

Capricorn Group suppliers code of conduct

Why a Supplier Code?

Here at Capricorn Group, we ensure responsible supplier relationships by encouraging environmental, social and ethical standards, while being focused on impact and risk. This requires a Suppliers Code of Conduct which provides guidelines on how suppliers are to conduct business and deal with the Capricorn Group or its subsidiaries. This Suppliers Code of Conduct agrees with standards related to the group and encourages dependable, workable business practices.

To whom does this code apply?

This supplier code applies to all organisations who supply goods and services to the group, including their representatives, employees and third parties sub-contracted by the supplier to conduct business and deal with the group.

We encourage all our suppliers to comply with this supplier code. We may require occasionally written confirmation addressed to our respective heads of procurement, stipulating the adherence to the requirements asked. It is also important for us to be able to monitor and audit a supplier's control environment.

Unfortunately, any failure to comply with the supplier code may result in the termination of a supplier's relationship with the group, without penalty to the group,

SUPPLIERS CONDUCT REQUIREMENTS

We have a few main areas of import that we would like you to focus on in your own policies.

1. ETHICS

We expect our suppliers to conduct business ethically and to act with integrity concerning the following areas:

- **Business integrity**
Be trustworthy by not practising or tolerating any form of bribery, corruption, fraud, extortion or embezzlement. Offering or accepting bribes, or other unlawful incentives, such as, but not limited to the offering, extorting, or soliciting of undue advantages to/from business partners is illegal.
- **Gifts or entertainment**
Please do not use gifts or entertainment in any given way or form or the timing thereof, to gain an advantage or favoured treatment. We advise you to keep and maintain suitable records of exchanges of gifts and entertainment with employees.
- **Fair competition and compliance with laws**
It is wise to conduct your business in line with fair competition and in obedience to the laws, rules and regulations of the jurisdiction in which you operate.
- **Privacy, inside information and intellectual property**
The appropriate safeguarding and usage of confidential information and the protection of employee's and business partner's privacy and intellectual property rights are important to us.

We trust you with our confidential information. Therefore, ensure that you have policies and procedures in place to safeguard this information about Capricorn Group, or its clients.

- Identification of concerns
Provide us with a complaint mechanism for managers, employees, third-party subcontractors and communities to report workplace grievances, unlawful activities and non-compliance with this supplier code. You will need a complaint register that should record the complaint and the actions taken (if necessary). Continuously take precaution to manage complaints confidentially.

2. LABOUR

We expect our suppliers to protect the human rights of their employees and to treat them with dignity and respect. This includes the following aspects:

- Child Labour
Capricorn Group does not tolerate child labour in our supply chain. We expect you, our supplier, to also adhere to the International Labour Organisation's core labour standards and the United Nations Global Compact principles by avoiding any child labour in your business operations.
- Freedom to Choose Employment
Do not be involved in human trafficking or any forced labour. This includes work on a forced contract, slavery, or other forms of work that are done against a worker's will, or choice.
- Diversity and Inclusion
 - ❖ Equal treatment of all employees is a fundamental principle to us. Therefore, our suppliers must not discriminate based on ethnicity, religion, race, skin colour, nationality, social origin, age, disability, health status, gender, sexual orientation, membership of trade unions, or political views.
 - ❖ We encourage you to, and preference will be given to suppliers that support the inclusion of diverse sourcing criteria, which include minority and women-owned businesses and promote diverse employment practices.
 - ❖ We advise you to proactively develop supplier diversity purchasing programmes to eliminate or mitigate challenges arising from diversity discrimination, purchase from suppliers that support previously disadvantaged groups and who have diversity targets set for job creation in their local communities.
 - ❖ We further encouraged you to, and preference will be given to, suppliers that are engaged in charitable activities to support and develop local communities.
- Background Screening
It is imperative that our suppliers show diligence by demonstrating that appropriate and reasonable background screenings, including investigations for prior criminal activity, have been done to ensure the integrity and good character of the supplier's employees.
- Fair Treatment
It is only fair and humane to provide employees with a workplace free of harsh and inhumane treatment, without any sexual harassment, sexual abuse, corporal punishment, torture, mental or physical coercion, verbal abuse of employees, or the threat of such treatment. We expect this from our suppliers and not to unfairly terminate any employment contract. Clear evidence specifying that the termination of an employment contract, about the working performance of an employee, is permitted by law.

- **Right to Privacy**
You must respect your employees' right to privacy when it gathers or stores personal information.
- **Working Hours, Wages and Benefits**
Working conditions, hours, rest periods, leave and wages should be in line with local regulation and industry practice and are at a level that enables a fair standard of living in the local environment. Also, wages may not be withheld as a disciplinary sanction.
- **Freedom of Association**
Be committed to speaking openly and constructively with employees and worker's representatives. The law requires all suppliers to respect the right of employees to associate freely, join labour unions, seek representation, and engage in collective bargaining. Do not disadvantage employees who act as worker's representatives.

3. HEALTH, SAFETY, ENVIRONMENT AND QUALITY

We trust our suppliers to provide healthy and safe workplaces and to comply with all relevant health and safety laws in the areas of:

- **Quality Requirements**
To provide goods and services to Capricorn Group that constantly meet the group's needs and delivery requirements, you must meet generally recognised or contractually agreed on quality requirements.
- **Regulations**
Provide a healthy and safe working environment for employees and prevent accidents and injuries in both the physical and mental environment through proper training and preventative measures. This includes protecting employees from chemical, biological and physical hazards in the workplace, as well as any infrastructure used by employees.

4. ENVIRONMENT

We believe that responsibility towards the environment is essential to the sustainability of our business and to the health of the communities where we operate. As a connector of positive change, we expect our suppliers to uphold the same belief concerning:

- **National Environment Laws**
Comply with all national environmental laws, rules and regulations in the jurisdiction in which you operate.
- **Use of Resources in an efficient manner**
Use resources (including but not limited to water, paper and energy) efficiently and aim to reduce generated waste, while promoting responsible waste disposal methods.
- **Hazardous Waste**
Manage hazardous waste responsibly and in line with industry best practices.

5. RESPONSIBLE BUSINESS PRACTICES

Due to the significance for the business of the group we have the following requirements:

- Business Resumption and Contingency Planning
 - ❖ Due to the significance for the business of the group, the supplier must provide the group with written proof that business continuity and disaster recovery plans are in place, maintained and tested by applicable governing, contractual and service level requirements.
- Outsourcing and Subcontracting
 - ❖ The group recognises that outsourcing is a practice that suppliers may use to promote innovation, fill resource gaps and create operational productivities and that suppliers may need to use subcontractors for the performance of services at times.
 - ❖ However, we expect you, as a supplier not to subcontract services that you perform or outsource activities that directly impact the delivery of goods and services to the group, without our prior written approval. It would be your responsibility to monitor the outsourcing or subcontracting arrangement to ensure compliance with your own contractual obligations and with this supplier's code, and to provide evidence that you are doing monitoring.

6. CONFIDENTIALITY

We require that our suppliers adhere to a confidentiality agreement to protect the commercial interests of the group.

7. COMPLIANCE

We have a policy of transparency and will work with our suppliers to ensure loyalty to the supplier code and develop improvement programmes. We would like to review our suppliers' policies, procedures or any other document related to the devotion to this supplier code. We may require an online or on-site audit of a supplier's adherence to this supplier code. We also invite you to immediately report any deviations from this code to the respective heads of procurement, so that we can ensure a pleasant working experience for all of us.

Thank you for complying with our supplier code of conduct. We value your business and would, therefore, like to join hands with you so that we can together set an example of responsible businesses working and building towards a sustainable future.