

Distributor and Supplier Code of Conduct, reviewed 09.03.2020, originally published on 25.06.2015.

Distributor and Supplier Code of Conduct

Planmeca Group is committed to developing the sustainability and corporate responsibility of its operations continuously. Therefore, we follow the ten principles of United Nations Global Compact (UNGC) and the guidelines of International Labour Organization (ILO). We also expect our stakeholders throughout the supply chain to comply with these principles that are related to human rights, labour, environment and anti-corruption.

This Code of Conduct provides Planmeca's distributors and suppliers with guidelines based on the principles of UNGC and ILO. This document is an integral part of the supplier and distribution agreements of Planmeca Group companies. It applies to all businesses distributing and supplying products or services of or to Planmeca Oy and its subsidiaries. Distributors and suppliers are encouraged to set goals and constitute a plan to meet the standards of this code. Planmeca also encourages its business partners to review, monitor and modify the sustainability of their operations and management processes.

Business ethics and management systems

Business integrity

Distributors and suppliers are expected to prohibit all kinds of corruption, extortion and embezzlement. In accordance with the local laws, distributors and suppliers shall not offer or accept bribes or gifts to obtain improper advantage. Distributors and suppliers are also aware of and understand the principles of Planmeca Group's Anti-Corruption Policy. Also, the applicable legislation of fair business, advertising and competition must be complied.

Accurate business information records

All operations and accounting of the distributor and supplier companies shall be conducted according to local laws and regulations in an accurate and reliable manner. Planmeca Group promotes inclusive and trustworthy communication in the supply chain.

Risk management

Distributors and suppliers are expected to identify, determine and control risks related to ethics, labour practices, environment, health, and safety in their operations.

Responsible sourcing

Suppliers are expected to implement the principles of this Code of Conduct in their own sourcing processes to ensure the accurate source and safety of the products and materials. Suppliers shall be able to present formal evidence of their material sources if requested by Planmeca Group. In addition, suppliers shall also ensure that their products do not contain conflict minerals (tin, tantalum, tungsten or gold) originated from conflict and high-risk areas.

Compliance monitoring

Planmeca Group representatives might perform an evaluation of the supplier's or distributor's compliance to this code, which may include visits at the distributor's or supplier's premises. Distributors and suppliers are expected to provide confidential and safe means for the employees to report their concerns on activities violating this code.

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Environment

Environmental regulations

Distributors and suppliers shall comply with the applicable environmental laws and regulations as well as obtain all necessary permits, licenses and registrations. Distributors and suppliers are also expected to commit to the principles of Planmeca's environmental policy. Distributors and suppliers are encouraged to certify their operations with the ISO 14001 standard or other system that includes environmental requirements for operations and reporting.

Waste management

Distributors and suppliers shall do their best at minimizing waste and maximizing recycling by implementing appropriate procedures in their operations. Distributors and suppliers shall ensure that wastewater, solid waste and air emissions derived from their operations are monitored, controlled and treated as required by the local law prior to discharge or disposal. Distributors and suppliers are also encouraged to identify and manage all hazardous materials used in their operations.

Labor and human rights

Child and forced labour

Distributors and suppliers are expected not to employ children aged below the legal minimum age, and forced or compulsory labour shall be prohibited in all its forms.

Humane treatment

Distributors and suppliers are expected to treat employees with dignity and to respect human rights in all their operations. Corporal punishment, sexual exploitation, verbal or physical abuse or other kinds of harsh or inhumane treatment shall not be used. Distributors and suppliers shall commit to the elimination of harassment and discrimination based on race, age, gender, sexual orientation, ethnicity, disability, pregnancy, religion, political view or union membership in hiring, promotions, access to training or other employment practices.

Wages and working hours

Distributors and suppliers shall comply with the ILO principles, local laws and collective labour agreements concerning the wages and working hours.

Freedom of association and collective bargaining

Distributors and suppliers are expected to respect the employees' rights to associate freely, to join or not to join labour unions or works councils, to seek representation and to bargain collectively.

Occupational health and safety

Distributors and suppliers are expected to comply with local legislation and to provide their employees with safe and healthy working conditions. Implementing safety procedures and training systems to prevent occupational injuries and illnesses is required.

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References

International Labour Organization

www.ilo.org

UN Global Compact Principles

www.unglobalcompact.org/what-is-gc/mission/principles

The Universal Declaration of Human Rights

www.un.org/en/documents/udhr

UN Convention on the Rights of the Child

www.ohchr.org/en/professionalinterest/pages/crc.aspx