



# Supplier Code of Conduct



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# 1. Introduction

We are committed to maintaining the highest ethical standards, behaviors, and compliance. This Supplier Code of Conduct specifies the minimum standards of behavior Cwm Engineering requires of our suppliers. The requirements identified in the Supplier Code of Conduct are based on the principles of the Cwm Engineering Code of Conduct, and are mandated through the Cwm Engineering General Conditions of Purchase.

We expect our suppliers to adhere to this Supplier Code of Conduct, in addition to the provisions of any commercial terms agreed between Cwm Engineering Ltd and the supplier.

## 1.1 Content, scope, and applicability

The Supplier Code of Conduct is applicable to all suppliers and partners who supply product or services related to Cwm Engineering contracts or purchase orders.

Suppliers are expected to cascade these principles to their own suppliers to ensure alignment across the supply chain. This may involve the establishment of supply chain management processes that integrate the requirements of this Supplier Code of Conduct.

## 2. Operate Safely

### 2.1 Health and Safety

#### **Our principles:**

Operating safely is a priority for Cwm Engineering. Our vision is to create a working environment where there is zero harm to the health, safety and wellbeing of our people and others who may be impacted by our activities.

#### **Our Health & Safety goals are to:**

Create a safe and healthy work environment with no injuries and no work-related ill-health,

Prevent or minimise negative impacts from our products and services.

#### **What this means for our suppliers:**

Suppliers must comply with the legal occupational safety and health obligations applicable to the place of employment.

Suppliers are expected to be committed to managing Health & Safety risks and to proactively protecting the health, safety and welfare of their employees, contractors, visitors, and those in the community who may be affected by their activities.

Suppliers are expected to operate a suitable and sufficient health and safety management system, which defines the requirement to assess work-related risks, implement controls to eliminate or reduce those risks and to provide adequate instruction and training to those who may be impacted.

## **2.2 Environment**

### **Our principles:**

In line with our Group Policy, we expect the highest standards of behavior for protecting the environment in which we operate. We take personal and collective responsibility, along with our suppliers, contractors, joint ventures, and other partners, to prevent or minimise any adverse environmental impact from our activities, products, and services, support the sustainable use of resources, and strive for no environmental incidents.

We will ensure compliance with relevant legal and other requirements and drive towards best practice.

We ensure environmentally sound handling, collection, storage, and disposal of waste in accordance with the laws in force in the applicable jurisdiction. This includes controls on the shipment of waste between countries.

We are committed to reducing waste arising from our operations.

### **What this means for our suppliers:**

Suppliers are expected to comply with all applicable environmental laws and to manage their affairs in a manner which prevents or minimises any adverse impacts on the environment, including those in the community who may be affected by their activities.

Suppliers are expected to operate a suitable and sufficient environmental management system, which includes the requirement to assess environmental risks, implement controls to eliminate or reduce those risks and to provide adequate information to those who may be impacted.

Suppliers are expected to handle and store waste in ways that prevent pollution. Suppliers are also expected to ensure waste is collected and disposed of in compliance with relevant laws and in a way that prevents or minimises adverse environmental impacts.

As far as practicable, our suppliers shall reduce the waste arising from their operations and implement the use of circular supply chains wherever possible.

## 2.3 Climate Action

### Our principles:

We have committed to:

- reduce our carbon emissions in our operations by 25% or more by 2030;
- ensure that all our outputs are compatible with net zero carbon operation by 2050.

We have committed to use of science-based targets to assist and measure reductions in our greenhouse gas emissions.

### What this means for our suppliers:

Suppliers shall set near-term and long-term science-based emissions reductions targets. With the near-term targets set on or before 31st December 2027 and long-term targets set to meet net-zero by no later than 2050.

Suppliers shall share copies of their near-term and long-term targets with us.

Supplier shall agree targets to continuously improve energy efficiency and the use of renewable energy sources in your operations.

## **2.4 Responsible sourcing, in particular conflict minerals**

### **Our principles:**

Cwm Engineering supports regulatory principles that promote socially responsible sourcing of minerals, chemicals, and other materials, and manages all our business activities in line with international and local laws relevant to our countries of operation.

We are committed to the managed reduction and phase out of hazardous substances where feasible.

### **What this means for our suppliers:**

Suppliers must provide Cwm Engineering with products made from materials, including constituent minerals, which are sourced responsibly and verified as 'conflict free' in accordance with the OECD guidelines.

The products supplied to Cwm Engineering must consist of materials that are procured in a responsible manner and are not "conflict- affected" as set forth in the OECD Guidance. Suppliers ensure that the Regulation on minerals from conflict- affected areas is observed in compliance with Annex II of the OECD guidelines.

Suppliers must provide Cwm Engineering with supporting data on their supply chain of minerals when requested. If the material 'chain of custody' supplied is "indeterminable" or otherwise unknown, the supplier must commit to either attaining the appropriate certifications, or to the phase out of that material.

Suppliers are expected to take steps to:

- manage the reduction and phase out of hazardous substances where feasible in line with applicable legislation.
- ensure similar steps are taken in their own supply chains.

## 3 Trusted to deliver excellence.

### 3.1 Human Rights

#### Our principles:

##### **Child labour**

We do not accept child labour or any practice that inhibits the development of children.

##### **Modern Slavery & Forced Labour**

We believe that all employment should be freely chosen.

##### **Fair pay & benefits**

We recognise the need to reward fairly for skill, contribution, and performance.

##### **Diversity & Inclusion**

We treat each other openly, honestly, and courteously.

##### **Collective Bargaining**

The decision on whether to join a trade union or not is an individual choice.

#### What this means for our suppliers:

Suppliers must not employ anyone under the age of 15 years or, where it is higher, according to the applicable law, the mandatory national school leaving age.

Suppliers must never use or support practices that inhibit the development of children in accordance with applicable ILO conventions.

Suppliers must not use any form of involuntary labour including, but not limited to, people who have been trafficked, forced, prison or debt-bonded labour.

The supplier must ensure that all wages meet local minimum wage requirements as laid down by the applicable law and, in addition, as is determined in accordance with the regulations of the place of employment.

Any overtime may only be performed in accordance with the respective legal requirements and workers must receive adequate compensation for any overtime worked.

Standard working hours must not exceed legal limits and over time must not exceed the maximum allowed by law.

Suppliers are expected to promote equal opportunities for all.

Harassment or discrimination must not be tolerated. Suppliers must comply with local laws regarding discrimination and harassment and physical, verbal, or psychological abuse must not be tolerated.

Suppliers are expected to respect this choice and the relevant processes and laws on collective representation and consultation where applicable.



## **3.1 Working with customers, suppliers, partners, and communities**

### **Our principles:**

We compete fairly and with integrity on sales campaigns.

When seeking new suppliers and partners, we conduct thorough due diligence. We take steps to choose only those suppliers and partners whose values and business behaviour align with high ethical standards.

We support communities in areas of education and skills, environment, social investment and arts, culture, and heritage. Our investment can include financial, time or in-kind support.

### **What this means for our suppliers:**

Suppliers must only engage with employees, agents, intermediaries, consultants, representatives, distributors, teaming partners, contractors, suppliers, consortia, and joint venture partners who meet ours and your standards regarding reputation and conduct.

Suppliers must listen carefully to requests or concerns from the community and address them appropriately. You are encouraged to seek similar opportunities in your local Communities.

## **3.2 Conflicts of interest**

### **Our principles:**

We avoid any situation where conflicts of interest might be seen as influencing our business decisions or behaviour or might stop us from acting in the best interests of Cwm Engineering. If we believe there is, or might be, a conflict of interest, we speak up.

### **What this means for our suppliers:**

Suppliers must conduct your business free from conflicts of interest or mitigate appropriately any such conflicts if they arise.

## **3.3 Accurate business records**

### **Our principles:**

We maintain accurate and complete records of our business transactions.

### **What this means for our suppliers:**

Suppliers must maintain accurate and complete records of their business transactions.

## **4. Acting with integrity**

### **4.1 Anti-bribery and corruption**

#### **Our principles:**

We do not tolerate bribery and corruption in any form.

We only appoint partners of known integrity and require that their conduct meets our standards at all times.

We never offer, give, or accept anything of value that is, or could be seen as, improperly influencing business decisions.

We do not make Facilitation Payments.

#### **What this means for our suppliers:**

Suppliers must conduct your business honestly, fairly, and free from any bribery or corruption.

Suppliers must only offer gifts or hospitality in an open and transparent way and your gifts or hospitality must never be illegal. Where gifts or hospitality are offered, these should not be intended or interpreted as an attempt to improperly influence business decisions.

Suppliers must not offer or make facilitation payments.

### **4.2 Safeguarding our resources and respecting the confidential information of others.**

#### **Our principles:**

Our technologies, intellectual property and commercially sensitive and confidential information are vital assets of our business, and we protect them from unauthorised access, use and disclosure.

We protect the confidential information we hold, including data from customers, suppliers, joint ventures, and other parties. We only share and use it internally to the extent that we are permitted to, and we never share it externally without authorisation. We do not try to find or use the information of other people or organisations, including competitors, that we know is confidential or restricted.

#### **What this means for our suppliers:**

Suppliers must safeguard our resources and information and ensure that all data and documents are kept secure.

Suppliers must keep confidential information confidential and never use information which you should not have.

Suppliers must never offer or supply information which Cwm Engineering should not have.

Suppliers must use appropriate nondisclosure or confidentiality agreements to protect our confidential and proprietary information.

## **4.3 Export controls, sanctions and import obligations.**

### **Our principles:**

We are committed to compliance with import and export laws, regulations, and procedures wherever we operate.

### **What this means for our suppliers:**

Suppliers must comply with all relevant export control and sanctions legislation when exporting or importing goods or technology and shall plan for and obtain all necessary authorisations and permits to ensure timely and compliant delivery of their products.

Where an authorisation or permit so requires, suppliers shall also have in place all the necessary processes to manage access to export controlled goods or technology only by staff or other entities authorised to have such access. Where applicable, this requirement shall be flowed down to any sub-tier suppliers. Suppliers should also be alert for suspicious enquiries from those who might be attempting to gain illicit access to goods, software, or technology.

## **4.4 Competitive behavior and antitrust**

### **Our principles:**

We believe in open and fair competition.

We conduct business in an honest and straightforward way.

### **What this means for our suppliers:**

Suppliers must comply with competition (antitrust) laws in the countries where they operate or sell product.

Suppliers must not co-ordinate market conduct with competitors or their own suppliers in a way that improperly restricts competition.

## **4.5 Preventing the facilitation of tax evasion**

### **Our principles:**

We do not help our customers, suppliers, or anyone else we work with, to fraudulently underpay, or not pay, tax.

### **What this means for our suppliers:**

Suppliers must not ask us to do anything which helps them to evade tax.

Suppliers must only raise invoices and other contractual documents which are true to the agreed commercial situation and which do not include any false information.

Suppliers must not, when acting on our behalf, help others to evade tax.

## **5. Supplier commitment**

### **5.1 Communication**

Suppliers shall make the Cwm Engineering Supplier Code of Conduct available to employees in the business language of the company.

Suppliers are required to disseminate these requirements throughout their own supply chain and incorporate the principles set out in this Supplier Code of Conduct as part of their routine business practices.

### **5.2 Supplier Code of Conduct adherence**

Suppliers shall comply with all aspects of the Cwm Engineering Supplier Code of Conduct, as mandated through the Cwm Engineering General Conditions of Purchase and/or any bespoke agreement they have with Cwm Engineering.

Suppliers shall have policies and practices in place to effectively implement these standards within their business. Suppliers shall work collaboratively with us to assess and continuously improve their impact on the environment and society.

Cwm Engineering reserves the right to audit each of its suppliers' compliance with this Cwm Engineering Supplier Code of Conduct including carrying out onsite audits upon request.

On our request, suppliers shall complete evidence-based assessments relating to their performance on environmental, social and governance matters and will share the results of such assessments with us. Suppliers shall ensure that documentation demonstrating compliance with this Cwm Engineering Supplier Code of Conduct is retained and shall give Cwm Engineering access to such documentation on reasonable notice. Suppliers shall agree to the use by Cwm Engineering of their environmental, social and governance related information for the purposes specified in our agreements with our suppliers and as required by applicable law and/or (in an anonymised format) for reporting publicly or to any customer of Cwm Engineering.

Compliance with this Cwm Engineering Supplier Code of Conduct is very important to Cwm Engineering and in the event of non-compliance by a supplier with the requirements set out in this Cwm Engineering Supplier Code of Conduct, it will seek to rely on its contractual rights with the supplier, which may include the rights to terminate the relevant agreement.

### **5.3 Supplier concerns**

We speak up about anything that concerns us or that is not in line with the principles set out in this Cwm Engineering Supplier Code of Conduct without fear of retaliation and we expect our suppliers to do the same. Cwm Engineering does not tolerate retaliation. Suppliers can raise questions or concerns via telephone or email and by speaking to your Cwm Engineering contacts.

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November 2023

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