



## CORPORATE SOCIAL RESPONSIBILITY — SUPPLIER PRINCIPLES

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*Nexteer* is committed to acting in accordance with all applicable laws and conducting our business in a socially and environmentally responsible manner with the highest degree of integrity. *Nexteer* recognizes that the actions of each individual reflect on *Nexteer*. Every employee is responsible for upholding the standards established, including reporting violations consistent with applicable laws. Our global compliance standards, including our Code of Conduct, help us achieve greater accountability to our stakeholders and continually improve our sustainability reporting practices.

*Nexteer's honesty, integrity, and sound judgment* are essential to our reputation and success. Our Code of Conduct sets forth standards that we must abide by as we conduct business. The Code of Conduct is designed to deter wrongdoing and to promote:

- Honest and ethical conduct in personal and business dealings;
- Full, fair, accurate, timely and understandable disclosure in *Nexteer's* public communications and filed documents;
- Compliance with all applicable laws, rules and regulations;
- Prompt reporting of any Code of Conduct violations; and
- Accountability for adhering to sound business standards and practices.

It is important that all employees are empowered to report potential violations of our standards so that we can investigate and, if necessary, take corrective measures. To aid in this effort, *Nexteer* implemented a global ethics reporting resource to report suspected misconduct or suspected violations of law.

These same principles extend to *Nexteer's* global supply base. *Nexteer's* global supply chain management expects the entire supply chain to specifically adhere to the principles described in this document.

For each non-compliance, the supplier must implement corrective action plans to remain compliant with *Nexteer CSR Supplier Principles*. In the event the supplier fails to respect these principles, *Nexteer* reserves the right to impose penalties up to the exclusion of the supplier from *Nexteer's* supply base.

## **SUPPORT & RESPECT THE PROTECTION OF INTERNATIONALLY- PROCLAIMED HUMAN RIGHTS**

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The Supplier respects human rights in all the countries in which it operates, including in geographical areas where human rights are not yet sufficiently protected. The Supplier agrees to work towards preventing situations of complicity or acts of collusion concerning fundamental human rights violations. The Supplier pledges its commitment to fulfill its responsibility toward respecting human rights and to promote their respect throughout its entire supply chain.

## **UPHOLD FREEDOM OF ASSOCIATION & THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING**

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The Supplier acknowledges the global right of workers to form labor unions and join the labor union of their choice and agrees to ensure that union independence and pluralism are maintained. The Supplier is committed to protecting union members and leaders and to abstaining from all forms of anti-union discrimination. The Supplier is committed to protecting collective bargaining, a key aspect of relations between labor and management.

## **ELIMINATE ALL FORMS OF FORCED & COMPULSORY LABOR**

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The Supplier recognizes the principle of the freedom of choice of employment. The Supplier must not, under any circumstances, resort to forced or compulsory labor. Labor is deemed to be forced or compulsory when it is imposed by means of a threat (withholding of food, confiscation of land, non-payment of salary, physical violence, sexual abuse, or non-voluntary prison labor, etc.).

## **EFFECTIVELY ABOLISH CHILD LABOR**

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The Supplier is prohibited from employing children in violation of the stipulations of the International Labor Organization's conventions.

## **ELIMINATE DISCRIMINATION IN RESPECT OF EMPLOYMENT & OCCUPATION**

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The Supplier is prohibited from any discrimination based on race or ethnic origin, gender, religion or belief, political opinion, trade union activity, disability, age and sexual orientation in recruitment and career development and ensures equal treatment.

## **REMUNERATION**

The Supplier is committed to ensuring that remuneration is at least equal to the minimum amount mandated by law and the guaranteed minimum for the profession or as set forth in the relevant collective bargaining agreements.

The Supplier acknowledges the principle of equal pay for equally valued and productive work, particularly between men and women.

## **WORKING HOURS**

The Supplier undertakes to ensure that the total number of hours worked is equal to or less than the totals set forth in the national legislation or the collective- bargaining agreements in the country concerned. The Supplier is committed to ensuring that break times and periodic days off correspond at the very least to the minimum conditions.

## **RESPECT FOR HEALTH & SAFETY AT WORK**

The Supplier is committed to ensuring that effective occupational health and safety policies based on prevention are applied at its various sites in the form of concrete action plans that involve each employee at their level of responsibility in the company, including labor and management representatives.

## **SYSTEM OF ENVIRONMENTAL QUALITY MANAGEMENT**

The Supplier undertakes to implement a policy of management and of continual improvement of its industrial facilities geared towards protection of the environment, reduction of its energy consumption, management of water etc. It carries out the necessary monitoring with permanent and reliable measurements.

## **RESEARCH & ENVIRONMENTAL POLICY**

The Supplier is committed to adopting a voluntary policy in the field of research in order to develop its products and bring them up to a still higher standard in terms of respect for the environment. The supplier is committed to meeting *Nexteer's* commitment to green manufacturing by proposing solutions integrating recycled materials and / or materials of natural origin. Moreover, it is committed to contributing to the objective of recyclability through its material proposals.

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## **PROHIBITED SUBSTANCES & MATERIALS**

The supplies, products or parts bought from the Supplier, whether they are standard or specifically developed by the Supplier for *Nexteer*, must respect laws or regulations applicable in the production countries but also in the areas /countries where the product is sold or used.

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## **FIGHT AGAINST THE USE OF CONFLICT MINERALS AND COBALT**

*Nexteer* intends to exercise its duty of vigilance and participate in the development of responsible procurement. *Nexteer* requires transparency with suppliers on the origin of minerals (including cobalt, tungsten, tantalum, tin, and gold) particularly from conflict zones referenced in the *Nexteer* Supplier Requirements.

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## **FAIR TRADE PRACTICES**

The Supplier agrees to comply with all applicable anti-corruption laws, including, without limitation, the U.S. Foreign Corrupt Practices Act, and that neither it nor any of its subcontractors, vendors, agents or other associated third parties will engage in any form of commercial bribery, nor directly or indirectly provide or offer to provide, anything of value to or for the benefit of, any official or employee of a governmental authority or of any government owned, government-controlled or government affiliated entity to obtain or retain any contract, business opportunity or other business benefit, or to influence any act or decision of that person in his/her official capacity. The Supplier agrees to know about and comply with any applicable rule relating to competition, and prohibits anti-competitive practices. The Supplier must independently determine its behavior and its commercial policy on the market in order to maintain healthy competition. The Supplier shall ensure that its employees avoid any conflict between the interests of their business and their personal interests or those of their relatives. The Supplier undertakes to respond transparently and sincerely to requests for information from *Nexteer*, whether financial or non-financial. The Supplier guarantees the confidentiality of the exchanges with *Nexteer* and the protection of the information communicated by *Nexteer*. The Supplier is committed to effectively fighting counterfeiting throughout its supply chain and respecting intellectual property.

## ANIMAL WELFARE

As part of its supply, the Supplier undertakes to respect and to ensure that its own suppliers respect animal rights formalized by the World Organization for Animal Health concerning animal welfare.

## COMPLIANCE WITH THE LAW

The Supplier complies with the laws and regulations in force in all countries in which it operates. Suppliers are required to notify *Nexteer* of any legal restrictions of which they may be aware on resale (export control, environment, safety, transport, etc.).

### Revision History:

May 26, 2021	Added Cobalt to the fight against the use of conflict minerals.