

Smiths Supplier Code of Conduct

CEO message

At Smiths we believe that doing things the right way isn't a choice – it's a responsibility. Being a responsible and ethical business means applying our shared values – integrity, respect, ownership, customer focus and passion – to everything we do, and we ask our suppliers to do the same.

Our suppliers play a crucial role in our success. We have developed this Supplier Code of Conduct to help you better understand our commitment to ethics and compliance within our global supply chain, and our expectations of you as our supplier. In addition to providing quality products and services, we expect our suppliers to operate their business in a way that supports our commitment to lawful conduct and upholding our high ethical standards.

We ask our suppliers to provide a safe working environment, where employees and managers can communicate openly and raise concerns without fear of retaliation, intimidation, or harassment; treat their employees with dignity and respect at all times; engage in environmentally sound and sustainable manufacturing processes; and comply with the law in all countries in which they conduct business.

Thank you for working in line with our Supplier Code of Conduct. We value your partnership and commitment to doing business the right way, in alignment with our approach to ethics and compliance, as we work together work to make Smiths one of the world's leading technology companies.

Andy Reynolds Smith
Chief Executive
Smiths Group Plc

Smiths Supplier Code of Conduct

Smiths Supplier Code of Conduct (the “Supplier Code”) is based on our corporate values and applies to all our Suppliers and their employees, contractors, agents, suppliers and others working on their behalf worldwide (collectively referred to herein as “Suppliers”).

1. INTEGRITY – We do the right thing, every time

At Smiths we act with integrity, honesty and professionalism – we “do the right thing” every time and expect our Suppliers to share our commitment to integrity. Specifically we expect our Suppliers to:

Comply with the Supplier Code and applicable laws

Our Suppliers are required, as a minimum standard, to comply with all laws and regulations of the countries in which they operate. This includes all applicable laws related to anti-corruption, anti-competition, trade, and anti-slavery and human trafficking, as well as other laws regulating business transactions. Our Suppliers must also ensure their employees, contractors, agents, suppliers and other parties working on their behalf act in accordance with applicable laws and the standards set out in the Supplier Code. This includes:

- Conducting appropriate due diligence on their own suppliers by screening for bribery and corruption, trade compliance risks and modern slavery risks; and
- Including appropriate terms and conditions in their supply contracts to ensure these requirements are cascaded throughout their own supply chain.

Not engage in behaviour which is, or may be perceived to be, corrupt or fraudulent

Our Suppliers must not offer, promise, give, demand or accept (nor tolerate anyone else paying or accepting) bribes, kickbacks, or other similar payments or inducements, in order to obtain, retain or give business or other advantage. This includes excessive or frequent gifts and entertainment as defined under their own gift and entertainment policy and/or local standards, whichever is more strict. Suppliers must also be careful to avoid giving the appearance of such improper conduct. This includes payments to, or entertainment of, government officials and ‘facilitation payments’ made to facilitate or speed up official or governmental procedures.

Our Suppliers must conduct their business without engaging in corrupt practices and/or taking advantage of anyone through unfair dealing. This includes ensuring the quality, features or availability of their products or services are accurately represented.

Compete fairly

We believe in fair competition and expect our Suppliers not to engage in, nor be a party to, agreements, business practices or conduct that, as a matter of law, are anti-competitive. Our Suppliers must not fix prices, rig bids, allocate customers or markets, or exchange current, recent or future pricing information with their competitors.

Follow trade laws and restrictions

Our Suppliers must comply with all applicable export and import controls, anti-boycott regulations, economic sanctions and other applicable trade laws, regulations, policies, and procedures. This applies wherever our Suppliers operate, including when they sell or transfer products, services, technology, and software to Smiths.

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Avoid conflicts of interest

We expect our Suppliers to avoid engaging with our employees in a way that results in, or may be perceived to result in, a conflict of interest. A conflict of interest can arise when the personal interests of a Smiths employee are inconsistent with the responsibilities of their position.

Respect Smiths position on gifts, meals and hospitality

We prefer that you do not give our employees' gifts. We operate a strict gifts, meals and hospitality policy that may require our employees to decline gifts, or offers of meals or hospitality, which do not comply with our policy. Our employees are never allowed to request meals or hospitality and under no circumstances should Supplier's ever feel obliged to offer gifts, meals or hospitality to our employees.

2. RESPECT – We respect each other, value different perspectives and cultures and act inclusively

At Smiths we show respect for each other in our actions, decisions, and the care we take each day, no matter what differences we may have, and we expect our Suppliers to share our commitment to respect. Specifically we expect our Suppliers to:

Treat each other with respect and value diversity

We expect our Suppliers to recruit, select, and promote their employees solely on their qualifications, skills, aptitude and attitude. In employment-related decisions, our Suppliers must comply with applicable anti-discrimination requirements concerning matters of race, colour, national origin, gender, marital status, sexual orientation, religious belief, age or physical or mental disability.

Our Suppliers are required to respect the rights of each employee to join or not join a trade union or other *bona fide* employee representative organisation.

Not tolerate bullying or harassment

Our Suppliers must treat all employees with respect and dignity. Harassment or bullying is unacceptable and will not be tolerated.

Work safely

As a minimum standard, our Suppliers must comply with all applicable health and safety laws and regulations. Our Suppliers must properly identify and assess all hazards and risks associated with the use of their products or services and ensure that adequate safeguards and working practices are in place to reduce or eliminate them. Our Suppliers must provide a safe, clean and hygienic workplace for their employees, Smiths employees and other visitors.

If our Supplier's employees are present at a Smiths site, they must operate and behave in an acceptable and safe manner, without presenting an undue risk to themselves, Smiths employees or others. Our Suppliers should encourage reporting, without fear of retaliation, a hazard, concern or injury.

Respect privacy

Our Suppliers must respect and protect the reasonable privacy expectations of personal information of everyone they do business with, including suppliers, customers, consumers and employees. Our Suppliers must comply with applicable privacy and information security laws and

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regulatory requirements when personal information is collected, stored, processed, transmitted and shared. Suppliers shall only collect and use personal data for lawful and appropriate purposes, and with the individual's consent. Where personal data is transferred to a third party service provider, our Suppliers shall ensure that the third party only uses the information for the lawful purposes for which it was supplied, and maintains the necessary controls to secure personal data.

Respect human rights

Our Suppliers must comply with all applicable labour laws and regulations, uphold all internationally recognised human rights wherever their operations are located, and as a minimum standard, comply with the provisions of our Human Rights policy, available [here](#).

Specifically, our Suppliers shall:

- Provide a workplace free of harassment and unlawful discrimination. This includes, threatening or subjecting workers to harsh or inhumane treatment, sexual harassment or abuse, corporal punishment, mental or physical coercion, verbal abuse, and unreasonable restrictions on entering or exiting company-provided facilities.
- Not engage in the unlawful trafficking of people or use any form of slavery or forced, bonded, indentured, or involuntary prison labour. This includes the transportation, harbouring, recruitment, transfer, or receipt of people by means of threat, force, coercion, abduction, fraud, or payments to any person having control over another person for the purpose of exploitation.

As part of this commitment, our Suppliers shall not engage in any of the following conduct:

- Destroying, concealing, or confiscating identity or immigration documents;
- Using fraudulent recruiting tactics;
- Charging employees recruitment fees; or
- Providing inadequate or unsafe housing based on local standards, laws and directives.
- Employment of children – the use of child labour is strictly prohibited. The minimum age for employment or work shall be 16 years of age, or, the minimum age for employment or completing compulsory education in that country, whichever is higher. Our Supplier Code does not prohibit participation in legitimate workplace apprenticeship programmes.
- Pay all workers at least the minimum wage required by applicable laws and regulations and provide all legally mandated benefits. Workers shall also be compensated for overtime hours at the rate required by applicable laws and regulations.
- Agree that any workers supplied by subcontractors to work at our Supplier's facilities will be treated in a manner consistent with the principles set forth in this Supplier Code
- Provide workers with clean toilet facilities, access to potable water and if food preparation and storage facilities are provided these shall be sanitary. Housing provided by our Suppliers or any third party agencies shall be clean and safe and provide adequate emergency exits, heating, ventilation and personal space, and reasonable entry and exit privileges.
- Adhere to all relevant government guidelines designed to ensure that products are not incorporated into weapons or other equipment used for the purposes of terrorism or abuse of human rights.

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Source minerals responsibly

Suppliers must have policies in place that reasonably ensure that the tantalum, tin, tungsten and gold in the products they manufacture come from socially and environmentally responsible sources and do not directly or indirectly finance or benefit armed groups that are perpetrators of serious human rights abuses in the Democratic Republic of the Congo or an adjoining country. Our Suppliers shall exercise adequate due diligence on the source and chain of custody of these minerals and make their due diligence measures available upon request.

3. OWNERSHIP – We make and keep commitments

We take responsibility for our actions and treat our roles and responsibilities seriously and expect our Suppliers to share our commitment to ownership. Specifically we expect our Suppliers to:

Protect physical and intellectual property

Our Suppliers must respect, safeguard and treat our property in accordance with agreed terms and the law. This includes physical property, IT equipment, communication resources, technology, intellectual property, confidential information, data and any other tangible or intangible assets received from Smiths, our customers, suppliers and other parties. Our Suppliers must protect our confidential and proprietary information, including confidential and proprietary information of others, from unauthorised access, destruction, use, modification and disclosure, through appropriate physical and electronics security procedures. Any transfer of technology and know-how shall be done in accordance and compliance with applicable laws and in a manner that protects intellectual property rights.

Operate securely

Our Suppliers must establish and follow appropriate security measures when providing their products and services to ensure that there is no unauthorised access to information systems and prevent unauthorised loss of, or access to, resources and data stored in those systems.

Keep accurate records

Our Suppliers must record all business transactions accurately, prudently and transparently, in compliance with applicable accounting standards and recognised best practice.

Our Suppliers must also practice comprehensive assessment and management of risk and have strong systems of internal control in place to ensure that all risk is managed effectively and reported results are accurate.

Our Suppliers must maintain an independent internal or external audit function that monitors the effectiveness of internal controls, and provide an ongoing management process for identifying, evaluating and managing significant business risk and reporting to the Supplier's own Board of Directors or other management structure as appropriate.

Keep adequate insurance

Our Suppliers are expected to obtain and maintain proper levels of insurance for their business and employees.

4. CUSTOMER FOCUS – We are valued and trusted partners

We provide value to our customers through quality products and services. We never use unfair, corrupt, or illegal practices and expect our Suppliers to share our commitment to ethical and quality-driven customer service. Specifically we expect our Suppliers to:

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Ensure all products and services meet applicable timelines and quality standards

Our suppliers are expected to work with us in partnership to meet the expectations of our customers, and to ensure value and timeliness throughout the supply chain. In particular, our suppliers are expected to:

- Ensure their work product meets applicable quality standards and establish quality assurance processes to identify defects and implement corrective actions
- Facilitate the delivery of products or services whose quality meets or exceeds the contract requirements
- Develop, implement, and maintain methods and processes appropriate to their products to minimise the risk of introducing counterfeit parts and materials into deliverable products
- Put in place effective processes to detect counterfeit parts and materials, provide notification to recipients of counterfeit product(s) when warranted, and exclude them from the delivered product

5. PASSION – Hard work, innovation, dedication and giving back

At Smiths, we learn and innovate together to deliver excellence, but our passion also extends to protecting and supporting the communities and environments where we operate and we expect our suppliers to share this commitment. Specifically we expect Suppliers to:

Minimise environmental impact

Our Suppliers must comply with all applicable health, safety and environmental laws and regulations and, as far as reasonably practicable, ensure that any detrimental effects from its activities, products and services upon the environment are minimised. In particular, our Suppliers must:

- Obtain and keep current all required environmental permits and registrations;
- Reduce, control and/or eliminate wastewater, waste and pollution at the source, air emissions of volatile chemicals, corrosives, particulates, aerosols and combustion products;
- Minimise the use of water where practical;
- Reduce all emissions of Greenhouse Gas (Scope1-3) in accordance with applicable laws and regulations, set and track progress on Greenhouse Gas reduction targets, and report those reduction efforts through public reporting protocols such as the Carbon Disclosure Project (CDP);
- Conform to applicable labeling and warning requirements; and
- Identify, manage, store, move and handle hazardous substances in accordance with law.

Our Suppliers must also comply with all applicable local or national restricted substance requirements, including, but not limited to, REACH and RoHS. Our Suppliers must be able to provide evidence of their compliance with such laws and disclose the quantity of any restricted substances in the materials/products provided to Smiths.

6. APPLICATION AND COMPLIANCE

In addition to our Supplier's own Code of Ethics, our Suppliers, their subsidiaries and employees worldwide, must adhere to this Supplier Code while conducting business with or on behalf of Smiths. This Supplier Code should be provided to employees in hard copy and made available electronically, in an accessible location. It should also be translated where appropriate.

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Where a Supplier is a participant in any joint venture or commercial sharing arrangement, they must ensure, as far as practicable, that the combined business venture complies with this Supplier Code when conducting business with or on behalf of Smiths and the Supplier's own Code of Business Ethics equivalent.

Disregard or breach of this Supplier Code, or the Supplier's own Code of Ethics, by an employee should result in appropriate disciplinary action and may result in termination or cancellation of the contract with Smiths.

The Supplier Code is not intended to replace our Suppliers' existing policies and procedures. However, our Suppliers are expected to have appropriate policies and procedures in place that are, at a minimum, consistent with its principles, enabling our Suppliers to fully comply with this Supplier Code. In addition, our Supplier's policies and procedures (including their Code of Ethics) should be supported by other guidance and training materials.

If there is a suspected or actual breach of this Supplier Code, or our Supplier's own Code of Ethics, our Suppliers must expect and encourage employees to promptly report it to management. Any employee reporting such information through appropriate channels should not face any adverse or unfavourable treatment as a result. We also expect our Suppliers and their employees to report any actions by a Smiths employee that they believe is inconsistent with our Code of Business Ethics.

While our Suppliers are expected to self-monitor and have corrective action processes for timely correction of deficiencies identified by internal or external assessments, inspections, investigations and reviews, our Suppliers must: (i) provide Smiths with any information it reasonably requests to demonstrate Suppliers compliance with this policy and certify its compliance with this policy on request; (ii) allow Smiths employees and/or third party representatives to visit your premises and/or access your records and/ or personnel to audit and ensure compliance with the Supplier Code.

When making sourcing decisions, adherence to the requirements set forth in the Supplier Code will be considered. We reserve the right to end a business relationship with any Supplier if any of its officers, directors or employees are found to have behaved in a manner that is unlawful or in violation of this Supplier Code.

If requested, our Suppliers may be required to attend training sessions on the Supplier Code. Compliance with the Supplier Code, and attendance at any offered training sessions, is required in addition to any other obligations in any agreement a Supplier may have with Smiths.

Obtaining advice and reporting issues

All reports should be treated confidentially and investigated properly and promptly. Our Suppliers and their employees can report any action by a Smiths employee that they believe is inconsistent with our Code of Business Ethics by contacting the Smiths Ethics Alertline at: Speakout@smiths.com.

The Code of Business Ethics and the Human Rights Policy can be accessed on the Smiths Group internet [[Click here](#)].