



Sustainability, Compliance and Social Responsibility, Health and safety, Code of conduct

To All SEP D.O.O. Suppliers:

At SEP D.O.O. we are committed to running our business with integrity and in a socially responsible way. Protecting the health and safety of our employees, supporting organizations within our communities and safeguarding the environments where we do business is good for our communities and good for SEP D.O.O. Our customers expect this of us and we in turn expect no less from the members of SEP's supply chain.

To further these goals, SEP D.O.O. strives to adhere to the following principles and expects that you as a member of our supply chain will do likewise.

Compliance with Laws, Business Ethics and Standards. Doing the right thing matters. We are committed to conducting business with integrity and in compliance with all applicable laws. Our adherence to a strict standard of ethical behavior is not only the right thing to do but also helps us earn the trust and respect of our customers, shareholders, employees, suppliers and the communities where we live and work. We strive to ensure that our business is always on the right legal and ethical course. We work against corruption in all its forms, including extortion and bribery. Our values – integrity, respect, trust and pursuit of excellence – underscore our commitment to ethical behavior in our business and community interactions. Our values and culture support an ethics and compliance program that reinforces the expectation of ethical and legally compliant behavior, and is based on self-reporting and acceptance of personal responsibility for ethical behavior.

Human Rights, Working Conditions and Labor Standards. We support and respect the protection of internationally proclaimed human rights, and abhor human rights abuses. We uphold freedom of association and collective bargaining, support the elimination of forced or compulsory labor and the effective abolition of child labor, and support the elimination of discrimination in employment and occupation. We strive for continued improvement in the prevention of risks for employees. The labor standards in this document are based on the conventions of the International Labor Organization (ILO).

Environment. As we grow and adapt to the needs of a changing world, we continue to take steps that will reduce the environmental impact of our industrial activities, including the operational intensity of our energy consumption and natural resource consumption, the use of chemical compounds harmful to human health or the environment, and the generation of visual and noise pollution, atmospheric emissions and waste at our production sites. We do this by supporting a precautionary approach to environmental challenges through the implementation of corporate environmental, substance management and recycling policies, undertaking initiatives to promote greater environmental responsibility in ourselves, our staff and our suppliers, and encouraging the development and diffusion of environmentally friendly technologies.

Community Involvement. We support a diverse group of organizations, groups and interests within our communities that make them better places to live and work. We provide educational experiences for people of all ages and socioeconomic backgrounds through job training and employment development,



enrichment and youth mentoring programs, and college and university support. We also fund initiatives and organizations that focus on arts and culture, community revitalization, and health and human services, all in an effort to enhance the quality of life for our neighbors.

Health and safety. We expect that our suppliers maintain a safe and healthful workplace for their employees free of illegal drugs or controlled substances, protect the health, safety and welfare of those who may be affected by their activities by complying with all applicable environmental and health and safety laws, regulations and directives. A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment. Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers. Access to clean toilet facilities and potable water, and if appropriate sanitary facilities for food storage shall be provided. Accommodations, where provided, shall be clean, safe and meet the basic needs of the workers. The company observing the standards shall assign responsibility for health and safety to a senior management representative.

Code of conduct. Suppliers shall commit to the highest standards of ethical conduct when dealing with their employees, suppliers and customers.

- a) Suppliers shall prohibit any and all forms of corruption, extortion and embezzlement by their employees, officers, directors or agents.
- b) Suppliers shall adhere to standards of fair business, advertising and competition.
- c) Suppliers shall accurately record and disclose information regarding their business activities, structure, financial situation and performance in accordance with applicable laws and regulations as well as prevailing industry business practices.
- d) Suppliers shall respect intellectual property rights and safeguard customer information. Transfer of technology and know-how shall be done in a manner that protects intellectual property rights.
- e) Suppliers shall incorporate international Supply Chain Security (SCS) measures into their business processes as described by the World Trade Organization's SAFE framework or similar SCS guidelines (e.g., Business Anti-Smuggling Coalition (BASC) Security Program; Customs-Trade Partnership Against Terrorism (C-TPAT); Authorized Economic Operator (AEO), Partners in Protection (PIP).
- f) Suppliers shall implement a comprehensive business continuity plan throughout their operations and supply chain to preserve the safety of workers, protect physical property from loss and damage, safeguard intellectual property, prevent interruptions in the manufacturing process and ensure the integrity of shipments at the point of origin.
- g) Suppliers shall implement processes to address the confidentiality and protection of an employee who in good faith raises a concern, makes a report, or assists with an investigation related to potential ethical or criminal violations.
- h) SEP recognizes that it is customary for some of its suppliers and other business associates to occasionally give small gifts or offer modest business entertainment to those with whom they do business. It is important, however, that these gifts and entertainment events do not affect an employee's business judgment or give the appearance that judgment may be affected. When doing business with or conducting business on behalf of SEP, the supplier may, for legitimate business purposes (i) offer gifts or



entertainment to its suppliers, customers or other business associates; or (ii) accept gifts or entertainment offered by its suppliers, customers or other business associates; provided, however, that in each instance the gift or entertainment:

- is unsolicited;
- is not a bribe, kickback or other illegal or illicit payment;
- is not given in exchange for any consideration;
- would not embarrass SEP if disclosed publicly; and
- is not lavish or excessive;
- does not create the appearance (or an actual or implied obligation) that the gift giver is entitled to preferential treatment, an award of business, better prices or improved terms of sale.

Promotion of Standards in the Supply Chain. We expect our suppliers to respect and strive to achieve our sustainability goals and principles, and we reserve the right to monitor and audit compliance with sustainability objectives in our supply chains.

Kindly indicate that you as a member of the SEP D.O.O. supply chain will subscribe to this statement of SEP D.O.O. principals in all dealings with SEP D.O.O. and in your operations and that you will ensure that your sub-suppliers do likewise.

Company name:

Name: _____

Title: _____

Date: _____