

# Supplier Code of Conduct

## 1. INTRODUCTION

We strive to conduct business according to the highest possible ethical and sustainability standards and we expect all our Suppliers, and their sub-suppliers, to share our values. The purpose of this Supplier Code of Conduct (hereinafter referred to as the “**Code**”) is to articulate our expectations and help our Suppliers put these values into practice so that we can earn and maintain the trust of our combined stakeholders.

The Code sets the minimum requirements regarding values, ethical principles, and standards of the River Group for conducting sustainable business and is based on the ten principles of the UN Global Compact (see appendix 1.1) as well as its underlying conventions and declarations. In addition to following the principles outlined in the Code, we expect all our Suppliers to comply with the local laws and regulations of the country in which they operate. If local laws and regulations set out a more stringent position than the Code, such regulations shall prevail.

The Code applies to all those who are our suppliers (including sub-suppliers and affiliates), vendors and producers of goods or providers of services to us, hereinafter referred to as “**Suppliers**” or “**You**”. It is your responsibility as a Supplier to us to make sure that the content of the Code is communicated, understood, and acted upon internally by all employees of the supplier, and to ensure that all your sub-suppliers and partners abide by the requirements in the Code.

## 2. CORE VALUES

### Purpose

Today there are significant water challenges that need to be solved and River Group’s purpose is to contribute to a sustainable future for coming generations by promoting sustainable solutions for the transport and treatment of water.

*“We work for an efficient water flow in a sustainable way - Making water flow”*

**Vision**

Our vision is to become the leading water & wastewater company with focus on pump technology and its aftermarket.

**Mission**

Our mission is to help our customers not to worry about water.

**3. FOCUS AREAS****Human rights**

We take the right to decent working conditions for everyone involved in any aspect of our operations or value chain seriously. Internationally recognised human rights shall be known, protected, and respected. We expect our Suppliers to ensure that there is no direct or indirect violation of human rights in their operations or those of sub-suppliers. The below paragraphs highlight areas of specific attention to us.

*Child labour*

Children under the minimum working age as established by local law shall not be used as labour force. Regardless of local regulations, children or minors under fifteen years of age shall never be employed. Employees under the age of eighteen shall not carry out hazardous work, heavy work, or work night shifts.

*Modern slavery*

All work shall be voluntary, and modern slavery is never accepted in any form, including forced or debt-bonded labour, trafficking, indentured, and slave labour.

*Equality, diversity, and non-discrimination*

Equality and diversity shall be promoted in remuneration plans, recruitment processes, promotions, trainings, and in policies concerning parental leave. All employees shall be treated with dignity and respect. Discrimination, verbal, physical, or visual, including, but not limited to gender, gender identity, race, age, sexual orientation, pregnancy status, religion, ethnicity, mental or physical disability, or medical condition is never permitted in any form.

**Working conditions**

We take pride in providing a pleasant, clean, and healthy workplace for all, where employees feel safe and supported in their work efforts and daily activities, accepting no form of harassment, discrimination, or exploitation. We fully expect all our Suppliers to do the same.

#### *Freedom of association and collective bargaining*

All employees shall be free to form, join, or not to join a trade union or employee organisation of their choice. All employees shall also retain the right to bargain collectively.

#### *Contracts*

All employees shall have an employment contract in a language understandable to the employee, specifying the terms of employment including working hours, overtime compensation, wage, frequency of payment and notice period. Workers in apprentice programs shall be provided with the same rights as regular employees. As the employer, You shall take the responsibility to ensure that all employees are aware of their legal rights and obligations.

#### *Wages and benefits*

Employees shall be paid equal pay for equal work, at a minimum a living wage, sufficient to cover basic needs for the employee as well as provide some discretionary income. Wages must be paid directly to the employee at least once a month. No unfair deductions are allowed. Overtime compensation shall be paid at a premium rate. All employees shall be provided with adequate insurance.

#### *Working hours*

Employees shall not be forced to work more than 48 hours per week. Overtime hours are allowed in accordance with the laws of the country of employment but shall not exceed twelve hours per week unless a bargaining agreement states otherwise. A system to document and verify working time (regular, overtime, and compensation) shall be in place. Employees shall be given at least one day off in every seven-day period and have sufficient time to rest between shifts. Employees shall be entitled to paid sick leave and at least three weeks of paid annual leave. A minimum of fourteen weeks shall be reserved for paid maternity leave.

#### *Workplace health and safety*

All employees shall have access to a safe, clean, and healthy workplace in line with internationally declared human rights. At each workplace where occupational hazards have been listed together with preventative measures, a risk assessment must be conducted and accessible to all employees. Injuries and accidents occurring at all work premises shall be logged in a record and investigated with preventative measures introduced and progress monitored. All employees must receive adequate training to perform their work in a safe way. Safety instructions, evacuation drills, fire

safety, first-aid training, and work-specific training shall be documented and provided regularly in a language understandable to all employees.

### **Environmental responsibility**

We believe that everyone must play their part in contributing to solving our global challenges on climate change and environmental degradation. We expect all our Suppliers to conduct business with as little impact on the environment and public health as possible. We expect Suppliers to set, work towards and report on ambitious targets to reduce negative impact on all dimensions material to their business.

#### *Sustainable use of resources*

All resources used, including raw material, energy and water must be handled responsibly. Efforts shall be made to reduce emissions of greenhouse gases and resource usage from production and operations activities, through e.g. using renewable energy sources, sourcing water without negatively impacting surrounding water sources, and reusing or recycling water when possible. When choosing means of transportation for people and goods, the choice with the least greenhouse gas emissions shall be used whenever possible.

#### *Waste management and recycling*

The choice of input material in production processes shall be made to ensure as little impact on the environment as possible, and the amount of waste (solid, effluent or fugitive) shall be continuously minimised. Waste shall be recycled or sent to modern waste plants where the waste can be separated and properly disposed of.

#### *Chemicals and hazardous substances*

Chemicals and hazardous substances shall be eliminated when possible or kept to an absolute minimum. If chemicals or hazardous substances are used, it is a must to ensure safe chemical handling including storage and disposal. It is not allowed to use hazardous substances restricted under the European Union directives *REACH* and *ROHS*. Substances used shall be marked with instructions and a Material Safety Data Sheet (MSDS).

#### *Biodiversity, ecosystem preservation, and deforestation*

The role of human activity in deforestation, species extinction, biodiversity loss, and especially habitat destruction shall be recognized - making sure to assess, monitor, and control company activities corresponding to the indirect and direct drivers of biodiversity, ecosystem change, and deforestation. Special attention should be paid to operations which affect IUCN Red List species and/or national conservation list species, as well as

protected areas and areas of high biodiversity value, also known as 'biodiversity hotspots.'

### **Anti-corruption**

We do not accept corruption in any form, including, but not limited to bribery, facilitation payments, and nepotism. We expect all our Suppliers to take appropriate measures to prevent, detect and remedy financial crime including, but not limited to, extortion, money laundering, and fraud. This includes the principles outlined below.

#### *Bribery and gifts*

A bribe occurs when a person requests, receives, offers, pays, seeks, or accepts an offer or an improper advantage or reward in connection with his or her position, office, or assignment. Financial or non-financial advantages shall never be offered or promised to any person or organisation in order to obtain any preferential treatment. Neither shall they be accepted from any person or organisation looking to obtain preferential treatment.

#### *Conflicts of interest, nepotism, and cronyism*

A conflict of interest arises when personal interests are inconsistent with business interests, which may create conflicting loyalties. All forms of conflict of interest, nepotism, or cronyism on every management level and in all facets of the business shall be prevented and withdrawn from. Situations where conflicts of interest might arise shall be avoided and there shall be openness and transparency with vendors when conflicts of interest do occur, and in such cases withdraw from decision-making.

#### *Competition*

Suppliers shall refrain from, actively assess the risk of, and take appropriate action to detect any type of anti-competitive behavior including, but not limited to, entering into discussions or agreements with competitors regarding price fixing, market sharing, bid rigging, or other similar illicit activities.

### **Data Protection**

River Group considers privacy and personal data protection to be fundamental rights and expect all Suppliers to respect and protect these rights.

Data processing shall be subject to adequate organisational and technical protective measures, ensuring that employees', customers', and other business partners' right to integrity and privacy is respected at all times. No one shall be subjected to arbitrary interference with his/her privacy, family, home, or correspondence, nor to attacks upon his/her honour and

reputation. Personal data processed on behalf of vendors shall be subject to adequate data protection.

#### **4. MONITORING AND ENFORCEMENT**

Audits, inspections, follow-up, and standard reviews shall be accepted at all premises, whether announced or unannounced. Insight into systems during internal audits or through independent third parties shall be granted. On request, You shall provide the appropriate resources and documentation at any time of inspection.

In case of significant violations of the Code, we hold the right to terminate contracts.

#### **5. REPORTING CONCERNS**

All employees shall feel free and encouraged to report incidents of non-compliance, suspected misconduct, or other irregularities using the appropriate reporting channels. Those who do report concerns shall not be faced with personal repercussions such as financial disadvantage or threats of contract termination. Whistleblowing functions and other anonymous reporting channels shall be managed and monitored by third parties, providing all employees with the right to report serious wrongdoings without fear of retaliation. In addition, we expect our Suppliers to notify us when reports are made, or when incidents of non-compliance, suspected misconduct, or other irregularities are discovered by management.

#### **6. ACKNOWLEDGEMENT OF THIS CODE**

Suppliers who work for or with *any member of the River Group* and who are in receipt of the Code agree to:

- Adhere to the requirements and expectations set out in the Code;
- Provide complete and accurate information to facilitate Supplier due diligence efforts undertaken by the River Group.
- Comply with the applicable laws and regulations in the country or countries where they operate.

**Signed by**

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**Name and position**

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**Company**

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**Date**

## 1. APPENDIX

### 2. The Ten Principles of the UN Global Compact

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: Make sure that they are not complicit in human rights abuses.

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.