

## Supplier Code of Conduct (SCoC)

### **Our understanding of sustainability**

At ELPRO and all its affiliates we consider sustainability to be an essential component of our daily business processes. As manufacturer of innovative monitoring solutions and data loggers for documenting environmental conditions in production facilities, warehouses and the cold chain we purchase our raw materials from suppliers worldwide. We also ask our suppliers and vendors to secure the sustainable success on our behalf and for our customers by providing innovative solutions for products and services we purchase from them. For this reason, our suppliers are an integrated part of our sustainability strategy. In all our procurement activities, we carefully take into consideration economic, process-driven and technical criteria as well as essential social and ecological factors such as human rights, labor conditions, anti-corruption concerns and environmental protection.

Irrespective of different products, services, markets, regions or processes, the principal factors for supplier assessment and evaluation at ELPRO are always cost, quality, reliability, innovation and sustainability. We expect our suppliers to comply with applicable national standards and with the ELPRO Supplier Code of Conduct hereby. Furthermore, we expect our suppliers and all their affiliates to introduce suitable processes within their organizations that support compliance with applicable laws and that drive continuous improvements with regard to the principles and requirements laid out in this SCoC.

### **Employees**

At ELPRO, we expect that suppliers at all their sites respect and comply with the fundamental rights granted to all employees under applicable national laws and regulations. Furthermore, we expect our suppliers to fully comply with applicable national laws and regulations on working time.

### **Child labor**

At ELPRO, we expect our suppliers to prohibit and refrain from any kind of child labor within their organization.

### **Discrimination**

At ELPRO, we expect that our suppliers promote equal opportunities and equal treatment. Furthermore, we expect our suppliers to prohibit any form of discrimination in recruiting, promoting or selecting employees for basic or advanced training programs. No employee may be discriminated against based on his or her gender, age, color, race, nationality, sexual orientation, disabilities or religious conviction.

### **Forced labor**

At ELPRO, we expect our suppliers to prohibit any kind of forced labor in their organization.

### **Freedom of association**

At ELPRO, we expect our suppliers to respect the right of their employees, to the full extent of applicable national statute, to form a workers' council, collective bargaining unit or other employee representations, and to enter into collective bargaining.

### **Occupational health and safety**

At ELPRO, we expect our suppliers to fully comply with applicable national laws and regulations governing health and safety at work. Our suppliers are expected to establish and maintain an appropriate occupational health and safety management. This includes containing actual as well as potential health and safety risks at work. Moreover, our suppliers are expected to train their employees for the purpose of preventing accidents and occupational diseases as best as possible.

### **Environmental protection**

At ELPRO, we expect our suppliers to comply with all applicable national laws, regulations and standards to protect the environment. Our suppliers are expected to establish and maintain a suitable environmental management system to minimize environmental impact and hazards, and to improve environmental protection in their day-to-day operations.

### **Prohibition of corruption and bribery**

At ELPRO, we expect our suppliers to have zero-tolerance for corruption and to ensure compliance with all United Nations (UN) and Organization for Economic Co-operation and Development (OECD) conventions against corruption, and with all governing anti-corruption laws. In particular, our suppliers are expected to ensure that their employees, subcontractors and agents do not offer, promise or grant any advantages to any ELPRO employee or related parties with the goal of securing an order award or any other form of preferential treatment in their business transactions.

### **Invitations and gifts**

At ELPRO, we expect that our suppliers refrain from presenting any invitations or gifts to our employees so as to gain any form of influence. Any invitations or gifts extended to ELPRO employees or related parties, if any, must be reasonable and suitable with a view to scope and design, i.e. they must be of low financial value and reflect ordinary local business custom. We also expect our suppliers to refrain from asking ELPRO employees or related parties for any inappropriate advantages.

### **Preventing conflicts of interest**

In our suppliers' business dealings with us, we expect our suppliers to take decisions based on objective criteria only. Any factors that might influence our suppliers' decisions due to private, business or other conflicts of interest must be prevented from the start. The same applies to relatives and other related parties.

### **Unrestricted competition**

At ELPRO, we expect our suppliers to always compete in a fair manner and to comply with applicable antitrust laws and regulations. Our suppliers are expected not to enter with competitors into agreements that might constitute a breach of antitrust law, nor to take advantage of any dominant market position they might hold.

### **Money laundering**

At ELPRO, we expect our suppliers to comply with all applicable statute governing the prevention of money laundering, and not to participate in any money laundering activities.

### **Supplier relations**

At ELPRO, we expect our suppliers to communicate the principles laid out herein to their subcontractors and sub-suppliers and to take these principles into account when selecting subcontractors and sub-suppliers. Our suppliers are expected to encourage their subcontractors and sub-suppliers to comply with the minimum standards of this SCoC regarding the protection of human rights, working conditions, anti-corruption and environmental protection when fulfilling their contractual obligations.

### **Compliance with the ELPRO Supplier Code of Conduct**

We will review our suppliers' compliance with the principles and requirements laid out herein, asking our suppliers to complete a section within the quality self-assessment not more than once a year. Furthermore, we reserve the right to audit the procedures in place during a supplier's on-site audit. Any violation of the principles and requirements set out in this ELPRO SCoC will be regarded as a violation of the supplier regarding his contractual obligations towards ELPRO. In the event that a supplier evidently fails to fulfill any of the principles or requirements set out in this SCoC, or refuses to pursue and implement measures for improving his sustainability performance, after having been given a reasonable period of grace, ELPRO reserves the right to immediately terminate any or all contracts with the supplier for cause.



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