the circular business model and how it has been implemented and communicated.

4.3 Greenhouse gas emissions (including carbon dioxide)

Requirements - Greenhouse gas emissions

Ovako encourages Suppliers to set greenhouse gas emission reduction targets in line with the Paris Agreement and to continuously improve activities to reduce the Suppliers' carbon footprint.

Suppliers with material greenhouse gas emissions are obliged to submit their emissions (Scope 1, 2 and 3) upon request by Ovako.

Guide - Greenhouse gas emissions

- Adopt greenhouse gas targets in line with the Paris Agreement and validate these targets according to the Science Based Targets initiative.
- Increase the share of low-emission energy sources.
- Document commitments, actions taken and results of the Supplier's efforts to reduce greenhouse gas emissions, including the business' carbon dioxide emission.

Verifying compliance - Greenhouse gas emissions

Follow up may include:

- Review of documentation on targets and validating set targets.
- Information on how the Supplier is working on lowering its greenhouse gas emission and review of actions taken and validation of documented results.

5. THE CODE ON RESPONSIBLE SOURCING OF RAW MATERIALS

Ovako supports ethical sourcing of all minerals. Supply chains that either directly or indirectly contribute to conflicts or to human rights violations are unacceptable to Ovako.

Requirements

The Supplier agrees to exercise adequate due diligence for metals and minerals sourcing, extraction and handling and document the work done. The Supplier shall be conscious of the possible link between the production of raw materials and armed conflict or gross violation of human rights.

Suppliers of raw materials and components containing tin, tantalum, tungsten, gold (3TG) or cobalt that are part of the direct supply chain of Ovako's products shall:

- comply with all applicable laws concerning responsible sourcing and conflict minerals;
- follow the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High- Risk Areas based on their position in the supply chain, including relevant reporting;
- act in compliance with Section 1502 of the Dodd-Frank Act. It is important that the parties help each other to comply with the provisions of the SEC Conflict Minerals Rule with respect to the supply chains of products containing tin, tantalum, tungsten or gold as covered by the Dodd-Frank Act. Hence any Party supplying material to Ovako shall conduct a reasonable country of origin inquiry and follow internationally accepted due diligence guidelines to assure that supplies to Ovako qualify as "DRC conflict free" according to the SEC rule;
- ensure that all supplies in their 3TG and cobalt supply chain are traceable to smelter or refiner level. 3TG smelters and refineries in Ovako's supply chain must be assessed as compliant with accepted third-party audit programs such as the Responsible Minerals Assurance Process (RMAP) of the Responsible Minerals Initiative. Cobalt smelters and refineries must aim to be assessed as compliant or must, at minimum, take part and actively engage in third-party audit programs;

- upon request, the Supplier must report on their 3TG and cobalt supply chain by completing and submitting the Responsible Minerals Initiative's Conflict Minerals Reporting Template (CMRT) and/or Cobalt Reporting Template (CRT). Where possible, commercial confidentiality will be respected.

Guide - Document due diligences performed.

- Adopt internal policies and checkpoints to actively work on detecting unethical sourcing and working on influencing your supply chains towards responsible sourcing.

Verifying compliance

Follow up may include:

- Review of documented assessments, materials and minerals reports on responsible sourcing of minerals and metals.
- Perform due diligence in accordance with the OECD Due Diligence Guidance, in which we expect you to cooperate.
- Review the results of Reasonable Country of Origin Inquiries.
- Comparison of the list of used smelters and refineries against smelters and refineries listed as compliant on the EU Commission's list of responsible smelters, the Responsible Minerals Assurance Process (RMAP)- conformant smelter lists or, where applicable, approved by other equivalent industry schemes.

3 U.S. Securities and Exchange Commission

4 Democratic Republic of the Congo

6. THE CODE ON HEALTH AND SAFETY

Ovako strives to provide a safe and healthy working environment in our premises. We expect that our Suppliers have the same ambition and that there are policies, instructions and training in place, which are appropriate in relation to the nature of the business and the risks of the respective Supplier.

Requirements

Our Suppliers shall:

- create safe working conditions and a healthy work environment for its employees, (including controlling hazards, ensuring that fire alarms and equipment are functional and clearly marked, that emergency exits are accessible and maintained) and take the best reasonably possible precautionary measures against accidents and occupational diseases, including applying management systems and controls to identify and understand potential hazards to prevent incidents and injuries;
- strictly abide by applicable national health and safety laws and applicable collective agreements' health and safety provisions;
- ensure that relevant and functioning personal protection equipment is provided, free of charge, to all employees and to any other person visiting the premises and all employees shall have the right to refuse a work situation if they have reasonable cause and believe it poses an imminent and serious health and safety risk;
- provide training and ensure that employees are educated in health and safety issues and to provide information in a language that the employees understand;
- frequently check all work premises, including in applicable cases accommodation and canteens, to maintain fire safety and hygiene standards;
- if accommodation is provided, give each employee the right to their own bed and to a separate sleeping area for the gender to which they identify.

Ovako strives to provide a safe and healthy working environment in our premises and expects the same from Suppliers, therefore it is absolutely forbidden for both Ovako employees and non-Ovako employees to be under the influence of alcohol or other drug substances while working at or visiting Ovako premises. In case a person is found to be under the influence of alcohol or other drugs, Ovako reserves the right to dismiss the person from the premises.

Guide

- Implement and communicate safety routines and/or protocols and make sure that they are understood by the employees, e.g. by providing information in more than one language, and by provide education.
- Perform regular health and safety risk assessments of the business, including assessing the efficiency of preventive and mitigating actions, and document work-related injuries and actions.
- Where relevant, take appropriate security measures at the premises to create a safe and healthy workplace.
- Keep the work premises clean, well lit, with adequate ventilation and provide free access to clean drinking water, clean areas to eat meals, hygienic toilets and, where applicable, showers.

Verifying compliance

Follow up may include:

- On site audit and evaluation of the premises, e.g. the building is used for its intended purpose, electrical wiring, lighting and gas fixtures are properly installed and maintained, fire alarms are functioning and the site is adequately equipped to handle a fire or a gas leaks, with relevant first aid kits easily accessible, emergency exits and evacuations routs are clearly marked and accessible, personal protective equipment and protective clothing are clean, free of charge and in working order.
- Review of operating permits.
- Verify that fire and evacuation drills are carried out regularly.
- Review of implemented emergency plans and response procedures and implemented systems to manage, track and report occupational injury and illness and that employees' do not work under the influence of drugs or alcohol.

7. REPORTING OF CONCERNS – GRIEVANCE MECHANISM

Ovako encourages and gives its employees the opportunity to sound the alarm about irregularities in Ovako's operations to be able to investigate and correct improper behavior or acting. Retaliation against people who make ethical reports in good faith of violations or suspected violations of laws or regulations are against Ovako's values.

Requirements

The Supplier shall make appropriate channels and remediation mechanisms available to employees and third parties, in line with UN Guiding Principle 31, that allow reporting concerns or complaints without fear of retaliation. Such concerns or complaints may address the workplace, health and safety, discrimination, harassment, the environment, business practices, or human rights violations.

Violations of the Code are to be reported to Ovako either through an Ovako contact person or through our whistleblower channel, ovako.whistlelink.com. Supplier's employees may also use Ovako's whistleblower channel or go through an Ovako contact person if the employee cannot safely rise their concerns within their own organization or if a concern has been raised but no action taken.

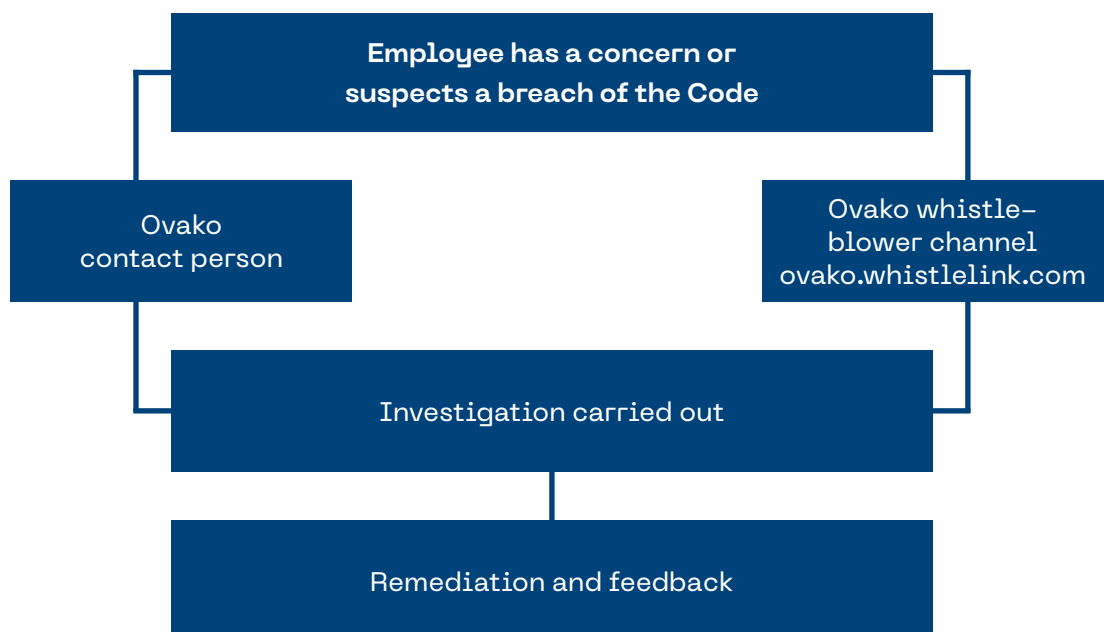
Guide

- Develop, implement and ensure effective systems for reporting concerns, complaints and grievances, such as an independent whistleblowing channel with investigations and appropriate actions and protect whistleblowers against reprisal or retaliation.
- Communicate policies and/or practices for reporting concerns, complaints and grievances to employees.
- Communicate externally and promote on your website, how third parties can report grievances etc.

Verifying compliance

Checkpoints may include:

- Review of relevant policies and implemented systems for whistleblowers.
- Review of documentation related to communication and training.



8. SUPPLIER'S CONFIRMATION

The signed party shall clearly identify a company representative responsible for ensuring implementation of the Code and the systems required to uphold the Code. Violations of this Code may result in the immediate termination of any agreement entered between Ovako and the signed party. This Code and this declaration are subject to the substantive laws in Sweden and Finland, without reference to any of its conflict of law rules. The Code is signed electronically on the date shown in the electronic certificate. The Supplier will receive one PDF-file with the signed Code.

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COMPANY NAME

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NAME IN BLOCK LETTERS

.....
POSITION IN COMPANY



At Ovako, we specialize in clean, high quality engineering steel tailored to the needs of customers in the bearing, transport, and manufacturing sectors. Our high-quality steel, based on 97 % recycled steel, not only ensures lightweight and resilient products but also enables more sustainable and environmentally friendly solutions.

With 2 600 dedicated employees and a global presence spanning over 30 countries, along with approximately EUR 1.1 billion in sales, Ovako, a subsidiary of Sanyo Special Steel and a proud member of Nippon Steel Corporation, stands at the forefront of the steel industry. Our purpose is clear:

Together we create steel for a decarbonized society.

Discover more about our innovative solutions at ovako.com, sanyo-steel.co.jp, and nipponsteel.com

Ovako Head Office

Box 1721
SE-111 87 Stockholm, Sweden

+46 8 622 13 00

ovako.com