

Code of Conduct for Supplier

1 Introduction

TF Bank AB, in some markets operating under the brand Avarda, ("TF Bank") is committed to conducting business ethically, transparently, and responsibly, especially considering our critical role as a financial institution. Our Supplier Code of Conduct (the "Code") establishes clear expectations for all suppliers, contractors, consultants, and business partners ("Suppliers") regarding ethical practices, compliance, cybersecurity, and sustainability aligned with ESG (Environmental, Social, and Governance) principles.

2 Legal and Regulatory Compliance

Suppliers must comply fully with all applicable local, national, and international laws, regulations, and financial industry standards. Specifically, Suppliers must meet compliance obligations applicable to the banking sector (including but not limited to EU Digital Operational Resilience Act (DORA) or the UK requirements established by the Financial Conduct Authority (FCA) and the Payment Systems Regulator (PSR) where applicable). Suppliers are responsible for ensuring compliance within their supply chains and promptly addressing any violations.

3 Governance and Ethical Business Practices

3.1 Anti-Corruption and Anti-Bribery

Suppliers must strictly prohibit and actively prevent all forms of corruption and bribery. This includes offering, giving, receiving, or soliciting anything of value to influence business decisions improperly or gain undue advantage. Suppliers shall establish comprehensive anti-corruption programs, conduct regular training, and maintain clear procedures for reporting and addressing corruption-related issues.

3.2 Anti-Financial Crime

Suppliers must implement robust measures to prevent, detect, and report all forms of financial crime, including money laundering, terrorism financing, fraud, tax evasion, insider trading, and other illicit financial activities. Suppliers are expected to maintain effective internal controls, perform appropriate due diligence, conduct ongoing monitoring, and ensure prompt reporting of suspicious activities to appropriate authorities. Regular training and clear reporting channels should be provided to all employees.

3.3 Conflict of Interest

Suppliers must disclose any potential conflicts of interest promptly to legal@tfbank.se and take appropriate measures to mitigate these conflicts. This includes situations where personal, famil-

ial, financial, or other relationships could improperly influence business decisions or compromise objectivity. Suppliers should establish internal processes to regularly identify, report, and manage conflicts of interest to ensure transparency and fairness in all business dealings.

3.4 Confidentiality, Data Privacy, and Cybersecurity

As a financial institution, TF Bank expects Suppliers to maintain robust cybersecurity practices. Suppliers must protect and responsibly handle confidential and personal data, complying strictly with applicable laws and regulations, including GDPR and DORA. Suppliers must establish comprehensive cybersecurity frameworks, including regular vulnerability assessments, incident response plans, and employee awareness programs to safeguard sensitive information. Suppliers must report promptly any cybersecurity incidents that could impact TF Bank.

3.5 Fair Treatment of Customers

Suppliers supporting operations involved in customer-facing services or operations that impact end-users must treat all customers fairly, honestly, and with respect.

This includes a commitment to:

- Delivering fair value and ensuring products and services meet the needs of the target customer group;
- Ensuring clarity, fairness, and accessibility of all customer communications and avoiding misleading, ambiguous, or overly complex language;
- Proactively identifying and supporting customers in vulnerable circumstances;
- Designing and executing operations and systems that support good customer outcomes across the entire product or service lifecycle;
- Ensuring ongoing monitoring and reporting of customer experience and outcomes to identify and address any detriment.

Suppliers must also cooperate with TF Bank in demonstrating how their practices meet these requirements, and support any related oversight or remediation efforts.

3.6 Financial Integrity

Suppliers must maintain accurate financial records and transparent business practices, complying with relevant accounting standards and regulations applicable to the banking industry. Suppliers should ensure that all financial transactions are accurately recorded, fully documented, and compliant with international accounting standards. Regular internal and external audits should be conducted to verify financial accuracy, accountability, and integrity.

3.7 Responsible Sourcing

Suppliers shall source materials ethically and sustainably, avoiding sourcing from conflict zones or unethical supply chains, which could negatively impact the TF Bank's reputation and operations. Suppliers are expected to conduct thorough due diligence on their supply chains, ensuring transparency, sustainability, and compliance with international ethical sourcing standards. Suppliers should actively mitigate risks associated with unethical sourcing and promptly address any identified issues or concerns.

4 Environmental Responsibility

4.1 Environmental Compliance

Suppliers must comply with applicable environmental laws and regulations and proactively manage environmental risks. Suppliers should establish effective environmental management systems, regularly reviewing and updating them to adapt to regulatory changes and emerging environmental best practices.

4.2 Resource Efficiency

Suppliers shall implement processes to conserve natural resources, including energy, water, and raw materials. Suppliers are encouraged to set measurable targets to reduce resource consumption, regularly report progress, and adopt sustainable technologies and processes wherever feasible.

4.3 Waste Management

Suppliers must manage waste responsibly, prioritizing recycling and minimizing landfill disposal. Comprehensive waste management strategies should include waste reduction initiatives, employee training, and collaboration with responsible waste disposal providers.

4.4 Emissions and Pollution

Suppliers shall measure, manage, and reduce their carbon footprint, emissions, and pollutants, actively seeking more sustainable production processes. Suppliers are encouraged to establish clear emission reduction targets aligned with global climate initiatives and transparently report their progress to stakeholders.

4.5 Biodiversity

Suppliers shall protect biodiversity and ecosystems in their areas of operation and sourcing. Suppliers should assess their environmental impact regularly, implement appropriate protective measures, and actively engage in environmental conservation and restoration initiatives.

5 Social Responsibility

5.1 Human Rights

Suppliers must respect internationally recognized human rights and ensure their operations and supply chains do not contribute to human rights violations. Suppliers should conduct regular human rights due diligence and training to identify and mitigate risks promptly.

5.2 Forced and Child Labor

Suppliers shall strictly prohibit all forms of forced labor, human trafficking, modern slavery, and child labor. Suppliers must adopt rigorous verification processes and policies ensuring zero tolerance for exploitation within their supply chains.

5.3 Fair Labor Practices

Suppliers must ensure fair wages, reasonable working hours, safe and healthy working conditions, and access to grievance mechanisms.

5.4 Non-discrimination and Inclusion

Suppliers must promote workplaces free from discrimination, harassment, and abuse. Employment decisions must be merit-based, irrespective of gender, race, ethnicity, sexual orientation, age, religion, or disability. Suppliers are encouraged to implement diversity and inclusion initiatives and training to foster a respectful, inclusive workplace.

5.5 Freedom of Association

Suppliers must recognize and respect employees' rights to freedom of association and collective bargaining according to local laws. Suppliers should engage constructively with employee representatives and unions to resolve issues collaboratively.

5.6 Occupational Health and Safety

Suppliers are expected to ensure safe, secure, and healthy working conditions by fully complying with applicable occupational health and safety standards. This includes conducting regular and thorough risk assessments, delivering continuous health and safety training, providing appropriate protective equipment, and establishing robust emergency preparedness plans. Suppliers should actively promote a safety-oriented culture that encourages employees to report health and safety concerns openly and without fear of retaliation.

5.7 Supplier Diversity and Inclusion

TF Bank values diverse and inclusive supply chains and encourages suppliers to engage businesses owned by minorities, veterans, and other underrepresented groups. Suppliers should establish policies promoting supplier diversity, actively pursue partnerships with diverse businesses, and transparently report on their efforts and successes in fostering supplier diversity.

6 Reporting and Whistleblowing

Suppliers and their employees are expected to report any violations or potential violations of this Code. TF Bank will ensure confidentiality and protection against retaliation. Suppliers must establish accessible and secure whistleblowing mechanisms, ensuring reports can be made anonymously if preferred, and guarantee protection and support for whistleblowers.

TF Bank may also require suppliers to support or participate in regulatory disclosures or supervisory interactions as part of its oversight responsibilities and commitment to transparency and compliance with the applicable regulatory framework.

7 Consequences of Non-Compliance

Non-compliance with this Code may result in corrective actions or termination of the business relationship. Suppliers must promptly address non-compliance, cooperate fully in investigations,



demonstrate corrective measures, and commit to continuous improvement to maintain the business relationship.

8 Commitment and Acknowledgment

By partnering with TF Bank, Suppliers acknowledge their commitment to the standards outlined in this Code and agree to implement and enforce these principles throughout their operations and supply chains.

9 Audits

TF Bank reserves the right to conduct audits, inspections, or assessments to verify the Supplier's compliance with this Code. Such reviews may be performed directly by TF Bank or by appointed third parties. Upon request, Suppliers are obligated to provide timely, complete, and accurate documentation or other evidence demonstrating adherence to the standards set forth in this Code.

TF Bank reserves the right to update this Code periodically to reflect regulatory changes, stakeholder expectations, and ESG best practices specific to the banking sector. The latest version can be found on the website of TF Bank.