

Code of Conduct for Suppliers

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1. Introduction

Instalco is a leading Northern European Group that offers electrical, heating & plumbing, ventilation, industrial and technical consulting services. The Group's strength lies in the specialised expertise of its subsidiaries and its ability to balance autonomy with collective strength. Instalco generates benefits for society through its climate-smart, energy-efficient installations, which reduce resource consumption and help promote sustainable development

Through close collaboration with customers and suppliers, Instalco creates long-term solutions that enhance security, quality, and efficiency, while driving innovation and responsible entrepreneurship in our markets.

1.1 About this Code of Conduct

This policy has been established by Instalco's Board of Directors and applies to all suppliers who deliver products and/or services to the Instalco Group. The policy applies to all parts of the value chain where Instalco has actual influence or control – both upstream (e.g. in the procurement of products and services) and downstream (e.g. in the execution of installation projects). It also includes subcontractors and other parties in the supplier's value chain who are relevant to the delivery to Instalco. The policy applies without exception, but its implementation is adapted to the areas of the value chain where we have a genuine ability to influence.

Our priority is to ensure that all suppliers conduct their business in accordance with the principles of this Code of Conduct, which is based on universally recognised standards on human rights, working conditions, anti-corruption, and environmental protection, including the following:

- The UNGP's (UN Guiding Principles on Business and Human Rights)
- The Ten Principles of the UN Global Compact
- The OECD Guidelines for Multinational Enterprises
- The OECD Due Diligence Guidance for Responsible Business Conduct
- The ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration)

The supplier must comply with all applicable national and international laws and regulations in the countries where it operates. This is a fundamental requirement for collaboration with Instalco. Where the Code of Conduct sets requirements that go beyond legal obligations, the supplier is also expected to comply. In matters where the Code of Conduct does not specify any particular requirements, applicable legislation shall apply in full.

The Code of Conduct shall be reviewed each year to confirm its relevance, accuracy, and practical implementation. The results of the review are reported to Group Management and the Board of Directors as part of the internal control process.

1.2 Collaboration and business development

Instalco selects suppliers based on two criteria:

- The ability to deliver goods and services on commercially reasonable terms

- The ability to meet the requirements of this Code of Conduct

We strive to build long-term partnerships with suppliers who share Instalco's commitment to responsibility, quality, and development. The supplier is expected to meet the requirements of this Code of Conduct and to continuously strive to improve product quality, delivery reliability, cost-effectiveness, and innovation.

Audits may be carried out as needed to verify compliance and encourage ongoing improvement. Collaboration is also seen as an opportunity for each party to develop their business in a way that enhances competitiveness and generates mutual benefits.

2. Responsibility, governance and compliance

2.1 Implementation and internal alignment

- The Board of Directors holds overall responsibility for this Code of Conduct, ensuring that the work is managed systematically, integrated into the business strategy, and carried out in accordance with laws and standards.
- The Group CEO and subsidiary CEOs are operationally responsible for implementing the Code, ensuring follow-up, and integrating it into day-to-day operations.

Suppliers and other relevant external stakeholders – such as customers and business partners – are informed about this policy through contract attachments and stakeholder engagement activities.

By initiating or continuing a business relationship with us, the supplier is deemed to have accepted and committed to complying with this Code of Conduct. It is the supplier's responsibility to inform relevant subcontractors of these requirements and to have procedures in place that ensure compliance.

Unless otherwise agreed, national general conditions apply to Instalco's purchases of materials and assignments from suppliers:

- Sweden: AB 04, ABT 06 and ABT-U 09 for subcontractors, ABK 09 for consulting assignments, ABM 07 for deliveries of goods
- Norway: NS 8415, NS 8416 and NS 8417 for subcontractors, NS 8401 for consulting assignments, NS 8409 for deliveries of goods
- Finland: YSE 1998 and MET 03 for subcontractors, KSE 2013 for consulting assignments, NL 17 for deliveries of goods

The supplier must maintain insurance coverage that meets or exceeds the requirements set out in the standard contract.

2.2 Communication and training

The Code of Conduct shall be deeply rooted in the Instalco organisation. It is communicated through internal channels such as the intranet, induction programmes, management teams, project meetings, and other relevant forums. The Code is made available to external

stakeholders, for example through publication on Instalco's website and via dialogue or correspondence with Instalco. Compliance with the Code of Conduct is stipulated in contract appendices and reinforced through commitments made during supplier assessments.

To ensure understanding and compliance, employees are offered training on the Code of Conduct. Training content and scope are determined by the individual's role and level of responsibility.

When necessary – such as in the case of major revisions – all employees will be informed to ensure continued compliance and relevance.

2.3 Reporting and whistleblower function

Instalco has a whistleblower service in place that provides a channel for anonymously reporting serious irregularities or suspected misconduct. The service is available to employees within the Instalco Group via the intranet. To employees of suppliers or other business partners within Instalco's value chain, and to external parties, through the Group's website.

Our whistleblower function complies with the EU Whistleblower Directive, is managed confidentially by an external and independent party, and strictly prohibits all forms of retaliation against whistleblowers.

Appropriate corrective and preventive actions are taken whenever violations or risks are identified.

More information is available at: <https://instalco.se/en/about-instalco/contact/whistleblowing/>

2.4 Follow-up

Upon request, the supplier must be able to demonstrate how compliance is ensured. Instalco reserves the right to monitor this, including through site visits or audits carried out by us or a third party. Such monitoring may occur at short notice. The supplier is required to keep appropriate records and supporting documentation as evidence of compliance with this Code of Conduct.

Instalco applies a three-step model to ensure compliance with the Code of Conduct throughout the supply chain.

1. Risk identification: We continuously assess potential risks in the supply chain, with particular focus on high-risk countries, risk-prone industries, and priority supplier categories.
2. Governance and monitoring: Compliance is monitored through self-assessments, third-party audits, and/or direct dialogue.
3. Management of deviations: Identified deviations are managed by establishing corrective action plans and monitoring their implementation. Serious or repeated deviations may result in a reassessment or termination of the collaboration.

Instalco may require that an action plan be developed and implemented within an agreed timeframe if deficiencies are identified. Should the deficiencies remain unresolved despite our having pointed them out and agreed on an action plan, we may terminate the collaboration and/or take legal action.

3. Human rights

The supplier must respect human rights in accordance with the UN Universal Declaration of Human Rights and the fundamental conventions of the ILO. This includes, but is not limited to, the prohibition of forced labour, child labour, discrimination, and any other breaches of human rights.

The supplier is responsible for ensuring that these principles are upheld within their own organisation and they are also expected to take reasonable measures to manage the risk of violations in the supply chain.

3.1 Work environment

At a minimum, the supplier is required to comply with all relevant legislation and agreements between employers and employees relating to the work environment and employment conditions. The supplier must provide a safe, hygienic, and healthy workplace.

3.2 Working conditions

Working hours, wages, and overtime compensation must, at a minimum, be consistent with national legislation and agreements, or reflect generally accepted norms within the local business sector. Any overtime must be voluntary and limited in frequency. Employees are entitled to at least one day off per week.

Suppliers must offer a living wage, meaning remuneration that covers an employee's basic needs and allows for a modest discretionary income beyond essential costs such as food and housing. Salaries must be paid regularly and in full, and they must never be withheld as a form of discipline or used as a means of coercion.

Suppliers are required to offer, at a minimum, all legally mandated benefits to their employees, including pension contributions and vacation rights. All employees must receive written information regarding their employment terms – including salary – before employment begins. At each pay date, employees must be provided with clear information regarding the salary paid and any deductions made.

3.3 Child labour

Instalco's suppliers must comply with the UN Convention on the Rights of the Child, the ILO Minimum Age Convention (No. 138) and the ILO Worst Forms of Child Labour Convention (No. 182).

The supplier must ensure that no employee is younger than the age established in national legislation, collective agreements, or international conventions. If child labour is discovered, the supplier is required to take immediate action to protect the child's rights and implement sustainable remedies in accordance with relevant legislation and international guidelines.

The supplier is required to have procedures in place within its own organisation and its supply chains – particularly for high-risk suppliers – to identify and manage the risk of child labour.

3.4 Forced labour

Instalco strictly prohibits all forms of forced labour, slavery, human trafficking, and involuntary or uncompensated work. This includes, but is not limited to, forced contracts, illegal employment, and the withholding of identity documents.

All employment must be voluntary and based on recognised employment relationships in accordance with applicable laws and agreements. Employees must be free to terminate their employment with reasonable notice, without any risk of penalty or deductions from their salary.

The supplier is required to have procedures in place within its own organisation and its supply chains to identify and manage the risk of forced labour.

3.5 Disciplinary measures

Employees must be treated with dignity and respect. The supplier must never subject workers to threats or harassment, nor restrict or interfere with employees' lawful and peaceful exercise of their rights.

Under no circumstances may any employee ever be subjected to physical, sexual, or psychological disciplinary measures, harassment or coercion. Salary deductions as a form of disciplinary sanction are prohibited, unless permitted by law or regulated through agreements negotiated under labour law.

All disciplinary measures must be documented and implemented in accordance with applicable labour legislation and in line with generally accepted employment practices.

3.6 Discrimination

Instalco strives to have a non-discriminatory company culture based on responsibility and respect. Accordingly, suppliers are strictly prohibited from engaging in any form of discrimination or harassment.

3.7 Freedom of association

Suppliers must respect their employees' right to organise and engage in collective bargaining activities, in accordance with applicable laws and regulations. Collaboration with union representatives must occur in an open, professional, and constructive manner.

If necessary, we may also involve workers or their representatives within the supply chain – for example, through dialogue, consultation, or participation in third-party audits – to gain a better understanding of on-site conditions and to identify and manage risks.

4. Business ethics

Suppliers must operate ethically and comply with all relevant international trade and export-control regulations. The supplier must implement procedures and processes that promote transparency and ensure that no documents related to the supplier's compliance with this Code of Conduct are altered or tampered with. The supplier must respect intellectual property rights and protect confidential information from theft, fraud, and unauthorised disclosure. The

supplier's invoices and supporting documentation must be complete, accurate, and faithfully reflect the underlying business transactions. Taxes and other fees must be paid on time.

4.1 Anti-corruption

Instalco does not accept any attempt by a supplier to improperly influence decision-makers. This includes individuals at Instalco, other suppliers or buyers, and representatives of public authorities. Additionally, Instalco does not tolerate any actions or omissions that may contravene applicable laws on corruption, bribery, extortion, or embezzlement. Suppliers are strictly prohibited from offering or accepting any form of benefit that may be regarded as an undue or improper advantage.

4.2 Conflict areas and export control

The supplier must ensure that they are not involved in any business activities that, directly or indirectly, support war, conflict, extremism, money laundering, drug trafficking, the illegal arms trade, or human trafficking. This also includes the use of conflict minerals.

Suppliers must comply with applicable international sanctions programmes issued by the European Union, the United Nations, and other relevant sanctions authorities, as well as with all internationally applicable export control regulations.

4.3 Impartiality and fair competition

Suppliers must avoid conflicts of interest that could compromise their credibility. They must also inform the relevant Instalco subsidiary of any potential conflicts of interest.

Instalco suppliers are prohibited from engaging in price collusion, market sharing with competitors, retail price fixing, the suppression of innovation, or any other anti-competitive practices that violate applicable competition laws.

5. Environment

The supplier must comply with applicable environmental legislation in all countries where it operates and manage its environmental impact responsibly. This includes compliance with regulations relating to emissions, waste management, chemical handling, and environmental permits.

Beyond legal requirements, the supplier is expected to minimise their environmental impact and strive for continuous improvement. Instalco encourages suppliers to maintain a documented environmental management system, particularly where operations have a significant environmental impact. Serious environmental incidents must be reported immediately to the relevant Instalco subsidiary, along with the proposed corrective measures.

5.1 Handling of hazardous substances

The supplier must comply with all applicable national laws and regulations that prohibit or restrict the use of specific substances. For example, the supplier must comply with material restrictions (e.g. REACH) and maintain up-to-date records of relevant material declarations, such as safety data sheets or equivalent documentation. Suppliers must be able to show that they

have implemented routines aimed at reducing environmental and health risks in their operations. This includes the safe handling of chemicals and the responsible management of hazardous waste. It also covers traceability and reporting of conflict minerals, as well as preparedness for accidents and emergencies.

5.2 Wastewater, solid waste and air emissions

Wastewater and solid waste from operations, industrial processes, and sanitary facilities must be managed in accordance with applicable laws and regulations governing emissions and disposal. Air emissions – including volatile organic compounds, aerosols, corrosive particles, and emissions from the combustion of products used in operations – must be managed in accordance with applicable laws and regulations before being released into the environment.

5.3 Greenhouse gas emissions

Instalco encourages all suppliers to reduce their climate impact and to set greenhouse gas reduction targets for their own operations.

Furthermore, Instalco encourages all suppliers to offer goods and services with a calculable and reportable greenhouse gas impact, based on a life cycle perspective.

6. Zero tolerance for serious violations

Instalco has zero tolerance for serious violations of human rights or severe environmental degradation. The following are examples of supplier conduct that Instalco considers unacceptable and which may result in the immediate termination of the business relationship:

- Use of forced labour, slave labour, or human trafficking
- Violation of ILO Convention No. 182 on the Worst Forms of Child Labour
- Serious and systematic discrimination, harassment or abuse
- Intentionally causing severe pollution of air, water, or land
- Complicity in violations of international humanitarian law

Instalco will not collaborate with any suppliers in our value chain who are involved, directly or indirectly, in such violations.