



Supplier Code of Conduct

At Simko North America, LLC (SNA), we are committed to upholding the highest ethical, social, and environmental standards in our business operations. This **Supplier Code of Conduct** outlines the commitments we require from ourselves, as well as our suppliers, contractors, and business partners. These principles are aligned with commitment to ethical and sustainable practices, ensuring that our entire supply chain reflects our values.

1. Compliance with Laws and Regulations

Suppliers must comply with all applicable local, national, and international laws and regulations, including those relating to:

- Anti-corruption and anti-bribery, in line with the **Foreign Corrupt Practices Act (FCPA)** and Simko's **Anti-Bribery and Corruption Policy**.
- Environmental protection and sustainability.
- Labor rights and workplace safety.

2. Ethical Business Practices

We expect suppliers to conduct business with integrity and transparency, including:

- Prohibiting any form of bribery, corruption, extortion, or embezzlement.
- Avoiding facilitation payments, kickbacks, and other unethical practices.
- Accurately recording and reporting all business transactions.
- Establish and maintain a company grievance mechanism (consistent with UNGP effectiveness criteria) to receive complaints and remedy adverse impacts they have caused due to production and sourcing.

3. Human Rights and Labor Practices

Suppliers must respect internationally recognized human rights, as outlined in the **United Nations Guiding Principles on Business and Human Rights (UNGP)** and the **ILO Core Conventions**, including:

- Prohibiting forced labor, human trafficking, and child labor (ILO Conventions No. 29, 138, and 182).
- Ensuring freedom of association and collective bargaining rights (ILO Conventions No. 87 and 98).
- Providing fair wages and complying with laws on working hours and overtime.
- Promoting workplace diversity, equity, and inclusion, ensuring no discrimination based on race, gender, religion, or other protected characteristics.
- Avoid causing or contributing to adverse human rights impacts and preventing or mitigating any harm linked to company operations (including upholding UNGP).
- Recognize and protect the customary, traditional and communal land tenure rights of indigenous peoples and local communities.



- Ensure prior to any activities that might affect IP/LC rights, free, prior, and informed consent (FPIC) will be secured. The FPIC process must be done in a culturally appropriate manner and follows credible accepted methodologies and associated GPSNR guidance. IP/LC have the right to give or withhold their consent to any activity that is subject to the FPIC process.
- Where operations impinge on IP/LC rights, compensating or accommodating IP/LC through appropriate, mutually agreed measures reflecting and described in the negotiated outcomes of the FPIC process.
- Adopt measures to provide remedy through mutually agreed procedures in cases where the company previously has caused or contributed to the appropriation of or harm to the lands, territories, or resources of IP/LC without securing FPIC. Implementation is jointly monitored by the community and the GPSNR member and/or by mutually agreed third party(ies).
 - The accepted methodologies to be followed for the FPIC process are:
 - UN-REDD (2012) Guidelines on Free, Prior and Informed Consent
 - RSPO (2015) Free, Prior and Informed Consent for RSPO Members
 - FAO (2015) Free, Prior and Informed Consent Manual
- Uphold applicable labor rights and labor laws in the jurisdictions where operating, the UN Guiding Principles on Business and Human Rights, and the intent of the International Labor Organization's eight core conventions. This includes:
 - Freedom of association and collective bargaining (ILO Convention No. 87 and No. 98)
 - No forced labour (ILO Convention No. 29 and its 2014 Protocol)
 - No child labour (ILO Convention No. 138 and No. 182)
 - Decent living wages
 - No discrimination (ILO Convention No. 111 and No. 100)
 - Legal working hours
 - Safe and healthy workplaces
 - No abusive practices (ILO Convention No. 105)
 - Gender equity
 - Safeguards apply to all workers, including contract, temporary and migrant workers.

4. Environmental Responsibility

Suppliers are expected to adopt environmentally sustainable practices and align with the **UN Sustainable Development Goals, GPSNR, and SBTi** to:

- Reduce greenhouse gas emissions (SDG 13: Climate Action).
- Prevent deforestation, protecting biodiversity, and conserving High Conservation Value (HCV) and High Carbon Stock (HCS) areas (SDG 15: Life on Land).
- Refuse to deal with suppliers utilizing lands degraded since 2019. Natural rubber from areas deforested or where HCVs have been degraded after the cutoff date of 1 April 2019 is considered to be non-conforming with this policy element.
- Not engage in open burning.
- Commit to supporting protection of forest and ecosystems and supporting restoration of deforested or degraded land.



- Protect wildlife in areas under company management.
- Protect soil quality, preventing erosion, nutrient degradation, subsidence and contamination.
- Prevent the development of or sourcing from natural rubber plantations on peat, regardless of depth, extent, or status (wet, drained or dry).
- Minimize waste and pollution and promote recycling and resource efficiency (SDG 12: Responsible Consumption and Production).
- Manage water resources responsibly and prevent contamination of local water supplies (SDG 6: Clean Water and Sanitation).
- Protect water quantity and quality, preventing water contamination from agricultural and industrial chemicals, and preventing erosion and sedimentation.
- Support GPSNR commitments, such as responsible sourcing of natural rubber, transparency in supply chains, and implementing sustainable land-use practices.
- Manage operations to minimize rate of energy usage.
- Manage operations to maximize natural resource efficiency.
- Minimize and mitigate carbon emissions.

5. Health and Safety

Suppliers must provide a safe and healthy working environment, ensuring:

- Compliance with workplace safety laws and regulations.
- Proper training and protective equipment for employees.
- Regular risk assessments and mitigation measures to prevent accidents and injuries.

6. Anti-Bribery and Corruption

Suppliers must adhere to Simko North America's zero-tolerance policy for bribery and corruption outlined in Simko's Anti-Bribery and Corruption Policy. This includes:

- Prohibiting the offering, giving, soliciting, or accepting of any bribe or kickback.
- Ensuring that gifts, hospitality, or charitable contributions are transparent, legal, and not intended to influence decisions.

7. Community Engagement

Suppliers are encouraged to support local communities and contribute to:

- Economic development through job creation and fair labor practices (SDG 8: Decent Work and Economic Growth).
- Education and training initiatives that empower workers and local residents (SDG 4: Quality Education).
- Respect for indigenous peoples and their land rights, including obtaining Free, Prior, and Informed Consent (FPIC) when relevant.
- Support decent living conditions of local communities (e.g, drinking water, adequate housing sanitation).
- Support the right to food and food security of individuals, households and local



communities.

- Support the economic, social and cultural rights of local people, including through access to education and employment.

8. Accountability and Continuous Improvement

Suppliers must:

- Implement internal policies and controls to meet the requirements of this Code.
- Regularly monitor and review their practices for compliance.
- Collaborate with Simko North America to address risks, implement corrective actions, and improve performance.
- Demonstrate progress toward sustainability goals and commitments, including sustainable sourcing, reducing environmental impact, and increasing supply chain transparency.

9. Reporting and Whistleblowing

Suppliers must provide a mechanism for employees and stakeholders to report unethical or illegal activities confidentially and without fear of retaliation. Reports can also be directed to Simko North America via our designated compliance channels.

10. Commitment to the UN Sustainable Development Goals

Simko North America actively supports the **UN SDGs**, **GPSNR**, and **SBTi**, and we expect our suppliers to contribute to:

- Ending poverty and ensuring basic human rights (SDG 1: No Poverty).
- Advancing gender equality in the workplace (SDG 5: Gender Equality).
- Promoting sustainable industry practices and fostering innovation (SDG 9: Industry, Innovation, and Infrastructure).
- Encouraging partnerships that support global sustainability goals (SDG 17: Partnerships for the Goals).
- Align operations with GPSNR principles to ensure sustainable natural rubber sourcing and production.
- Set and achieve science-based targets for reducing greenhouse gas emissions (SBTi).
- Contribute to global sustainability efforts through innovative practices, transparency, and collaboration with stakeholders.



Acknowledgment and Agreement

By signing this **Supplier Code of Conduct**, you affirm your commitment to uphold the principles outlined herein. Failure to comply may result in termination of the business relationship.

Supplier Company Name: _____

Authorized Representative: _____

Title: _____

Date: _____

Signature and Stamp: _____

This **Supplier Code of Conduct** reflects Simko North America's dedication to fostering ethical, sustainable, and responsible practices across our supply chain. Thank you for your diligence and we appreciate our partners.

Simko Acknowledgement:

Maxine Lockett – General Manager
Simko North America, February 2025



Revision	Nature of changes	Approval	Date
0	Original release	ML, WHL	12/04/24
1	Amended for full alignment with GPSNR Framework after presented with Audit results.	ML, IV	12/18/24
2	Amended for full alignment with GPSNR Framework after presented with Round 2 Audit results	ML, IV	2/11/2025
3	Paragraph 1 - This Supplier Code of Conduct outlines the principles and expectations we require from ourselves changed to commitments .	ML, IV	3/6/25