

RESPONSIBLE SUPPLY CHAIN MANAGEMENT – OUR APPROACH AND CODE OF CONDUCT FOR SUPPLIERS**Our approach**

Nordic Unmanned sets a high standard for the way we do business. We are committed to safe, responsible, and sustainable business, which seeks to contribute positively to society, people, and the environment. Our commitment to prevent and address negative impacts on people and the environment that may arise in the context of our business, includes a full value chain approach, focusing not only on our own activities but also on our supply chain and our business relationships.

We expect our suppliers to adhere to the same minimum standards of responsible business conduct.

At a minimum, we expect suppliers to comply with all relevant legal and industry requirements for product safety, climate and environment, human rights, HSEQ, anti-bribery and business ethics, and global minimum standards for responsible business conduct as set out in the OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles (the “UNGP”) on Business and Human Rights and International Labour Organisation’s (the “ILO”) Core Conventions.

Responsible and sustainable supply chains require action and collaboration across tiers. Together with the industry as a whole, we are striving to make our business as sustainable as possible. We therefore seek to work with suppliers that share these commitments to responsible conduct and to keep searching for more sustainable solutions.

Through our supplier evaluation process, suppliers are required to document how they work to ensure safety, responsible business conduct and sustainability, as well as their own ESG due diligence for their supply chain.

Our expectations are set out in the code of conduct for suppliers (the “Code of Conduct”), which is annexed to our agreements with suppliers, in addition to the provision of any commercial terms agreed between Nordic Unmanned and the supplier.

If we identify breaches of our expectations, we will engage in dialogue with the supplier. Lack of follow-up or sustained breaches may lead to termination of the contract.

We also expect that our suppliers disseminate these expectations in their own supply chain by requiring the same minimum standards from their own suppliers and subcontractors.

Code of conduct and key expectations for our suppliers

This Code of Conduct is applicable to all suppliers and partners who supply products or services related to Nordic Unmanned contracts.

A. Compliance with laws and regulations

Suppliers must comply with all laws and regulations applicable to their business, including the local laws and regulations of all countries outside their home country in which operations are managed, or services are provided. This includes complying with economic sanctions and embargoes, governing the export and transfer of parts, components, and technical data and services. Suppliers shall provide truthful and accurate information and obtain import and export licenses as necessary.

B. Product safety and quality

Ensuring safe operations is our foremost priority, and we expect suppliers to comply with all laws and regulations on product safety and quality whilst delivering products and/or services to agreed product safety and quality standards.

We expect suppliers to have in place quality assurance processes to identify any defects and implement corrective actions.

C. Human rights and decent work

Respect for human rights and international labour standards (core ILO standards) for decent work are globally agreed minimum standards that apply to all businesses. We expect suppliers to adhere to the UNGP on Business and Human Rights and meet their responsibility to respect human rights, which means preventing and addressing negative impacts on workers and other directly affected stakeholders resulting from their business operations. This includes providing a living wage; protecting the health, safety, and welfare of workers; respecting freedom of association; prohibiting harassment, bullying and any form of discrimination at the workplace, including gender discrimination and sexual abuse; and prohibiting any form of forced labour, modern slavery, human trafficking, and child labour. It also includes preventing and addressing adverse environmental impacts that may harm the health and livelihood of affected workers and communities.

Suppliers are expected to identify risks and actual adverse human rights impacts related to their activities and business relationships. They should take appropriate steps to reduce risk and ensure their operations do not contribute to human rights abuses, and remedy any adverse impacts directly caused or contributed to, by their activities or business relationships. We expect suppliers to also request their own suppliers to carry out human rights due diligence in line with the UNGP.

As required by the Norwegian Act relating to enterprises' transparency and work on fundamental human rights and decent working conditions (the "Norwegian Transparency Act"), Nordic Unmanned will publish an account on our human rights due diligence. Also, as required by the Norwegian Transparency Act, we provide information about our human rights due diligence if requested by external parties.

Nordic Unmanned human rights policy:

<https://nordicunmanned.com/app/uploads/2022/07/Human-rights-policy.pdf>

D. Responsible sourcing

We expect suppliers to ensure that minerals and metals used in production are sourced responsibly, by having in place adequate due diligence to identify, assess and address risks related to severe human rights abuses in the extraction of raw materials and any potential links between extractive activities and groups involved in armed conflict.

We expect suppliers to conduct due diligence in line with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and provide supporting data on their sources and chain of custody for these minerals when requested. In the event that the material chain of custody supplied is indeterminable or otherwise unknown, the supplier is expected to either attain credible certifications or phase out that material.

E. Anti-bribery and anti-corruption

Suppliers must comply with the anti-corruption laws, directives and regulations that govern operations in the countries in which they do business regardless of any local customs. This includes compliance with anti-corruption laws that may have extra-territorial application.

We expect suppliers to conduct appropriate due diligence to prevent and address bribery and corruption in all business arrangements. This includes avoiding any form of “facilitation” payment.

Suppliers must not offer or receive gifts that breach applicable laws, regulations, rules and standards. If offering gifts or hospitality, this must be done in an open and transparent way and 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.

Nordic Unmanned policy on anti-bribery and corruption

<https://nordicunmanned.com/app/uploads/2022/07/Anti-corruption-policy.pdf>

F. Climate and the environment

All entities in the supply chain have a responsibility to reduce their environmental footprint and work toward zero harm to the environment. We expect suppliers to conduct their business in a manner that actively manages environmental risks and impacts across their operations, products, and supply chain. We expect suppliers to comply with the requirements of applicable environmental legislation and commit to international goals for safeguarding the environment, including achieving net-zero and protecting air, waters, and land.

Suppliers are expected to have in place an appropriate environmental management system, including policies and procedures aimed at effectively managing their environmental risks and impacts, including in the design and manufacturing of new products. This includes measures to improve efficiency of the energy, water, and natural resource usage, minimize the use of and waste from hazardous materials, reduce the use of plastic and minimize plastic waste, recycle materials as much as practically possible, and reduce greenhouse gas and other harmful emissions.

We expect suppliers to require the same from their suppliers and subcontractors.

Meeting this code of conduct

We expect suppliers to make this Code of Conduct available to relevant employees and contractors. We request information about the aspects addressed in the Code of Conduct through our supplier evaluation process and reserve the right to audit against compliance. If we identify breaches of the requirements in this Code of Conduct, we will engage in dialogue with the supplier. Nordic Unmanned reserves the right to terminate contracts in the event that serious breaches are not addressed or in the event of reoccurring serious breaches of this Code of Conduct.

In case of identified risks or concerns relating to this Code of Conduct, we expect suppliers to notify us immediately. Concerns can also be made by suppliers and others through our grievance mechanism. Reports may be sent by email or made anonymously through a dedicated electronic form: <https://nordicunmanned.centrik.net/SMS/Case/ExternalReport.aspx?ReportingSubsystemId=cee1d686-b32a-4d3e-835c-285f72195805>

All reports are handled by our HSEQ and legal team and treated confidentially. We will not accept any discrimination or retaliation against individuals who raise compliance concerns in good faith.

Link

ESG in NU:

<https://nordicunmanned.com/app/uploads/2022/07/ESG-in-Nordic-Unmanned.pdf>