



# Supplier Code of Conduct

All Hove suppliers are subject to the Supplier Code of Conduct (the "Code"). Suppliers, subcontractors, agents, consultants, and their respective affiliates who provide goods and/or services for Hove are referred to as "Suppliers" in this Supplier Code. This Code of Conduct serves as the framework for our ongoing communication with suppliers regarding their ethical, social, and environmental performance in good faith. It defines the standards in terms of basic compliance with applicable law, respect for labour and human rights, environmental management, and anti-corruption. This code is an important element of our business relationships and all supplier contracts. We at Hove are entirely committed to the Code's principles.

## **Compliance**

Hove requires suppliers to be aware of and abide all applicable national laws, rules, and regulations. In any case of conflict with the Code's specific requirements, the highest standards should be used. Hove expects suppliers to incorporate international principles (e.g., UN Guiding Principles on Business and Human Rights), conventions (e.g., ILO conventions), and guidance (e.g., OECD Due Diligence Guidance for Responsible Business Conduct) into their operations by implementing policies, procedures, and safe and confidential grievance mechanisms appropriate to their sector and size. Employees and other stakeholders should be able to use the grievance mechanisms.

Suppliers are responsible for ensuring that the Code is followed. Suppliers must take sufficient due diligence efforts to verify that high-risk sub-suppliers to Hove adhere to this Code or an equivalent framework.

If suppliers fail to reach our expectations, Hove will collaborate with them to develop a plan of action. Hove will consider suspending or terminating business relationships if a Supplier violates the Code or fails to correct non-compliance within a reasonable timeframe.

## **Management system**

To ensure compliance with this Code, Hove expects our suppliers to have suitable management processes in place. Our suppliers must take necessary measures to identify and manage any relevant risks in their supply chain relating to human rights, the environment, and business ethics. Appropriate policies, responsible supply chain management systems, and grievance mechanisms proportionate to the volume of the supplier and the complexity and risk of the business environment are all part of this.

## **Human rights including labour rights**

Hove expects our suppliers to avoid and rectify negative impacts on human and labour rights as listed in the International Bill of Human Rights and the International Labour Organization's



declaration on Fundamental Principles and Rights at work. The following highlights are specific examples of bare minimum supplier performance expectations.

### **Modern Slavery**

Under no circumstances does Hove allow the use of modern slavery or human trafficking in its global operations. As a result, Hove expects our suppliers to take careful and reasonable actions within their supply chains to prevent these labour rights breaches.

Any employment or service that is demanded of a person under threat of punishment and for which that person has not offered himself or herself voluntarily is considered modern slavery. Slavery, servitude, forced or compelled labour, coercive and misleading recruitment, debt bondage, and human trafficking are all examples of modern slavery. Mandatory overtime, for example, can be deemed a form of modern slavery.

### **Child Labour and Juvenile Work**

A child is defined as a young human being under the age of 18, whereas juveniles are defined as children from the age of 15 to 18. Child labour is defined as work that is hazardous to children's mental, physical, social, or moral well-being, and/or interferes with their education.

At Hove, we do not allow the employment of child labour under any circumstances; employees must be at least 15 years old, or the age at which compulsory schooling is finished, whichever is higher. Clear provisions must be in place for juvenile workers to guarantee that they are only doing light work, are not working excessive hours or at night, and are not doing any hazardous employment. Any employment that is able to compromise the health, safety, or morality of young people is considered hazardous work, regardless of its nature or the circumstances in which it is performed.

### **Working Conditions, Health, and Safety**

Hove abides by applicable laws, industry standards, and relevant collective agreements regarding working hours, resting periods, compensation, and benefits (including leave). Hove expects suppliers to follow that example. If there are any conflicts between the local, national, and Hove standards, the highest standard will have priority.

Hove expects suppliers to provide safe and healthy working conditions, as well as to take adequate precautions to safeguard employees from work-related hazards and potential workplace dangers. Suppliers must follow all applicable local laws and regulations in order to avoid accidents and health injuries emerging from, linked to, or occurring in the course of employment or as a result of the operation of employer facilities. Hove expects suppliers to consistently improve working conditions and limit workplace risks and hazards by implementing a written safety policy, securing management responsibility for health and safety issues, define goals, and provide appropriate training, among other things.

### **Freedom of Association & Collective Bargaining**

Hove supports constructive dialogue and respects employees' rights to freely associate and enter a collectively bargain. Freedom of association means respecting the right of all employers and



employees to freely and voluntarily establish and join groups for the promotion and defence of their occupational interests. Collective bargaining refers to a voluntarily process or activity through which employers and employees discuss and negotiate their working relations, particularly the terms and conditions of work.

## **Discrimination**

Hove is committed to creating a diverse and inclusive environment that is free of discrimination, and we expect the same from our suppliers.

Discrimination can take various forms, including unfair treatment based on an employee's race, sex, gender identity, sexual orientation, age, language, religion, or handicap, among other things. Discrimination can occur in a single occurrence or over time as a series of incidents. It can also be addressed at a single person or a group of people. Discrimination is unlawful in several jurisdictions and can result in large penalties, reputational damage, and in severe cases imprisonment.

Hove believes that diversity and inclusion are vital to success, and therefore is dedicated to safeguarding the right to equal treatment and opportunities. All our suppliers are likewise encouraged to adopt similar diversity and inclusion efforts.

## **Harassment**

Workplace harassment, assault, bullying, and any other behaviour that is seen to be disrespectful, rude, or humiliating is prohibited in Hove, regardless of whether it is verbal, written, physical, or psychological. Harassment encompasses a wide range of undesirable behaviours and activities that cause physical, psychological, sexual, or economic harm, whether intentionally or unintentionally. It can take the form of a single incidence or a series of incidents over time. It can happen in the workplace as well as outside of it. Harassment is prohibited in several nations and can result in large penalties, reputational damage, and even imprisonment.

## **Hiring practices and forced labour**

Hove expects suppliers to offer written employment contracts to all employees that outline the terms and conditions of employment in a language that the employee understands. We expect our suppliers to do due diligence to ensure that they are not directly or indirectly involved in human trafficking, as well as to prohibit all types of forced, bonded, or indentured labour, as well as involuntary prison labour. This is true for all workers, whether they are engaged directly, through a contractor, or through a labour broker.

## **Remuneration**

All wage and benefit rules and regulations, including those governing minimum wages, overtime pay, sick leave, piece rates, and other aspects of compensation, must be followed by our suppliers. Suppliers must also adhere by legitimate wage and benefit collective bargaining agreements. Suppliers must provide each employee with a wage statement at the time of payment, detailing at a minimum all hours worked during that pay period as well as the rate of compensation.

## **Security arrangements**

Hove expects our business partners to protect personnel and property in accordance with applicable human rights principles, avoiding or minimizing the risk of harm to workers and communities.

## **Working hours**

Hove requires suppliers to limit employees' regular and overtime hours to no more than 60 hours per week, including overtime, or to the applicable limits specified by law, industry standards, or collective agreements. According to the legislation, industry standards, or collective agreements, workers are entitled to rest breaks and rest days. Overtime for workers should not be asked on a regular basis.

## **Environment**

Hove believes that environmental concerns should be approached with consideration. Hove assesses our activities' environmental impact and try to continually improve our performance and promote greater environmental responsibility. All our suppliers are expected to share and support our commitments in this area. Upon request, our suppliers must provide data regarding their environmental impact, to support our ESG-reporting. This will include the suppliers Scope 1 emissions such as company facilities, company vehicles etc., which is used to prepare products purchased by Hove. Suppliers must adhere to Hove's environmental criteria as well as all applicable rules and regulations, regardless of whether our requirements are more stringent than local laws.

## **Environmental Impact**

Throughout the life cycle of their products or services, the supplier shall seek to minimize negative effects on environment, human health, and livelihoods by:

1. taking a careful approach to climate change in relation to their activities, products, and services,
2. applying a precautionary approach to the use of resources and materials (including hazardous materials) and, whenever possible, finding an ecologically acceptable substitute,
3. revealing the use of hazardous materials to promote safe product management during use, recycling, and disposal.
4. supporting the sustainable and effective use of land, natural resources, and energy, and safeguarding biodiversity
5. implementing pollution control methods for dangerous substances, trash, and effluents, as well as air emissions,
6. allowing access to emergency response, such as environmental, fire, and unusual emission and dispersion situations that exceed air quality guidelines,
7. allowing access to urgent measures to protect human health and the environment, and
8. adhering to the polluter-pays principle



## **Anti-corruption**

In all parts of its operations, Hove encourages honesty and ethics, and it has a zero-tolerance stance for corruption. Hove requires suppliers to avoid any type of corruption, such as extortion, fraud, bribery, facilitation payments, or money laundering, whether direct or indirect. Hove requires our suppliers to have proper systems in place to prevent any of their employees, suppliers, agents, or other business partners from engaging in any behaviour that could be considered a violation of relevant anti-corruption laws, rules, and regulations. We require our suppliers to guarantee that their operations do not breach UN, EU, UK, or US trade sanctions, and to notify Hove if they are ever subject to foreign sanctions.