

# **SUPPLIER CODE OF CONDUCT**

## **EUROSTYLE SYSTEMS**

### **CORPORATE SOCIAL RESPONSIBILITY REQUIREMENTS**

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## **Introduction**

Eurostyle Systems is centered on five values that form our shared foundation. Those values shape the way we meet the needs of our internal and external customers, while respecting the regulatory requirements of each country where we do business. They also underpin our ethical behavior in interactions with our partners.

### **EXPERTISE**

We provide solutions by leveraging a high level of expertise that is well known. We strive to retain this expertise by hiring highly qualified people, and by training our employees and passing on their knowledge. We are experts in our field, which contributes to the recognition we receive from our customers.

### **ADAPTABILITY**

We know that we are operating in a constantly changing international environment, and we ensure that we are in a strong position to take up the opportunities it offers. We listen closely to all signals and provide appropriate, proportionate, and pragmatic responses.

### **EXEMPLARY BEHAVIOR**

Our rules of conduct are clear, understood and respected by all. Each one of us, regardless of our position in the company, is an ambassador of this exemplary behavior. It is embodied both in our attitude and in our understanding of others.

To emphasize on our commitments to these values, and on those of reduction of carbon footprint and sustainable growth, we now formalize more clearly our supply chain requirements.

This document contains 21 requirements, classified in 3 categories:

- A. HUMAN RIGHTS & WORKING CONDITIONS
- B. ENVIRONMENT
- C. BUSINESS ETHICS

It is based on the following standards and assessments, and we strongly encourage our suppliers to take knowledge of these:

- Social Accountability SA8000 - by Social Accountability International - June 2014
- ISO 26000:2010 - Guidance on Social Responsibility
- Ecovadis assessment
- NQC assessment

It is expected that these requirements are passed down the supply chain.

In any case, suppliers are expected to comply with all applicable legal requirements and prevent incidents or conditions that might result in a violation of law.

All purchased materials used in manufacture of goods shall satisfy current governmental and safety constraints on restricted, toxic, and hazardous materials as well as environmental considerations applicable to the country of manufacture and sale.

We also encourage our suppliers to share with us any current or future reporting on these topics.

## **A. HUMAN RIGHTS & WORKING CONDITIONS**

### **1. Slavery, Human Trafficking, Forced Labor, Child Labor**

Suppliers are responsible for respecting and promoting human rights in their operations products or services.

"Modern Slavery" includes the crimes of human trafficking, slavery, and slavery like practices such as servitude, forced labor, forced or servile marriage, the sale and exploitation of children, and debt bondage.

Suppliers must consider the risks of Modern Slavery practices in their operations and supply chains and identify these where they are found to exist.

These obligations apply to all workers, including, without limitation, temporary, migrant, student, contract, direct employees, and any other type of worker of the Supplier.

Suppliers are prohibited from employing children in violation of the stipulations of the International Labor Organization's convention (ILO Convention n°138,182).

The minimum age for employment shall be the country legal minimum age, or the age for completing compulsory education in that country, whichever is higher.

Suppliers must not, under any circumstances, resort to forced or compulsory labor. Forced or compulsory labor is any work or service which is forced upon any person under the menace of a penalty and which the person has not entered of his or her own free will.

### **2. Conflict Minerals**

Suppliers shall be compliant with US and EU Conflict minerals legislation, that is, there shall not contain "conflict minerals", which means minerals that directly or indirectly finance or benefit armed groups in specific countries.

More info here:

- <https://ec.europa.eu/trade/policy/in-focus/conflict-minerals-regulation/>
- <https://www.sec.gov/info/smallbus/secg/conflict-minerals-disclosure-small-entity-compliance-guide.htm>
- <http://www.responsiblemineralsinitiative.org/>

### **3. Freedom of association & Collective Bargaining**

Suppliers must respect the right of workers to associate freely, form and join workers unions of their own choice, seek representation, and to bargain collectively, as permitted by and in accordance with the applicable laws and regulations."

The supplier should treat equally employees who act as employee representatives or who are members of workers unions. It respects collective bargaining, as a process of negotiation between employers and a group of employees, aimed at reaching an agreement regulating working conditions. It strives to establish trusting cooperation between the staff representatives and the workers unions.

#### **4. Working Hours, Fair Wages & Social benefits**

Suppliers shall comply with all applicable laws and regulations, including those relating to minimum wages, overtime hours and legally mandated benefits.

Working hours (including overtime), as well as break times and periodic days off, shall be compliant with applicable laws & regulations, collective-bargaining agreements, and international conventions. Overtime work should be voluntary and paid as such.

Work or service outside normal daily working hours shall not be imposed by exploiting a worker's vulnerability under the menace of a penalty.

#### **5. Non-Discrimination and Equal wages**

Suppliers must follow any regulatory requirement regarding discrimination.

Suppliers must not discriminate against any worker based on race, color, age, gender, sexual orientation, ethnicity, disability, religion, political affiliation, union membership, national origin, social origin, or marital status in hiring and employment practices such as applications for employment, promotions, rewards, access to training, job assignments, wages, benefits, discipline, termination, and retirement

#### **6. Coercion, Discipline and Harassment prevention**

Suppliers are expected to have systems in place to prevent, detect, and resolve unacceptable worker treatment such as harassment, inappropriate use of discipline, discrimination, physical or mental punishment, or other forms of intimidation or abuse (e.g., physical abuse, threat of abuse, sexual or other harassment, verbal abuse, any type of corporal punishment, or other forms of mental and/or physical coercion as a form of discipline).

#### **7. Health, Safety**

Suppliers shall ensure that the health and safety (H&S) risks to their employees, contractors, and visitors which arise from its operations are reduced as far as is reasonably practicable.

We require that our suppliers carry out their operations in a safe manner in line with relevant regulation, approved codes of practice and industry best practice and in a way that does not expose any person to the risk of injury or ill health."

### **B. ENVIRONMENT**

#### **8. Restricted chemicals – REACH legislation**

Products or parts must not contain any product, material or substance prohibited. Therefore,

Suppliers must address the European REACH procedures located on the following website:

- <https://echa.europa.eu/>

## **9. NFRD legislation and sustainability reporting**

EU law requires certain companies above a certain size to disclose information on the way they operate and manage social and environmental challenges.

This helps investors, civil society organisations, consumers, policy makers and other stakeholders to evaluate the non-financial performance of large companies and encourages these companies to develop a responsible approach to business.

Directive 2014/95/EU – also called the Non-Financial Reporting Directive (NFRD) – lays down the rules on disclosure of non-financial and diversity information by certain large companies. This directive amends the Accounting Directive 2013/34/EU.

Eurostyle systems is committed to fulfil this requirement and expects its suppliers to do the same. As indicated in the introduction, we also encourage our suppliers to share with us any current or future reporting on these topics.

## **10. Reduction of pollution and emissions**

We encourage the supplier to be ISO 14001 certified or equivalent.

Suppliers shall work to sustain, protect, and restore the environment, by such means as:

- Reduction of GHG emissions, improvement of energy efficiency and selection of renewable energy,
- Reduction of waste
- Recycling and proper disposal of waste,
- If relevant, to be engaged in waste valorisation, beneficial reuse, value recovery processes,
- Protecting water quality and water consumption reduction,
- Protecting Air quality,

For Chemical products, responsible chemical management activities shall be implemented, that is, to implement processes and procedures to properly identify, manage, handle, dispose and replace chemical products.

## **C. BUSINESS ETHICS**

### **11. Financial responsibility**

Suppliers shall comply with the law in force on its financial responsibility and to take all measures in the event of any deviation.

### **12. Trade**

Suppliers shall comply with all applicable export control, customs, tax, and foreign trade regulations, including, without limitation, sanctions, embargoes and other applicable laws, regulations, government orders and policies. controlling the transmission or shipment of goods, technology, and payments.

### **13. Fraud and money laundering**

Suppliers shall take the appropriate measures to prevent any form of fraud and fight against money laundering or any other illegal activity (for example the financing of illicit activity and reprehensible by law).

#### **14. Corruption & Bribery**

Suppliers shall prevent and fight all forms of corruption, bribery, extortion, and improper advantage and comply with all applicable laws pertaining to these issues.

More info here:

- <https://www.unglobalcompact.org/what-is-gc/our-work/governance/anti-corruption>

#### **15. Fair Business Competition and Anti-Trust**

Suppliers shall strive for fair business practices, and in any case, suppliers must comply with all applicable laws and regulations related to fair competition.

Suppliers must not fix prices or rig bids with their competitors. They must not exchange current, recent, or future pricing information with competitors. Suppliers must refrain from participating in a cartel.

#### **16. Conflict of Interest**

Suppliers are expected to avoid all conflicts of interest, or situations giving the appearance of a potential conflict of interest.

Suppliers are expected to provide notification to all affected parties if an actual or potential conflict of interest arises.

This includes a conflict between the interests of Eurostyle Systems and personal interests or those of close relatives, friends, or associates.

#### **17. Privacy, Intellectual property & Data Protection**

The General Data Protection Regulation (EU) 2016/679 (GDPR) is a regulation in EU law on data protection and privacy in the European Union (EU) and the European Economic Area (EEA).

It also addresses the transfer of personal data outside the EU and EEA areas.

The GDPR's primary aim is to enhance individuals' control and rights over their personal data and to simplify the regulatory environment for international business. It contains provisions and requirements related to the processing of personal data of individuals (formally called data subjects in the GDPR) who are located in the EEA and applies to any enterprise—regardless of its location and the data subjects' citizenship or residence—that is processing the personal information of individuals inside the EEA.

Supplier shall comply with the GDPR regulation or any applicable data privacy laws.

Suppliers must protect the confidential and proprietary information of others, including personal information, from unauthorized access, destruction, use, modification, and disclosure, through appropriate physical and electronic security procedures.

This includes trade and industrial secrets as well as all other information confidential. This information must be appropriately protected against disclosure to third parties.

Suppliers are encouraged to comply with ISO/IEC 27001.

## **18. Counterfeits and forgery**

Suppliers are expected to implement and maintain methods and processes appropriate to the products and services, to manage the risk of introducing counterfeit parts and materials into the production of the products.

## **19. Whistleblowing dispositions & Whistleblower Protection**

Suppliers are expected to provide their employees with avenues for raising legal or ethical issues or concerns without fear of retaliation. Suppliers are also expected to take action to prevent, detect, and correct any retaliatory actions.

## **20. Human development and training**

Suppliers are expected to provide all workers at all stages of their work experience with access to skills development, training, apprenticeships, and opportunities for career advancement, on an equal and non-discriminatory basis, and ensure that, when necessary, workers being made redundant are helped to access assistance for new employment, training, and counselling.

Suppliers are encouraged to establish joint labor-management programs that promote health and well-being.

## **21. Compliance and risk management**

Suppliers shall have processes to measure and effectively monitor and verify compliance with this Code of Conduct.

This includes measures such as retention of documentation, proof of training and sensitization to the employees, and proof of staff involvement.

Suppliers are encouraged to deploy a risk management tool on the topics mentioned above.

As indicated in the introduction, suppliers shall pass these requirements down the supply chain.

Eurostyle Systems reserves itself the right to audit compliance to this code of conduct.

**Signature and acknowledgement**

Full Name :	
Function :	

Authority :	
Date :	

Please sign for each requirement below :

**A. HUMAN RIGHTS & WORKING CONDITIONS**

- 1. Slavery, Human Trafficking, Forced Labor, Child Labor
- 2. Conflict Minerals
- 3. Freedom of association & Collective Bargaining
- 4. Working Hours, Fair Wages & Social benefits
- 5. Non-Discrimination and Equal wages
- 6. Coercion, Discipline and Harassment prevention
- 7. Health, Safety


**B. ENVIRONMENT**

- 8. Restricted chemicals – REACH legislation
- 9. NFRD legislation and sustainability reporting
- 10. Reduction of pollution and emissions


**C. BUSINESS ETHICS**

- 11. Financial responsibility
- 12. Trade
- 13. Fraud and money laundering
- 14. Corruption & Bribery
- 15. Fair Business Competition and Anti-Trust
- 16. Conflict of Interest
- 17. Privacy, Intellectual property & Data Protection
- 18. Counterfeits and forgery
- 19. Whistleblowing dispositions & Whistleblower Protection
- 20. Human development and training
- 21. Compliance and risk management
