



## SUPPLIER CODE OF CONDUCT

*Updated August 22, 2024*

Klas LTD, and all of its subsidiaries and affiliates worldwide ("Klas") specializes in integrating enterprise networking capabilities from global IT leaders with in-house hardware and software platforms designed to meet market demands and the most stringent environmental requirements. Klas deployable communications systems deliver unparalleled capability to the user and connect them to the 'Internet of Things' in ways never thought possible.

Achieving our mission isn't just about building innovative technology. It's also about who we are as a company and as individuals, how we manage our business internally, and how we work with customers, partners, governments, communities, and suppliers.

Klas has established standards that include ethical business practices and regulatory compliance. Klas expects the companies with whom we do business to embrace this commitment to integrity by complying with—and training their employees on—standards at least equivalent to the Klas Supplier Code of Conduct ("SCoC").

### **1. COMPLIANCE WITH THE SUPPLIER CODE OF CONDUCT**

Suppliers and their employees, personnel, agents, and subcontractors (collectively referred to as "Suppliers") must adhere to this SCoC while conducting business with or on behalf of Klas. Suppliers must require their next-tier suppliers to acknowledge and implement the SCoC in their operations and across their supply chains. Suppliers must promptly inform their Klas contact, or a member of Klas management, when any situation develops that causes the Supplier to operate in violation of this SCoC.

All Klas Suppliers must conduct their employment practices in full compliance with all applicable laws and regulations and in compliance with Klas requirements, which may exceed local legal requirements. In all cases in which Klas requirements are more stringent than local legal requirements, Suppliers are required to meet the more stringent Klas requirements.

While Klas Suppliers are expected to self-monitor and demonstrate their compliance with the SCoC, Klas may audit Suppliers or inspect Suppliers' facilities to confirm compliance. Suppliers that behave in a manner that is unlawful or inconsistent with the SCoC, or any Klas policy, risk termination of their business relationship with Klas.

## 2. LEGAL AND REGULATORY COMPLIANCE PRACTICES

All Klas Suppliers must conduct their business activities in full compliance with all applicable laws and regulations while conducting business with and/or on behalf of Klas, and must, without limitation, meet the following requirements:

**Trade:** Comply with all applicable trade controls, as well as all applicable export, re-export, and import laws and regulations.

**Competition and Antitrust:** Conduct business in full compliance with antitrust and fair competition laws that govern the jurisdictions in which they conduct business.

**Anti-Corruption:** Not participate in bribes or kickbacks of any kind, whether in dealings with government officials or individuals in the private sector. Klas is committed to complying with the U.S. Foreign Corrupt Practices Act (“FCPA”) and the anti-corruption and anti-money laundering laws of the countries in which Klas operates.

- Suppliers must comply with all applicable anti-corruption and anti-money laundering laws, including the FCPA, as well as laws governing lobbying, gifts, and payments to public officials, political campaign contribution laws, and other related regulations.
- Suppliers must not, directly or indirectly, offer or pay anything of value (including travel, gifts, hospitality expenses, offers of employment, and charitable donations) to any official or employee of any government, government agency, political party, public international organization, or any candidate for political office to
  - (1) improperly influence any act or decision of the official, employee, or candidate for the purpose of promoting the business interests of Klas in any respect, or
  - (2) otherwise improperly promote the business interests of Klas in any respect.
- Suppliers must report signs of any personnel, representative, or partner performing unethically or engaged in bribery or kickbacks.
- As representatives of Klas, Suppliers must comply in all respects with the [Anti-Corruption Policy for Klas Representatives](#)

Accessibility:

Klas is committed to providing high-quality products and services that are both useful and accessible to all potential users, including individuals with disabilities. Klas supports initiatives by Klas Suppliers to eliminate barriers in the provision of electronic information for people with disabilities and to encourage development of technologies that will help achieve these goals.

## 3. BUSINESS PRACTICES AND ETHICS

All Klas Suppliers must conduct business interactions and activities with integrity and must, without limitation:

**Business Records:** Honestly and accurately record and report all business information and comply with all applicable laws regarding their completion and accuracy. Create, retain, and dispose of business records in full compliance with all applicable legal and regulatory requirements.

**Communication:** Be honest, direct, and truthful in discussions, including those with regulatory agency representatives and government officials.

**Press:** Only speak to the press on behalf of Klas if expressly authorized in writing to do so by Klas.

**Gifts and Entertainment:** Use good judgment when exchanging business courtesies. Gifts, meals, entertainment, hospitality, and trips that are lavish or lack transparency or a legitimate purpose may be viewed as bribes, may create the appearance of a conflict of interest, or may be perceived as an attempt to improperly influence decision making. Giving business courtesies to Klas employees, if permitted at all, should be modest and infrequent. Never give anything to gain an improper business advantage. When deciding whether to give a gift, entertainment, or other courtesy, keep the following guidelines in mind:

- Suppliers are prohibited from paying expenses for travel, lodging, gifts, hospitality, entertainment, or charitable contributions for government officials on behalf of Klas.
- Travel expenses must be reasonable, have legitimate business purposes, and not be excessive or lavish.
- Do not offer anything of value to obtain or retain a benefit or advantage for the giver, and do not offer anything that might appear to influence, compromise judgment, or obligate the Klas employee.
- Entertainment and meals should be modest, infrequent, and occur in the normal course of business.
- Suppliers may not offer any business courtesy unless it is permissible under both this Code and the Supplier's gift policy.
- Be aware of limits. The value of any courtesy offered by a Supplier to a Klas employee may not exceed the limits applicable to the employee's business unit and country. It is the Supplier's responsibility to ask the recipient what the applicable limits are and to not exceed those limits.

**Conflicts of Interest:** Avoid actual improprieties and conflicts of interests or the appearance of either. Suppliers must not deal directly with any Klas employee whose spouse, domestic partner, other family member or relative holds a financial interest in the Supplier.

#### **4. HUMAN RIGHTS AND FAIR LABOR PRACTICES**

Klas expects its Suppliers to: -

(1) comply fully with all employment laws, and

(2) share its commitment to respect all human rights and to provide equal opportunity in the workplace.

All Klas Suppliers must, without limitation:

- **Not discriminate.** Suppliers must commit to a workforce and workplace free of harassment and unlawful discrimination. Suppliers must provide employees with procedures they can use to bring workplace concerns, including those involving harassment and discrimination, to the attention of management for appropriate resolution. Suppliers must review these reporting procedures periodically. While we recognize and respect cultural differences, Suppliers must provide equal opportunity in the workplace and not engage in discrimination in hiring, compensation, access to training, promotion, termination, and/or retirement based on race, colour, sex, national origin, religion, age, disability, gender identity or expression, marital status, pregnancy, sexual orientation, political affiliation, union membership, or veteran status. Suppliers must accommodate all disabilities to the extent required by law.
- **Prohibit the use of child labor.** Child labor must not be used under any circumstance. Suppliers must not employ anyone under the age of 15, under the age for completing compulsory education, or under the legal minimum working age for employment, whichever requirement is most restrictive. Suppliers are required to have a remediation plan in place to ensure that, in the event of any child labor found, Suppliers must follow international standards and local legal requirements. Klas Suppliers must prohibit workers who are under the age of 18 from performing hazardous work, night work, and overtime work.
- **Use only voluntary labor.** All forms of forced labor by Suppliers are prohibited, including indentured labor, bonded labor, or any other form of forced labor. All forms of prison labor are prohibited. Support for or engagement in any form of human trafficking or involuntary labor through threat, force, fraudulent claims, or other coercion is prohibited. Suppliers must have a voluntary labor compliance plan in place that (1) provides provisions for training Supplier personnel and raising their awareness of issues related to forced labor, and (2) details what remediation the Supplier will provide in case of any violations.
- **Ensure workers have access to work-related documents.** Suppliers are prohibited from requiring workers to lodge “deposits,” withholding employee identity or immigration papers (including but not limited to passports, drivers’ licenses, or work permits), or destroying, concealing, confiscating, or otherwise restricting or denying workers’ access to such documents. Workers must be free to resign their employment in accordance with local and national laws or regulations without unlawful penalty.
- **Provide return transportation for foreign migrant workers.** When hiring foreign workers who are not nationals of the country in which the work is taking place and who are recruited and who migrate from their home country to another country for the specific purpose of working for the Supplier, Suppliers must provide return transportation for such workers or reimburse the workers for the cost of such trip upon the end of their employment. This requirement does not apply to workers with permanent residency of professional employees who are on short or long term assignments.
- **Use appropriately trained recruiters to support compliance.** Use only recruiters and recruiting companies that are trained and which comply with international standards, local labor laws of the countries in which the recruitment takes place, or Klas requirements, whichever are stricter. Recruitment fees or other similar fees charged to workers and

payable to the employer or recruiting agent are strictly prohibited. If such fees are found to have been paid by workers, Suppliers will be required to repay such fees to the workers.

- **Promote awareness of human trafficking concerns.** Inform employees, agents, recruiters, contractors and subcontractors about Supplier's policies that prohibit human trafficking and provide training and programs to promote awareness, risk identification, employee reporting, corrective action, and potential penalties for violations.
- **Make conditions of employment clear when hiring.** Suppliers must prohibit the use of misleading or fraudulent practices during the recruitment or employment process. Suppliers must disclose, in a format and language accessible to the worker, basic information regarding the key terms and conditions of employment, including wages and fringe benefits, the location of work, living conditions, housing and associated costs (if any), any other costs to be charged to the worker, and any hazards involved in the work. Such disclosures must be made before the worker enters employment and as needed throughout their term of employment.

All contracts and employee handbooks (where applicable) must: -

(1) clearly convey the conditions of employment in a language understood by the worker, and

(2) reflect applicable laws and regulations.

- **Provide fair compensation.** Suppliers must provide fair compensation for all employees and workers, including employees who are permanent, temporary or dispatched, migrant workers, apprentices, and contract workers. Such compensation must meet the legal minimum standards. Any deductions from wages not provided for by national law or local law are permitted only with proof of express, written, and freely given permission of the worker concerned. All disciplinary measures must be recorded. Wages and benefits paid for a standard work week must meet local and national legal standards. Suppliers must provide benefits to employees at the levels expected in the industry and in accordance with Klas requirements.
- **Treat employees with dignity and respect.** Suppliers must not engage in physical abuse or discipline, the threat of physical abuse, or sexual or other harassment. Verbal abuse or other forms of intimidation are prohibited.
- **Meet working hour and rest day requirements.** Suppliers are prohibited from requiring workers to work more than the maximum hours as set by international standards, local and national laws, or Klas requirement, whichever is most restrictive. Suppliers must ensure overtime is voluntary and paid in accordance with local and national laws or regulations. A work week must not be more than 60 hours per week, including overtime, except in emergency or unusual situations. Workers must be allowed at least one day off per seven-day work week. Suppliers must keep employee working hours and pay records in accordance with local and national laws or regulations and provide such records to Klas upon request.
- **Ensure freedom of association.** Suppliers must respect workers' rights to freedom of association and collective bargaining in accordance with local legal requirements.
- **Provide grievance procedures.** Suppliers must provide procedures for employees to bring workplace concerns to the attention of management for appropriate resolution. The grievance procedures provided must be accessible, culturally appropriate, and include the option to report anonymously where appropriate. Workers and/or their representatives must be able to openly communicate and share ideas and concerns with management

regarding working conditions and management practices without fear of discrimination, reprisal, intimidation, or harassment. Suppliers must periodically provide workers with information and training on all grievance procedures. All forms of retaliation against workers for bringing a workplace concern are strictly prohibited.

- **For Suppliers with employees physically located in the U.S. who are performing work as part of any agreement with Klas that requires access to Klas facilities or network:**
  - a. Supplier must make available an employee career development program.
  - b. Any person staffed on a Klas project by Supplier must be an employee of Supplier or employee of an approved subcontractor of Supplier.
  - c. Supplier must ensure that U.S.-based employees who work 30 or more hours per week for the Supplier (or for any subcontractor of the Supplier) are provided with employee health benefits that comply with the Patient Protection and Affordable Care Act of 2010 (the “ACA”) and its related statutes and regulations, as amended from time to time. Such health coverage must be “affordable” and “minimum value” as those terms are defined in the ACA, and Supplier must provide this coverage to any employee staffed on a Klas project even if Supplier is not otherwise required to offer this coverage under the ACA. If Supplier receives notice from a government agency that this health coverage is not compliant with the ACA or that a penalty will be assessed related to this health coverage under the ACA, Supplier must provide written notice to Klas within 30 days.
  - d. If a Supplier has more than 50 employees in the U.S., the Supplier must provide the certain minimum benefits to Eligible Supplier Employees. “Eligible Supplier Employee” is defined as any U.S.-based Employee of Supplier who has worked for Supplier for at least 1500 hours in the prior 12 months and who is staffed on a Klas project or contractual agreement that requires access to Klas’ network and/or facilities. Supplier must provide Eligible Supplier Employees with:
    - At least 10 days of paid time off and 5 days of paid sick leave or 15 unrestricted days of paid time off, administered at Supplier’s reasonable discretion.
    - Effective on January 1, 2020, at least 12 weeks of paid parental leave at 66% of pay with a cap of \$1,000 per week or an amount of paid parental leave sufficient to comply with Washington State’s newly enacted paid family leave law.

## 5. HEALTH AND SAFETY

Klas Suppliers are expected to develop and implement health and safety management practices in all aspects of their business. Without limitation, Suppliers must:

- Comply with all applicable occupational health and safety laws and regulations, including but not limited to laws and regulations that address occupational safety, emergency preparedness, occupational injury and illness, industrial hygiene, physically demanding work, machine safeguarding, sanitation, food, and housing.

- Ensure that workers are provided with ready access to clean toilet facilities, potable water, and sanitary food preparation, storage, and eating facilities. Worker dormitories and transportation, if provided, must meet applicable host-country housing and safety standards and be maintained in a clean and safe manner.
- Establish a management system that, at a minimum, demonstrates that health and safety management is integral to the business, encourages employee participation, and provides appropriate communication channels for employee access to health and safety information.
- Provide a safe and healthy work environment for all employees and take action to minimize the causes of hazards inherent in the working environment.
- Implement a process to ensure employees comply with all applicable laws and Supplier policies and procedures.
- Establish and implement business continuity plans that address topics including but not limited to natural disasters, emergencies, and other potential business interruptions.
- Prohibit the use, possession, distribution, or sale of illegal drugs.

## **6. ENVIRONMENTAL PROTECTION AND COMPLIANCE**

Klas recognizes its social responsibility to protect the environment. We expect Suppliers to share our commitment by responding to challenges posed by climate change and working toward protecting the environment. As a part of this commitment, all Klas Suppliers must, without limitation:

- Comply with all applicable environmental laws and regulations, including but not limited to laws and regulations that regulate hazardous materials, air and water emissions, and wastes.
- Endeavor to reduce or eliminate waste of all types, including water discharges and energy losses, by implementing appropriate conservation measures in Supplier facilities through:
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  - (1) the use of conservation-minded maintenance and production processes, and
  - (2) by reducing, reusing, and recycling materials, whenever possible, based on application of the waste management hierarchy.
- Obtain and maintain all required environmental permits and registrations. Follow the operational and reporting requirements of such permits and keep the permits current.
- If applicable, identify any chemicals or other materials that may be released, and which may pose a threat to the environment, and manage such chemicals or materials appropriately to ensure their safe handling, movement, storage, use, reuse, recycling, and disposal.
- Adhere to all applicable laws, regulations, and customer requirements regarding the prohibition or restriction of specific substances in manufacturing or product design. Conform to all legal and customer requirements regarding product and packaging labeling, including material content, recycling, and disposal.

## 7. PROTECTING INFORMATION: DATA & INTELLECTUAL PROPERTY

Klas Suppliers will respect intellectual property rights, protect confidential information, and comply with privacy rules and regulations. All Klas Suppliers must, without limitation:

- Protect and responsibly use the physical and intellectual assets of Klas, including intellectual property, tangible property, supplies, consumables, and equipment, when authorized by Klas to use such assets.
- Respect and protect the intellectual property rights of all parties by only using information technology and software that has been legitimately acquired and licensed.  
Use software, hardware, and content only in accordance with their associated licenses or terms of use.
- Use Klas-provided information technology and systems (including email) only for authorized Klas business-related purposes. Klas strictly prohibits Suppliers from using Klas provided technology and systems to (1) create, access, store, print, solicit, or send any material that is intimidating, harassing, threatening, abusive, sexually explicit, or otherwise offensive or inappropriate, or (2) to send any false, derogatory, or malicious communications. Any solicitation of Klas employees using information gathered from Klas provided technology or systems is prohibited.
- Consider all data stored or transmitted on Klas owned or leased equipment as property of Klas.
- Comply with the intellectual property ownership rights of Klas and others, including but not limited to copyrights, patents, trademarks, and trade secrets. Manage the transfer of technology and know-how in a manner that protects intellectual property rights.
- Follow all local privacy and data protection laws.
- Provide clear and accurate privacy notices when collecting or processing personal data.
- Protect data by building secure products and services.
- Cooperate with Klas Compliance efforts.

## 8. SUPPLIER CODE OF CONDUCT TRAINING

**Training compliance:** Suppliers will establish training measures for their managers and employees to understand and to comply with the contents of the Supplier Code of Conduct, the applicable laws and regulations and generally recognized standards. Suppliers are required to have a process and management system in place for communicating obligations, training all employees and agents working on Klas matters, and tracking compliance with the Supplier Code and the law.

- ✓ Supplier shall provide SCoC training on an annual basis to all employees working on Klas matters.
- ✓ Training records are subject to audit and for select suppliers an annual attestation process may apply.



## **9. ADDITIONAL STANDARDS FOR KLAS ACCESS**

For Suppliers with employees or personnel requiring rights to access Klas' network or buildings, the following additional standards apply.

### **PRE-PLACEMENT POLICY**

Suppliers must conduct pre-placement background screens that meet Klas requirements on all Supplier personnel who will perform services or work on projects that (1) require any access to Klas facilities (whether owned or leased), or (2) require access to Klas resources such as email, network access, cardkey, or other access badges. The purpose of such screens is to ensure that those receiving access to Klas' facilities, equipment, networks, or systems do not present undue safety or security risks.

Prior to each placement of Supplier personnel to perform services for Klas, to the extent allowable by applicable law, the Supplier must conduct a pre-placement background screen utilizing Klas' preferred background screening service provider. For certain placements, the Supplier must conduct additional background screens periodically over time. Klas will identify minimum background screening components, specific to each country location, that must be conducted in each instance to the extent allowable by applicable law. Background screens will typically include review of the following components, to the extent permitted by law: identity check, criminal record review, national criminal database search, sex offender registry check, and global sanctions list review. For certain placements, Klas may require additional screens, such as education verification, prior employment verification, verification of job-related licenses, consumer credit report review, drug testing, and/or other relevant information gathering.

After receiving each background screening report, the Supplier must evaluate whether the Supplier's personnel are well suited to access the Klas facilities or resources required for the personnel's intended work connected to Klas. Specifically, the Supplier must analyze whether the background screening report contains information such as criminal convictions or other matters that render the individual unsuited to perform work connected to Klas. Examples of convictions that may be reasonably related and should be reviewed by the Supplier include but are not limited to crimes of dishonesty (such as theft, embezzlement, fraud, forgery, etc.) and violence (such as murder, rape, kidnapping, assault, robbery, stalking, harassment, etc.).

Suppliers must certify that they have conducted pre-placement screens consistent with this policy and that any convictions, serious delinquency or debt, or any other matters disclosed in the background screen that may render the individual unsuitable for placement at Klas has been reviewed by the Supplier. Suppliers must certify that they have determined that the individual is suited for access to Klas owned or leased facilities or access to Klas resources such as email, network access, cardkey, or other access badges.

Klas reserves the right to review and discuss pre-placement background information with Suppliers for any individual placed by a Supplier who may require access to Klas owned or leased

facilities or access to Klas resources such as email, network access, cardkey or other access badges, or in any situation that would require Supplier personnel to access the credit card or sensitive personal data of Klas customers, partners, employees, or other third parties. Any such discussions shall be in a manner consistent with applicable law. Based on that review, Klas may prohibit access, as it deems appropriate, for any individual placed by a Supplier.

If a Supplier uses any subcontractor to perform services that require access to Klas owned or leased facilities or access to Klas resources such as email, network access, cardkey, or other access badges, or that require a subcontractor to access the credit card or sensitive personal data of Klas customers, partners, employees, or other third parties, the Supplier must ensure its agreements with subcontractors include the requirements set forth in this policy. The Supplier must also take reasonable steps—in compliance with applicable law—to ensure that subcontractors do in fact perform the background screening required by this policy.

If a Supplier becomes aware of criminal activity by their personnel or their subcontractor(s) who have access to Klas owned or leased facilities or access to Klas' networks, the Supplier must refer the information to Klas to determine whether it is acceptable for such individual to continue to have access to Klas owned or leased property and networks. If it is not acceptable, Klas will work with the Supplier to remove the individual from the Klas assignment and ensure access to Klas' owned or leased property and networks is urgently revoked. Suppliers must comply with all applicable laws when removing any Supplier personnel or subcontractor(s) from Klas' owned or leased property. If the criminal activity would suggest a threat of physical harm to Klas property or employees, the Supplier must inform its Klas business contact immediately, but in no event later than 24 hours after becoming aware of the information. Otherwise, the Supplier must inform its Klas business contact of the criminal activity within 24 hours of becoming aware of the information.

In all instances, Suppliers must comply with the Fair Credit Reporting Act and any other applicable federal, state, and local laws, including data privacy laws. Suppliers are responsible for providing the relevant notices and, if required, obtaining lawful consents or establishing other lawful bases to (1) conduct the pre-placement background screens, and (2) if required, provide Klas with the clearance information required for Klas to receive and use that information lawfully. If requested by Klas, Suppliers must provide their personnel with a privacy notice or consent document, in a form approved by Klas, prior to conducting the pre-placement background screens.

In addition to any indemnification obligations in the relevant contract, if any, pursuant to which Supplier was engaged by Klas, Supplier agrees to indemnify and hold harmless Klas, its affiliates and subsidiaries and their respective officers, directors, employees, agents and insurers ("Klas Parties") from any and all damages, penalties, fines, losses, liability, judgments, settlements, awards costs and expenses (including reasonable attorneys' fees and expenses) arising out of or in connection with any claims, assertions, demands, causes of action, suits, proceedings, investigations, enforcement or other actions, whether at law or equity ("Claims") related to (1) any breach by Supplier of this Pre-Placement Policy; (2) Supplier's violation of applicable laws or ordinances related in any manner to the subject matter discussed in this Pre-Placement Policy,

(3) Supplier's negligence, misconduct, recklessness, errors or omissions, and/or (4) Supplier's employment decisions. Supplier shall also indemnify and hold harmless the Klas Parties from any Claims brought by an employee or contractor of Supplier against one or more of the Klas Parties related to the background screens described in this Pre-Placement policy.

#### USE OF KLAS FACILITIES AND NETWORK

- Suppliers must not use any Klas-provided facilities (e.g. buildings and site services) other than in performance of services provided to Klas without the prior written consent of Klas.
- When Supplier personnel require cardkey access to Klas facilities, an account on Klas' email system, and/or any other access to any of Klas' networks or systems, the Supplier and its personnel assigned to Klas must sign all applicable agreement(s) required by Klas.
- Suppliers and their employees must not use their location on Klas' premises or network access to obtain information or materials or physical access other than as expressly authorized by Klas. Klas will not be responsible for loss, damage, theft, or disappearance of any personal property or vehicles located on Klas premises belonging to any Supplier or its employees or subcontractors.
- If a Supplier becomes aware that a "significant" injury to someone or damage to property has occurred on Klas premises, the Supplier must notify Klas promptly and provide adequate details to enable Klas to investigate the cause. "Significant" in this case means injury to a person that results in hospital treatment or death, or damage to or loss of property with an estimated repair or replacement value in excess of \$10,000 USD.

#### **10. RAISING CONCERNS AND REPORTING QUESTIONABLE BEHAVIOR**

To report questionable behavior or a possible violation of the SCoC, Suppliers are encouraged to work with their primary Klas contact in resolving their concern.

Klas will maintain confidentiality to the extent possible and will not tolerate any retribution or retaliation taken against any individual who has, in good faith, sought out advice or reported questionable behavior or a possible violation of the SCoC.

The following people and/or Departments are responsible for maintaining this Policy:

Legal Department -Final Approval of all Revisions

**Version Control**

<b>Version Number</b>	<b>Author</b>	<b>Purpose/Change</b>	<b>Date Adopted</b>
0.1	Rachel Young	Initial Draft and Adoption	14 <sup>th</sup> June 2021
0.2	Aoife Murphy	General Review and insertion of version control	21 August 2024