

SCANFIL

Scanfil Code of Conduct

2024-05-01



Our commitments

Scanfil Code of Conduct has been adopted to underscore the principles by which Scanfil conducts its relations with employees, business partners, and other stakeholders.

Scanfil is a member of the UN Global Compact and supports and respects **the United Nations Global Compact principles**.

Scanfil commits to respect **ILO core labour standards**: Freedom of Associations and Right to Collective Bargaining; Elimination of Forced Labour; Effective Abolition of Child Labour; Elimination of discrimination in respect of employment and occupation.

All our employees must be aware of and comply with this Code of Conduct. Together with our Group policies, this document forms the basis for the way we work in Scanfil.

All our employees are expected to always act according to the Scanfil Code of Conduct.

All managers are accountable for communicating the content of and for enforcing the Code of Conduct within their organizations.

Failure to comply with the Scanfil Code of Conduct will result in an investigation and can result in disciplinary action.

This document has been approved by the Group Management and can be amended or changed only by the Group Management.

Scanfil requires suppliers, subcontractors, consultants, and other business partners to adopt and follow the principles as stated in this document.

SCANFIL



Our Business Principles

Scanfil's objective is to strengthen the competitiveness of our customers and their products. We follow the laws and regulations in each country where we operate. The Code of Conduct sets forth the minimum level of approved behavior. In case local law is stricter than this document, local law shall prevail.

Our suppliers must uphold the human rights of workers, and treat them with dignity and respect as understood by the international community. Scanfil has a separate Code of Conduct for Suppliers which determines the commitments Scanfil Suppliers are expected to follow and take and is available for all our partners and invested stakeholders on the Scanfil web page.





Ethics, Compliance with Law and Culture

Scanfil is always committed to the highest standards of ethical conduct and compliance with applicable laws, regulations, and other legal requirements where we as a company are conducting business. We respect different cultures, cultural heritage, and local legally accepted ways of action. Scanfil is committed to respecting Human Rights in all its operations. We adhere to United Nations Guiding Principles on Business and Human Rights.

All employees are liable to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. Employees must practice honesty and integrity in every aspect of dealing with other Scanfil employees, the public, the business community, stockholders, customers, suppliers, and government authorities.

Fairness in All Business Relations

Business decisions are based on the best interests of Scanfil, without regard to personal relationships or considerations. There is no tolerance for any ethically questionable behaviors, including but not limited to anticompetitive practices, corruption, bribery, fraud, money laundering, or any type of conflict of interest.





Conflict of Interest

Employees at Scanfil are expected to be sensitive and to avoid any situations involving a conflict or the potential for a conflict between their personal interests and the interest of Scanfil. This includes, but is not limited to acceptance and giving of personal gifts or hospitality to or from Scanfil stakeholders, other than gifts of nominal value or reasonable hospitality given in the ordinary course of business. Any agreement or understanding regarding favors and benefits in exchange for the gifts must be avoided. Likewise, Scanfil shall not offer rewards or benefits to any business party or stakeholder, which is, or appears to be, in violation of applicable laws.

This policy does not prohibit expenditures of reasonable amounts for meals and entertainment of suppliers and customers which are ordinary and customary business expenses. Expenditures of this type should follow Scanfil Representation Policy.

We do not offer nor accept improper gifts or hospitality. An example of improper gifts or hospitality can be expensive trips paid by a customer or supplier. If there would be an unclarity whether an improper gift or hospitality is offered, the closest manager, or if needed Group HR Director, should always be advised. Employees may not engage themselves, with or without compensation, in activities outside Scanfil that might conflict or appear to conflict with Scanfil's interests, without approval from the employee's manager and in accordance with the Grand Parent principle.

Anti-corruption practices

Scanfil is assessing the risk of internal and external corruption. The evaluation is performed on regular basis taking into consideration the local regulations, business performance practices, counterparts, and cultural context. The risk assessment enables Scanfil to undertake the needed preventive measures to limit exposure to corruption risks. The risk assessment results are presented on yearly basis to Group Management Team as part of the Management Review.

Anti-competitive practices

We act in a manner that is ethical and fair, without engaging in any inappropriate activities or unfair trade practices. Scanfil is performing its business respectfully to fair competition and anti-trust rules. Any practices which may negatively impact transparent and healthy business conduct are not tolerated at Scanfil. To avoid any practices which may lead directly or indirectly to any unfair deals, Scanfil employees are obligated to avoid any discussions with anyone outside of Scanfil topics related to: price levels and conditions, allocation of customers, products, or territories and business strategies, including acquisitions.

Any benchmarking visits and networking should be justified and participated with the utmost consideration for avoiding any anti-competitive practices. We will always be confronted with complex situations where we feel we do not get a clear answer from the Code of Conduct or through the Scanfil Management System. When this is the case, we expect employees to discuss the matter with his/her nearest superior or to seek advice from the contacts at the end of this document.



Governance

Whole Scanfil personnel is trained on a regular basis on the ethical business conduct rules as well as potential risks identified in the course of risk assessments. The functions exposed the most to corruption and anti-competitive practices (Sales, Sourcing, Finance, Management) are undertaking advanced training in this field.

The company's Operations and Global Functions are audited in the context of corruption-related risks as well as anti-competitive practices. The results of the audits together with recommended further actions are reported to GMT and follow-up is performed on a bi-quarterly Management Review.





Communications

Confidential Information

Employees often have access to information about Scanfil, and sometimes also to information owned by third parties, that is not generally available to the public. Such confidential information must not be passed on to anyone outside Scanfil including family members.

All Scanfil employees are responsible to make sure that company confidential information shall not be disclosed to other parties without purpose. Also, confidential information received from customers or other business partners shall not be disclosed to third parties without prior written permission.

We must all be aware of the risk of unintentional exposure to information, e.g. by discussing company matters with co-workers while traveling or in public places.

When it is necessary to disclose confidential information to carry out business purposes an NDA (Non-Disclosure Agreement) will be always signed by the parties.

Employees are not allowed to exploit insider information when trading with Scanfil shares or securities.

A woman with her hair in a bun, wearing a white blazer, is shown in profile, looking out a window. The background is a blurred view of a city skyline with tall buildings under a blue sky.

Communications

External communication

As a public listed company, we as employees must comply with all applicable stock market laws and regulations in order to maintain the shareholders' trust and Scanfil's accountability on the financial market. Scanfil must therefore disclose information based on the European Union Market Abuse Regulation (EU/No. 596/2014) ("MAR"), the Rules of NASDAQ Helsinki Ltd, the Securities Market Act, Scanfil's Insider Regulation, and Finnish Corporate Governance Code as amended from time to time. The company has to disclose all relevant information, which may affect the value of the security simultaneously to all market parties.

Only authorized spokespersons are permitted to represent Scanfil externally and to comment on disclosed information or Scanfil's financial performance and outlook generally. Any speculation over Scanfil's financial performance must be avoided.

We do not allow the misuse of inside information. Inside information is information that is not public and is likely to significantly affect the price of Scanfil shares. Typical inside information is financial results and major orders.



Communications

Social Media

We ask our employees not to act as Scanfil spokespersons, making statements regarding Scanfil or our customers on social media sites, unless specifically requested to do so by Scanfil. Neither should we use social media in a way that can cause harm to the Scanfil brand or reputation. When we as individuals speak about ourselves in the social media sphere, we must not spread any Scanfil information that is not intended for the public (see also the Social Media policy).

Political Involvement

Scanfil observes strict neutrality with regard to political parties and candidates. Neither the names nor resources of Scanfil shall be used to promote the interests of political parties or candidates.

People treatment

Respect for the Individual

Scanfil will treat each and every employee in a fair and equal manner and will provide a safe and healthy working place for its employees. Neither Scanfil nor any person acting on behalf of Scanfil shall discriminate against any person with regard to employment based on the person's ethnic origin, color, age, religion, creed, gender, marital status, family status, sexual orientation, disability, or any other prohibited ground of discrimination protected by applicable law.

Physical, psychological, sexual, or verbal harassment against any colleague or business partner will never be tolerated. As employees, we shall conduct our work with respect for all people regardless of any differences.

Scanfil emphasizes its commitment to advancing equality between women and men. This is expressed in Scanfil's CEO Statement of Support for the Women's Empowerment Principles.



Fair Employment Conditions

Employment terms and wages shall be fair and reasonable. The company takes care of that wages in all operating counties are set on decent living wage level and that's why it's monitored to be set in accordance with the local laws, regulations, and generally accepted local standards of the business branch itself and/or according to local trade union's collective agreements.

The company pays salaries regularly, in full, and on time, and does not require workers to pay work-related fees/costs. Employees receive pay slips, either in electronic or paper form, which state their wages and explain any legitimate deductions. The company does not retain the workers' personal documents for any purpose not related to performed work, e.g. to restrict workers' freedom of movement outside of work hours and do not require workers to stay at the accommodation at the company.

All employees, including those who are temporarily employed, should have their employment terms in writing and be made aware of them as confirmed by signatures from both the employer and the employee.

The same rules are applied to all workers employed via 3rd party employment agencies and Scanfil is monitoring the performance of these partners

SCANFIL



Freedom of Association

All employees are free to exercise the right to form, join or refrain from joining unions or similar organizations devoted to collective bargaining. Representatives and members of trade unions must not be subjected to improper discrimination. Scanfil gives official trade union representatives access to trade union members and their workplaces.

Prevention of Involuntary or Child Labor and Human Trafficking

All work must be voluntary and workers shall be free to leave work or terminate their employment with reasonable notice. Scanfil does not tolerate underage labor in its operations or in the operations of any supplier or other party with whom we cooperate. The minimum employment age is the lawful age for working in the country in question. The age of the employee is verified by checking the date of birth already during the recruitment process before the employment contract would be concluded.

We do not allow illegal or forced labor in our operations or in the operations of any parties with whom we cooperate.



Health & Safety

We ensure the safety of all employees and any other persons who may be directly affected by the activities of Scanfil, as far as reasonably practicable. We will at all times provide and maintain a safe and healthy working environment for all our employees. We ensure that significant risks arising from work activities under our control are eliminated or adequately controlled via risk assessments.

It's not tolerated to be under the influence of drugs or alcohol at the workplace (both if this is in Scanfil premises or remote workplace).

We provide sufficient information, instruction, training, and supervision to enable all employees to avoid hazards and contribute to their own health and safety at work.

Our employees are involved in health and safety decisions through consultation and cooperation. We comply with legal requirements, developing and implementing appropriate health and safety procedures and working practices.

Scanfil has formed a Safety Council which monitors all work safety aspects. Safety Council gathers quarterly to review corrective actions and preventive best practices. In addition to that sick leaves, accidents/injuries, serious accidents, and (if any) fatalities are monitored monthly. The occupational risk analyses are performed regularly at all locations to verify if any potential occupational diseases may result from their operations.





The Environment

Scanfil is working with continual improvements by taking into account the environmental aspects and requirements of customers, recognizing the effects of production on the environment, and by trying to minimize environmental hazards. Examples of global environmental targets are carbon footprint, fossil-free energy consumption share, water consumption, and reduction of waste.

Scanfil follows below principles related to environmental issues:

- We fulfill the requirements of the legislation and environmental authorities in all of our activities.
- We utilize global natural resources economically and efficiently by developing our production processes in a more efficient direction.
- We seek to diminish the effects of industrial activities in terms of water, air, and soil resources. Through the selection, use, and development of technological and economic solutions in our production processes we aim to reduce environmentally harmful industrial emissions.
- We strive for improvements when we recycle industrial waste. We try to reuse package materials and minimize waste.
- We regularly inform the authorities of the environmental effects based on our activities.
- Training and guidance are used to increase the commitment of our employees toward responsible environmental control.
- We work systematically and our environmental programs feature continuous improvement, technical development, and resource efficiency.

Reporting of Violations

This Code of Conduct covers all Scanfil activities, business, and employment relationships. At Scanfil compliance with company policies and high ethical standards is part of everyone's job. Scanfil leadership will fully support each employee in meeting this responsibility to comply with the laws and regulations.

If you become aware of unethical or illegal conduct, you are expected to report your concerns via Anonymous Reporting Centre which is accessible through the below listed interfaces:

- Scanfil webpage: www.scanfil.com
- Scanfil intranet: Intra Hub - Home (sharepoint.com)
- Direct link: Homepage - Anonymous Report Center (service-now.com)

The violations can be reported either to the global or local organizations. The authorized personnel to process the reported violations are:

- for globally reported cases: Global Sustainability Director and Global HR Director
- for locally reported cases: Factory Managing Director and Factory HR Manager.

The reports can be written in local languages. Employees can also choose to report violations directly to the local Human Resources Manager, who will upload them to the Whistleblowing channel.

The violations reporting channel in the above listed interfaces is available openly to all invested stakeholders or communities.



All such reports become subject to thorough investigation. The responsible organizational unit needs to report the case and taken measures to the Global HR Director on monthly basis. Follow up of those is performed quarterly at the Code of Conduct Forum and annually monitored in the Global Management Review meeting. The result of this is presented to the Audit Committee by Scanfil CEO, who holds the responsibility for Human Rights issues control. The subject of reported areas is expressed in signed by CEO UN Guiding Principles on Business and Human Rights, as well as UN Women's Empowerment Principles.

Reporting of Violations

This monitoring process enables the company to react timely in case of any violations of human rights would be discovered. Scanfil commits to taking all the needed actions to help impacted individuals and removes the circumstances in which similar cases could happen in the future.

There will be no retaliation against any employee making a report in good faith. Those employees are protected as their opinion values for company culture cultivation. Neither, other stakeholders raising human rights-related complaints or concerns can be subject to any retaliation. Human rights defenders are protected and Scanfil commits to neither tolerate nor contribute to any threats, intimidation, or attacks against human rights defenders in relation to company operations.

Scanfil emphasizes that any of the grievance activities, including state-based grievance mechanisms, are not impeded by the company. All participations in human rights grievance or mediation processes are protected and will not be subject to any negative after-effects, and neither will be requested to waive their legal rights as a condition of participation in the grievance/mediation process.

If you need additional guidance, please consult your closest Human Resources Manager or Managing/Plant Director.

This code and described here mechanisms were consulted with sites (including non-managerial employees). First, the draft prepared by the global team is verified by local HR Managers, who secondly organize local consultation with representatives of employees. Thirdly, any comments and ideas are returned to the global team, who evaluates the applicability of the suggested measures and prepares adjustments. The finally aligned version is subject to approval and commitment of the Scanfil Group Management.



All Scanfil employees are trained on the content of the Code of Conduct, first during the Onboarding process and secondly whenever any change to the content is introduced.

Additionally, Sourcing and Procurement teams are given separate training on the Supplier's Code of Conduct.