



Mips

CODE OF CONDUCT

Message from the CEO

Mips is born out of a successful collaboration between Karolinska Institute (KI) and the Royal Institute of Technology (KTH) in Stockholm, Sweden. We are based on, and should always be true to, science. Our ambition is to make our safety systems an expected feature demanded by consumers and the helmet industry for added safety. For us safety is the highest priority and should never be compromised.

We cooperate with more than 140 brands all over the world, which sometimes can put us in complex situations. Our everyday life will present moral challenges. Therefore, it is important to have a Code of Conduct to function as a guiding principle. It offers guidance and a moral compass about how we should conduct ourselves and defines the directives and principles we follow as part of our operations. The Code applies to the entire value chain.

I am confident that each and every one of us will do business in line with the Code of Conduct. Working together, we will be able to build sustainable growth, create value for all our stakeholders and reinforce our mission to lead the world to safer helmets.

Max Strandwitz
President and CEO

1. Introduction

This Code of Conduct (the “Code”) has been adopted to emphasize the values and principles that govern the relationship with each other, our stakeholders and the surrounding world.

The Code applies to Mips AB (publ) and its subsidiaries as well as to each and every one of us, from our Board of Directors to all of our colleagues and consultants worldwide at Mips and its subsidiaries. Suppliers and other business partners are expected to conduct their business in line with the spirit and principles outlined in this Code. Therefore, they must sign our Code of Conduct for Suppliers, which is built on this Code and in which we outline requirements for our suppliers.

As a company, we are committed to conducting our business with integrity and honesty. It is important for each and every one of us to understand this, to act accordingly and be accountable. Failure to follow the principles outlined in this Code will be taken seriously and could lead to disciplinary action. Should you after reading the Code have any questions about how to act or behave, please turn to your manager or the CEO to discuss.

We all have an obligation to speak up if we become aware of a behaviour or a situation which is not in line with the Code. If you would like to raise a concern anonymously, you can use the whistleblowing service.

This Code of Conduct is based on international conventions and standards, such as the Ten Principles of the United Nations Global Compact, the International Labor Organization’s (ILO) standards and OECD’s guidelines. Mips is a signatory to the UN Global Compact and continually enhances efforts to protect and respect the UN Global Compact’s 10 principles (which can be found at <https://www.unglobalcompact.org/what-is-gc/mission/principles>), and promote its spirit within the areas of human rights, labor standards, the environment and anti-corruption.

The Code supplements applicable law and external regulations. It is also the basis for all relevant internal policies and rules. It does not include or imply any representations or warranties by Mips nor does it create or extend any Mips guarantees or warranties. The Code, including associated policies, are not addressed to any party who may claim that any legal right can be derived from those.

2. Our People

Mips supports and respects the protection of internationally proclaimed human rights and actively works on making sure that we are not complicit in human rights abuses, in accordance with UN Global Compact's Principle 1 and 2. Mips strongly believes that the respect for employees and their human rights forms the basis of any successful business. We demonstrate good faith and mutual respect in all dealings with our employees. It is Mips' responsibility to make sure that the individual is not mistreated as a result of any remedy actions enforced by Mips.

2.1 HUMAN RIGHTS AND WORKING CONDITIONS

We respect our employees and their human rights, regardless of their form of employment, and comply with all applicable laws and internationally recognized human rights (including the International Bill of Human Rights and the fundamental International Labour Organisation Conventions) wherever we operate. In an unlikely situation where we risk facing conflicts between internationally recognized human rights and national laws, we will follow processes that seek ways to honour the principles of international human rights.

We are continuously monitoring both the country and local context in which we are operating for any human rights challenges that context might pose and whether we, or our business partners or suppliers, might cause or contribute to adverse human rights impacts through our activities. We expect our employees, business partners, suppliers and other relevant parties to have the same level of respect for human rights as we do. In addition, we strive to pursue opportunities to support human rights where we can make a positive impact.

We recognize and respect employees' rights and freedom to join or form (non-violent) assembly or associations of their own choice and to bargain collectively. No employee shall be subject to dismissal, discrimination, harassment, intimidation, or retaliation for exercising these rights. We also require that our suppliers respect the right to free association and the right to organize and bargain collectively.

Each employee's presence is voluntary. We do not engage in, support or benefit from any forms of modern slavery, forced labor, or human trafficking, and will ensure our operations are free from these practices. We do not require any form of deposit or confiscation of identification papers from our employees. Employees are free to leave their employment subject to any notice period as required by law and contract.

We apply and respect standard working hours regulated in local law in the countries we are operating. We also ensure that the wages we pay always meet, or are above, minimum standard. We do not engage with businesses or with suppliers that do not apply the same principles as we do regarding working hours and minimum pay. All Mips employees have a written contract of employment, with agreed terms and conditions, including notice periods on both sides.

We respect the rights of the child, in accordance with the UN Convention on the Rights of the Child and other applicable national and international child labor laws and regulations. We do not engage in or condone the unlawful employment or exploitation of children among our employees and/or in our facilities. We do not consent to child labour anywhere in our value chain and we continuously monitor this. If any incidence of child labour is identified in our operations or outsourcing arrangements, our ambition is to initiate, or participate in, a program to transfer any children involved in child labour into quality education until they are no longer children.

2.2 DIVERSITY, EQUALITY AND INCLUSION

Our view of diversity and equality is based on the understanding that people's differences contribute to an attractive and dynamic workplace. We aim to offer a workplace where differences are respected and appreciated. We endeavour to ensure that our workplaces reflect the diversity among our stakeholders and society as a whole.

All existing and potential employees are treated fairly and without prejudice, regardless of gender, transgender identity or expression, sexual orientation, nationality, religion or other beliefs, ethnicity, social origin, family or marital status, pregnancy, disability, age, or trade union membership. Employees are given fair opportunities based on objective criteria such as competences, experience and performance – which guide employment-related decisions including recruitment, promotions, the setting of salaries, job assignments, training and development, as well as compensation and termination of employment.

We do not tolerate harassments of any kind. All our employees have the right to work in an environment free from harassments, threats and discrimination for which all of Mips' leaders and managers are responsible for monitoring and promoting. We have a zero-tolerance policy against sexual harassments. Language or actions that is perceived as offensive, insulting, discriminating or in any way patronizing to an individual is not tolerated. Any form of abuse including unwelcomed sexual invites may result in disciplinary actions and reprimands (and may lead to dismissal).

Customers and other stakeholders are also to be treated fairly and without prejudice. We do not engage with businesses or with suppliers, sub-contractors or any other business relationship where discrimination or harassments are tolerated.

3. Our Business

We are committed to sound business ethics in all our business activities and relations with stakeholders, both within our own operations but also with regards to third parties. We conduct our business with integrity and honesty and we respect the laws and regulations in the countries in which we operate.

3.1 COMPLIANCE WITH LAWS AND REGULATIONS AND FAIR COMPETITION

We always operate in full compliance with all laws and regulations applicable to our business. This Code sets out minimum requirements when it comes to appropriate behaviour even if this entails a higher standard than required by applicable laws. If applicable laws are stricter than the Code, the applicable laws always prevail.

We believe that free and fair competition is in the interest of our company, our customers and our employees, as well as for all other stakeholders. We respect and always act in accordance with applicable competition laws (also called anti-trust laws) as well as marketing and advertising practices in all markets in which we are active. We do not engage in any illegal business, industrial co-operation or cartels.

We are also committed to continuously developing safety and quality of our products that will stand a fair assessment from our consumers and other stakeholders.

3.2 ANTI-CORRUPTION

We have a zero-tolerance policy when it comes to corruption, extortion and bribery. Corruption refers to the abuse of entrusted power for private gain including a behaviour that has an inappropriate impact on people's decisions and actions. This includes bribery, extortion, conflicts of interest, embezzlement, blackmail, fraud, nepotism and cronyism. We do not engage in, endorse nor tolerate any form of corruption, directly or indirectly. We do not offer or accept any form of improper benefit to or from a third party, private or public, with the purpose of obtaining or retaining business or any form of preferential treatment. Such benefits may comprise not only cash but also business opportunities, favours, travel, facilitation payments, promises to pay debts or unlawful gifts and entertainment.

The selection of a supplier is based on objective criteria. For supplier selections with a significant transaction value, several tenders are made available before a decision is made in accordance with Mips' Authorization Framework and other internal policies. All suppliers also have the same briefing and compete on equal terms. Personal relationship is never a merit in supplier selection.

We also have a separate Anti-corruption and Anti-bribery Policy in which we outline the principles regarding this matter in more detail.

3.3 CONFLICT OF INTEREST

Business decisions are always based on objective reasons and may not be influenced by personal interest that are not relevant to Mips' business. Therefore, we encourage our employees to avoid situations where loyalty to Mips may come into conflict with other personal interests, such as private, financial or other external interests. A conflict of interest exists when your personal interests influence, or risk to influence, your judgment, objectivity or independence when making decisions and performing your job. In cases where you are unsure of whether there is or might be a conflict, you should always consult your manager or the CEO.

3.4 COMMUNITY ENGAGEMENT AND POLITICAL ACTIVITY

Mips' activities around community engagement touch many aspects of the business, including the development of employees and a constructive social commitment. As a part of our community engagement, we partner up with organizations that look to improve and spread educational information about safety and that are focused on keeping people active and healthy in for instance rehabilitation, carrying out sports or within professions.

We observe neutrality with regard to individual politicians and political parties. Hence, we do not engage in or support any individual politicians, political parties and/or organizations that can be connected with a political organization.

4. Our Workplace

We are committed to responsible and safe practices and procedures in all business activities. We promote a working environment with high standards of ethics and morale.

4.1 HEALTH, WORK ENVIRONMENT AND SAFETY

We are convinced that it is essential to provide a safe, healthy and inspiring work environment for all our employees and reduce risks that can cause accidents or impair the health and wellbeing of employees. All our employees are responsible for maintaining this objective. We only cooperate business partners that ensure their workers and employees a safe and healthy work environment.

At Mips, appropriate safety training before operating machines, equipment or carrying out potentially hazardous operations is conducted and necessary protective equipment is provided. Employees shall actively contribute to maintaining and improving safety in the workplace through awareness, dialogue and action.

We do not tolerate use of alcohol, narcotics and/or misuse of medicines during or in connection with work. It is strictly forbidden to use, sell, buy, produce and possess narcotics within and around Mips' premises which also includes driving under the influence of alcohol or narcotics during or in connection to any work-related occasion.

We do not tolerate any violence or threat of violence against employees, visitors, customers, suppliers or anyone else at the workplace. Disciplinary actions, which can lead to termination of employment, will be taken in case of violation of this prohibition.

We are convinced that companies that support a healthy lifestyle and strive to motivate and empower their staff have better performing employees. Therefore, we encourage and support all our employees to live a balanced and active life.

4.2 INFORMATION AND COMMUNICATION

We comply with relevant rules and regulations related to communication and information at all times. We are committed to keeping an open and transparent communication with the market and our stakeholders, always in accordance with applicable rules and regulations and Mips' internal Information Policy.

We always strive to cooperate appropriately with authorities in the countries where we are present and respond on any requests from the authorities in a timely, correct and well documented manner. We always handle information to and from the authorities in accordance with applicable laws and regulations and we cooperate with and act respectfully towards representatives from the authorities if we are being audited or receive inquiries.

4.3 PRODUCT RESPONSIBILITY

All our products are designed for safety and durability. In order to constantly improve our products in all aspects we conduct life cycle assessments on them. This encourages us to make conscious decisions when it comes to design and product development in order to ensure quality, durability and safety as well as to minimize the environmental impact from our products.

It is important for us to ensure that our products meet all applicable regulatory requirements and we are committed to offer high quality and safe products, all within the frames of our brand value.

4.4 PROTECTION OF COMPANY ASSETS

In order to protect the value of Mips, it is important that we protect our assets. These assets include both tangible and intangible assets, such as machinery, furnishing, IT systems and equipment, patents, trademarks, trade secrets, knowhow and confidential company information.

All Mips' employees and consultants are urged to protect Mips' property, equipment and other tangibles against theft, misuse, loss or destruction as well as to maintain a safe, clean and well-functioning work environment. In case of theft, misuse and loss of any of Mips' property this needs to be reported to the manager, who is responsible for taking appropriate actions.

All inventions or discoveries, including thereto related patents or other intellectual property rights, made by employees or consultants in the course of the employment or engagement with Mips shall, to the extent permitted by law, be the property of and/or vest in Mips according to the terms of relevant agreements.

When engaging third party suppliers, consultants and other business partners all employees need to ensure, to the extent necessary, that such external parties sign a confidentiality undertaking and an agreement that governs the ownership and rights to any relevant intellectual properties and that ensures Mips the rights set out above.

4.5 EXTERNAL REPRESENTATION

When employees of Mips are representing the company towards external parties, Mips' employees shall always behave respectfully and with dignity. Should the representation include the use of alcohol, consumption should always be kept at a reasonable level and the employee shall always act in accordance with the policies set out in this Code.

In the event that a third party represents Mips, it is the responsibility of the Mips employee engaging the third party to inform such party about the content of this Code and how we expect them to represent Mips, i.e. always in accordance with the values and principles set out in this Code.

5. Our Environment

At Mips we conduct our business on a long-term basis which means that we support the preserving of a sustainable society. Our environmental responsibility must be an integral part of our core activities and we always strive for integrating environmental considerations into our business planning, product development and decision making. One of our key focus sustainability areas is to offer sustainable safety solutions that reduce both our own environmental impact, and that of our customers.

In our business relationship with third party producers and other suppliers we require that these actors comply with local environmental legislation and that they actively strive to impose as little impact on the environment as possible. We also find it important that our suppliers work with annual target setting to reduce their environmental impact.

We believe that the commitment and passion for doing business in a sustainable and environmentally responsible way is driven by the progress of performance in our environmental focus areas which are;

- Hazardous chemicals
- CO₂ emissions
- Sustainable products

In order to achieve continuous improvements in the environmental focus areas we believe it is important to set environmental targets and monitor ongoing activities. We also believe that the contributions and initiatives of all employees are vital to achieving our overall environmental targets. Managers shall see to it that their team members follow the appropriate environmental training relevant for their day-to-day tasks.

We also have a separate Environmental Policy in which we outline this matter in more detail.

6. Compliance

6.1 ROLES AND RESPONSIBILITIES

This Code has been adopted by the Board of Directors. The CEO has the responsibility for implementation of the Code and compliance by Mips and its subsidiaries, as well as by all employees of Mips, and for incorporation of relevant parts into agreements with Mips' business partners. The CEO is responsible for ensuring that the Code is regularly reviewed and revised as needed. The CEO is also responsible for ensuring that any breaches of the Code are investigated and that the Board of Directors is informed about any material breaches.

The Board of Directors may grant a waiver of all or part of the Code only under exceptional circumstances. Such a waiver will be disclosed by Mips as required.

All managers shall serve as positive role models for employees and consultants. Managers are expected to introduce new employees and consultants to the Code during their onboarding, as well as have a regular dialogue about its relevance in day-to-day duties. Managers are also expected to nurture a workplace environment supportive of the Code.

However, all employees and consultants also have an individual responsibility to keep themselves continuously informed about the content of this Code and to comply with it. Employees can always bring up questions about the Code with their manager or address the Legal Department or the CEO. Non-compliance can lead to disciplinary actions, up to and including termination of employment.

6.2 REPORTING VIOLATIONS OF THE CODE OF CONDUCT

You may come across a situation that does not appear to conform with our principles as set out in this Code, our policies, or the law. If that happens, we expect you to bring your concern to our attention. By reporting such violations, you are helping to protect our business, customers, colleagues and others.

If you are an employee or consultant, you can report a suspected violation against the Code by reaching out to your manager (or the CEO or CFO). However, if you do not feel comfortable going to your manager, or otherwise wish to remain anonymous, or if you are not an employee, you can use our whistleblowing service. The whistleblowing service is available on our website (report.whistleb.com/mipsprotection), where you also find more information about the reporting process. The Whistleblowing Instruction further outlines how and when the whistleblowing service can be used.



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Safety for helmets