

# SUPPLIER CODE OF CONDUCT

Chemring's Supplier Code of Conduct sets out the standards of behaviour we expect of all suppliers doing business with Chemring, wherever they are located in the world. We expect our suppliers to adhere to our business principles, as set out in this Code, and to share our commitment to sound and ethical business conduct.

Suppliers are encouraged to share the Code with their employees, partners, sub-contractors and suppliers that are involved in the supply of goods or services to Chemring, and to emphasize the importance of compliance with the standards set out in the Code.

## 1. COMPLIANCE WITH LAWS AND REGULATIONS

All Chemring suppliers and their employees must, as a minimum, comply with all applicable laws and regulations in the countries where they operate.

Suppliers must:

- Not engage in anti-competitive behaviour; bribery or corruption, tax evasion or fraud, nor must they permit anyone acting on their behalf to engage in such activities.
- Ensure that all products, services and shipments for Chemring adhere to all applicable international trade compliance and export laws, rules and regulations, along with having regard to and ensuring compliance with all applicable trade restrictions, embargoes and sanctions.
- Protect against any products supplied to Chemring being counterfeit or containing any counterfeit material.

## 2. EMPLOYEES

Chemring suppliers are expected to provide a working environment in which their employees should feel respected and valued, and where they are able to make the best use of their skills, free from all types of discrimination and harassment.

Suppliers must:

- Employ only workers who meet the minimum applicable legal age requirement. Suppliers must comply with all applicable child labour laws and, irrespective of local practice, must not employ any person under the age of 16.
- Set employees' working hours and pay in compliance with all applicable laws. Employees should be paid at least the minimum legal wage or a wage which reflects local industry standards, whichever is greater.
- Not engage in or support the use of forced or compulsory labour. Suppliers must not procure work or service from any person under the threat of any menace. Suppliers' employees must be free to leave their employment with reasonable notice, and they must not be required to surrender passports or work permits as a condition of employment.

- Not discriminate against employees on the grounds of race, nationality, gender, sexual orientation, marital status, religion, political belief, disability, age, gender reassignment or pregnancy and maternity.
- Treat their employees with dignity and respect, and not display or permit behaviour which offends, harasses, humiliates or threatens others.

## 3. HEALTH & SAFETY

Chemring is committed to ensuring the safe and responsible operation of its business at all times. Chemring expects its suppliers to demonstrate a similar regard for the health and safety of its employees and to users of any materials supplied to Chemring.

Suppliers are expected to:

- As a minimum, comply with all applicable health and safety laws, regulations and standards, and any additional health and safety requirements stipulated by Chemring as a condition of supply.
- Ensure a safe work environment, and minimise physical and chemical hazards through proper design, engineering and process controls, preventative maintenance and safe work procedures.
- Provide employees with appropriate personal protective equipment, and adequate training.

## 4. ENVIRONMENT

Chemring believes that protecting the environment by minimising its environmental impact will help to secure the long term future of its business. Chemring expects environmental protection to be a similar priority for its suppliers in all significant aspects of their activities.

Suppliers are expected to:

- As a minimum, comply with all applicable environmental laws, regulations and standards, maintaining all required environmental permits and licences.
- Control pollution, consume resources effectively and use materials that minimise the environmental impact of operations.
- Endeavour to reduce or eliminate solid waste, wastewater and carbon or other air emissions by implementing and, where possible, documenting such appropriate conservation measures in their production and facility processes.

## 5. ETHICS

Chemring expects its suppliers to commit to the highest standards of ethical behaviour when dealing with their employees, customers and their own suppliers.

Suppliers are expected to:

- Prohibit all forms of fraud, deception, corruption and extortion by their employees, officers, directors or agents.
- Not partake in, facilitate or assist in tax evasion in any form.
- Adhere to standards of fair business and competition.
- Accurately report information regarding their business activities and performance in accordance with all applicable laws and regulations.
- Respect intellectual property rights and safeguard third parties' confidential information having regard to the security of such information or any systems on which such information is stored.
- Access, collect, store and process personal data about individuals only in accordance with the laws of the country in which they operate.
- Uphold all internationally recognised human rights wherever their operations are based.
- Ensure their products do not incorporate "conflict minerals" (minerals mined in conditions of armed conflict and human rights abuses, and which are sold or traded by armed groups), and perform sufficient due diligence on their own supply chains to ensure that any materials sold to Chemring containing tin, tantalum, tungsten or gold are sourced from conflict-free smelters.

## 6. ANTI-CORRUPTION

Chemring is committed to complying with all anti-corruption laws that prohibit bribes, kickbacks and other corrupt actions to obtain or retain business, or to obtain any improper advantage.

Suppliers must:

- As a minimum, comply with all applicable anti-corruption laws, with particular regard for the UK Bribery Act 2010 and the US Foreign Corrupt Practices Act 1977, when conducting business with Chemring.
- Not, directly or indirectly, accept or offer any form of bribe, kickback or other corrupt payment from or to any person or organisation, including government agencies, private companies and their respective employees.
- Ensure any gifts or hospitality offered to Chemring employees are customary and reasonable in terms of value and frequency, and not intended to improperly influence a business decision or impair independence or judgment.
- Ensure any third parties who provide goods or services on their behalf always operate in accordance with these standards.

## RAISING CONCERNS

Suppliers who have a serious concern regarding any issue which may breach this Code should raise the matter with the appropriate Chemring senior management. If you believe the matter cannot be handled appropriately in this way, you can also report any matters of concern using our Ethics Reporting Line. This service is available 24 hours a day, seven days a week. The telephone numbers and website access details are as follows:

United Kingdom	0800-032-8483
United States	1-888-258-4544
Australia	1-800-339276
Norway	800-15654

In the US, confidential reports may be submitted via e-mail to [ethics@chemring.us](mailto:ethics@chemring.us) or by accessing the following website [www.ethicspoint.com](http://www.ethicspoint.com)

Across the rest of the world, confidential reports may be submitted via e-mail to [ethics@chemring.co.uk](mailto:ethics@chemring.co.uk) or by accessing the following website [www.chemring.ethicspoint.com](http://www.chemring.ethicspoint.com)