

## Modern Slavery Act Statement 2023

This statement is made by Hexatronic Group AB and its subsidiaries (collectively, "Hexatronic") pursuant to section 54 of the UK Modern Slavery Act 2015. It covers the financial year ending December 31, 2023, and outlines the steps that Hexatronic has taken to prevent modern slavery and human trafficking in its business and supply chain.

Hexatronic Group AB provides this joint statement for itself and on behalf of its subsidiaries. Subsidiaries that are directly covered by a disclosure obligation include Hexatronic UK Ltd, PQMS Ltd, Smart Awards Ltd, Tech Optics Ltd, Mpirical Ltd, Impact Data Solutions Limited and Fibron BX Limited.

### Organization structure, business, and supply chain

Hexatronic contribute to digitalization worldwide by providing reliable and accessible solutions for passive fiber networks within different applications. We focus on four core areas: Fiber Solutions, Harsh Environment, Data Center and Wireless. The Group employs around 1 900 people and comprises 37 operating entities supported by the parent company Hexatronic Group AB, with its registered office in Gothenburg, Sweden. The key markets are North America, Germany, United Kingdom, and the Nordics.

We develop and manufacture our own products and services, as well as sell and manufacture solutions based on products from leading manufacturers worldwide. Hexatronic purchases its components and services from suppliers across Europe, Asia, North America, and Oceania. Ensuring a sustainable supply chain is vital in our strategy to deliver value to our customers and contribute to sustainable development. We therefore want to work with suppliers who share our values when it comes to human rights and fair employment conditions. Our customers include companies and public authorities within the telecom industry, such as telecom companies, communications and telecom operators, and network owners.

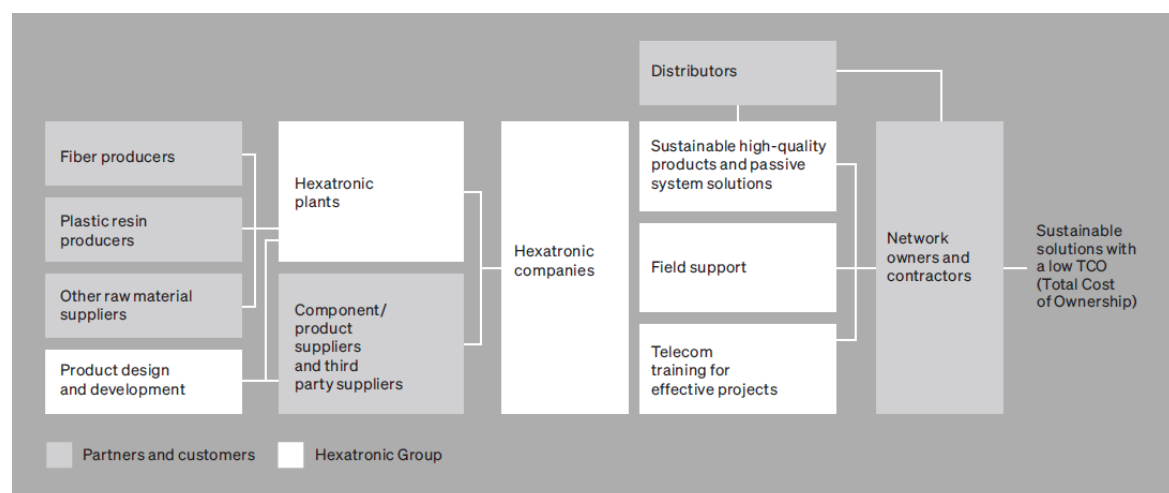


Figure 1 Hexatronic in the value chain

Hexatronic Group Sustainability Organization consists of cross functional action teams that supports progress on prioritized sustainability areas, including business ethics, climate action, sustainable supply chain, health and safety, diversity and gender equality. The action teams strengthen our focus on preventing modern slavery, encourages collaboration, and enhances the actions and efforts to reach our targets defined in our [Sustainability Roadmap](#) to 2030.

## Policies and procedures

Hexatronic has a zero-tolerance approach to any form of modern slavery and is committed to acting ethically and with integrity in all our business dealings and relationships. We have several policies and procedures in place that reflect our commitment to respect human rights and prevent modern slavery in our business and supply chain:

- Our Code of Conduct applies everywhere we do business, and to everyone who works on Hexatronic Group's behalf, including full- and part-time employees, consultants, temporary staff, senior management, and the boards of directors. It sets out the ethical principles and standards of behaviour and covers topics such as compliance with laws and regulations, business ethics, and respect for human rights. The Code of Conduct is available on our website and is regularly communicated to all our employees through training and awareness programs. We urge our employees and other stakeholders to report any violations of our Code of Conduct directly to us, or by using the [whistleblower function](#) on our website. When using the whistleblowing function, full anonymity can be guaranteed for the reporting party.
- Our Supplier Code of Conduct sets out the minimum requirements that we expect from our suppliers and subcontractors regarding social, environmental, and ethical issues, including human rights and the prohibition of modern slavery and human trafficking. The Supplier Code of Conduct is based on the UN Global Compact principles and the International Labour Organization (ILO) conventions. According to the Supplier Code of Conduct, the supplier is expected to conduct their own Human Rights Due Diligence assessment and follow the OECD Due Diligence Guidance. Our Supplier Code of Conduct is a part of the supplier agreements.
- Our Whistleblowing Policy provides a mechanism for our employees and other stakeholders to report any concerns or suspicions of wrongdoing, including any breach of our Code of Conduct or Supplier Code of Conduct, without fear of retaliation. The Whistleblowing Policy is available on our website and is promoted through internal and external channels.

## **Due diligence controls, grievance mechanisms, risk assessment and management**

Hexatronic has integrated human rights aspects into its business and operations in accordance with OECD Guidelines for Multinational Enterprises and is an active participant in the UN Global Compact (UNGC). During 2023, we participated in the UNGC Business and Human Rights Accelerator. As part of our commitment to respect and uphold human rights, we conducted a Human Rights Due Diligence Assessment in accordance with the United Nations Guiding Principles on Business and Human Rights. The assessment involved identifying and prioritizing the potential and actual human rights impacts of our operations and value chain, assessing the effectiveness of our existing policies and practices to prevent and mitigate these impacts, and developing action plans to address any gaps or risks.

Hexatronic deems the risk of modern slavery and human trafficking in our own business to be limited. Our salient human rights issues and risk of modern slavery and human trafficking are primarily linked to global supply chains. Hence, sustainable supply chain is identified as one of Hexatronic's priority sustainability areas and is an important factor when choosing new suppliers.

We aim to work with suppliers that have a clear focus on human rights and fair employment conditions. We regularly assess supply chain risks and evaluate suppliers through surveys, audits, and assessments, to verify suppliers' compliance with our Supplier Code of Conduct and other relevant standards and regulations. The suppliers respond to questions related to human rights, decent work and fair employment conditions, anti-corruption, and supply chain management. The responses are complemented with relevant documentation. In the evaluation phase, the suppliers are scored on each topic and can be asked to clarify and/or complement the material, or take corrective actions, to be approved. We provide feedback, guidance, and support to our suppliers to help them improve their performance and practices.

We expect our suppliers to carry out due diligence activities to ensure they are operating responsibly, respecting both human rights and decent working conditions. A key to progress is to have the right competence in purchasing positions, achieved by investing in capabilities and relevant training for the purchasing organization. We also conduct regular assessments of our own operations and sites to ensure that we adhere to our policies and procedures and to identify any areas for improvement.

### **Performance and progress**

During the financial year 2023, we have taken the following actions to prevent modern slavery and human trafficking in our business and supply chain:

**Training and awareness:** We have continued to provide training and awareness programs to our employees and managers on our Code of Conduct, which is mandatory for all our employees to complete. During 2023, 100% of our employees completed the training. To our procurement functions, we have provided additional

training and awareness programs on supply chain management, including the topics of modern slavery and human trafficking.

Supplier requirements and risk management: During 2023, we updated our Supplier Code of Conduct to strengthen the areas of supply chain due diligence and human rights. The area of supplier management was especially enhanced, and we expect our suppliers to conduct their own human rights due diligence assessment, and to follow the OECD Due Diligence Guidance, to ensure they are operating responsibly and respecting human rights and decent working conditions. We identify and manage risk of non-compliance with our supplier requirements, by assessments, supplier dialogues and collaborations. During 2023, our supplier risk management process was further developed. Hexatronic conducted four supplier sustainability audits that included questions linked to modern slavery and supply chain due diligence.

Development of the supplier sustainability program: We aim to work with our suppliers on a risk-based approach and increase the share of spend from suppliers that have been sustainability approved. During 2023, 35 percentage of our spend, based on direct material providers, related to sustainability assessed and approved suppliers. After an initial risk screening, selected suppliers were assessed or audited. The assessed and approved suppliers have proven their compliance to human rights, anti-corruption, supply chain management, environment, fair employment conditions, and working environment.

We acknowledge that the fight against modern slavery and human trafficking is an ongoing process that requires constant attention and improvement. We are committed to reviewing and updating our policies and practices regularly and to reporting on our actions and achievements annually. We welcome any feedback or suggestions from our stakeholders on how we can further strengthen our efforts in this area.

### **Approval and signature**

This statement has been approved by the Board of Directors of Hexatronic Group AB and signed by Henrik Larsson Lyon, Chief Executive Officer of Hexatronic Group AB, on behalf of Hexatronic.

A handwritten signature in blue ink, appearing to read "Henrik Larsson Lyon".

Henrik Larsson Lyon, Chief Executive Officer

Hexatronic Group AB

Adopted May 7, 2024