

Table of Content

1.Overview and scope 2

2.Compliance with laws and regulations.....2

3.Product safety2

4.Competition on Fair Merits and Anti-corruption 2

5.Accuracy of records and submissions 3

6.Fair treatment and non-discrimination3

7.Work environment 3

8.Child labor 3

9.Trafficking, forced labor and migrant workers 3

10.Working hours and compensation 4

11.Environment4

12.Supply chain initiative4

13.Conflict minerals, REACH, RoHS, EU Waste Framework Directive (WFD), POP, Prop 65, TSCA 4

Material data reporting 5

14.Ethics & Compliance Program 5

15.Code Compliance 5

Appendix 1 6

Log of changes 6

1. Overview and scope

FLEXATI HOSE, including its subsidiaries and their branches and mobile units (collectively “FLEXATI HOSE”) is committed to the highest standards of ethics and business conduct. As stated in our Code of Conduct, FLEXATI HOSE’s employees must comply with the law, honor their commitments, act in good faith, uphold FLEXATI HOSE’s values and hold themselves accountable.

Our suppliers are critical to our success and, in order to provide superior products and services in a responsible manner, we require You to meet our expectations for ethics and compliance.

For the purposes of this Supplier Code, “SUPPLIER” means any company, corporation or other entity or person that sells, or seeks to sell, goods or services to FLEXATI HOSE or its operating companies and subsidiaries worldwide, including the Supplier’s employees, agents, subcontractors and other sub-tier sources.

This Supplier Code of Conduct (the “Code”) sets forth our expectations for each of our Suppliers, and aligns with the expectations we maintain for our own directors, officers, employees and representatives. Hydroscaud understands and expects that our Suppliers will have their own internal codes of ethics and conduct. This Code is not intended to be an exhaustive list of all ethical and business conduct requirements to be followed by suppliers.

SUPPLIER are responsible for ensuring that their directors, officers, employees, representatives, and business partners understand and comply with the expectations set forth in this Code.

By signing this document or otherwise providing written confirmation, SUPPLIER acknowledge and agree that it is responsible to comply with this Supplier Code of Conduct.

General Disclaimer: The expectations set forth in this Code are not intended to conflict with or modify the terms and conditions of the General Supply Agreement with FLEXATI HOSE. If an agreement requirement is more restrictive than this Code, You must comply with the more restrictive Agreement requirement.

2. Compliance with laws and regulations

The SUPPLIER must be aware and maintain full compliance with all laws and regulations that apply in all the countries where they operate and do business. The SUPPLIER shall always be compliant with the highest requirements from either this Supplier Code of Conduct or local laws and regulations where they operate. All suppliers must follow the trade regulations and export control regulations which is valid for the country they conduct their business and activities.

3. Product safety

The SUPPLIER must make all efforts needed to make sure that the products and services supplied are safe and have correct and complete information about safety risks and how to use the product ensuring highest possible product safety. All required inspection and testing operations must be completed properly by appropriate authorized and qualified individuals and any required certifications must be completed accurately.

4. Competition on Fair Merits and Anti-corruption

The SUPPLIER must compete on the basis of merits of its products and services.

The SUPPLIER shall comply with international anti-corruption conventions. The SUPPLIER may not receive or offer compensation that could be interpreted as bribery or facility payments (e.g. payments

to expedite or secure performance of a governmental action like obtaining customs clearance). FLEXATI HOSE does not accept SUPPLIER trying to have impact on decision made by government, suppliers, and companies within FLEXATI HOSE.

The SUPPLIER must not engage in any anti-competitive conduct for any reason whatsoever, whether on FLEXATI HOSE behalf, its own behalf, or on behalf of others. Accordingly, the SUPPLIER must never rig bids, fix prices, or allocate customers or markets, or exchange FLEXATI HOSE or its own competitively sensitive information (e.g. price, cost, output, etc.) with FLEXATI HOSE competitors or its own competitors. You must also refrain from abusing market power, whether for SUPPLIER benefit or for the benefit of others, by refusing to deal, engaging in predatory or discriminatory pricing practices, conditioning the sale or provision of a particular product or service with that of another product or service, or undertaking similar abusive tactics.

5.Accuracy of records and submissions

The SUPPLIER must maintain books and records that accurately and completely reflect all transactions related to FLEXATI HOSE business and each of Your submissions to FLEXATI HOSE, its customers and regulatory authorities must be accurate and complete. The SUPPLIER must never make any entry in its books and records, or alter, conceal, or destroy any document to misrepresent any fact, circumstance or transaction related to FLEXATI HOSE.

6.Fair treatment and non-discrimination

All employees employed by SUPPLIER shall be treated with respect and without any harassment in any form. There shall not be any discrimination at any time, nor during the decision of hiring personnel. This means, but is not restricted to, age, ethnicity, national or social origin, gender, sexual orientation, marital or parental status, pregnancy, disability or serious illness, religion or union membership.

7.Work environment

The SUPPLIER shall comply with all work environment regulations and take control of the responsibility for the health and safety of its employees, temporary staff and consultants. Providing a safe, healthy and hygienic workplace is a must for the SUPPLIER. The SUPPLIER shall provide training and ensure that the employees are educated in health and safety related issues. The SUPPLIER shall also control hazards and take preventive actions against accidents.

8.Child labor

The SUPPLIER shall not have employees who are below the age of 15 as a minimum requirement. If the legislation requires a higher age, then the legislation should be followed. The SUPPLIER must be able to show with documentation the age of all employees. The SUPPLIER shall also ensure that all new employees have finished compulsory schooling requirements.

9.Trafficking, forced labor and migrant workers

The SUPPLIER must comply with all laws and regulations prohibiting human trafficking. The SUPPLIER shall not use any form of forced labor, such as involuntary prison, victims of slavery, involuntary work or illegal employees. The SUPPLIER shall not financially punish their employees, such as payment reductions or withholding payments. All employees must have the choice to leave their employment freely upon agreed notice period without salary deduction.

Migrant workers shall be treated on an equal basis as local workers. You must have procedures and methods for minimizing the risks of human trafficking.

10. Working hours and compensation

The SUPPLIER shall follow local wage regulations and/or collective agreements. If such does not exist, employees should be compensated at least the minimum so they can meet their basic needs. Furthermore, You shall ensure that working hours, including overtime, do not exceed applicable legal requirements, and where such requirements do not exist FLEXATI HOSE is recommending employees not to exceed sixty hours per week including overtime. Furthermore, The SUPPLIER shall ensure that employees are allowed at least one uninterrupted day off per week.

11. Environment

The SUPPLIER must comply with environmental international conventions and local laws in the countries where they operate. The SUPPLIER shall limit the negative environmental impact, both direct and indirect, with realistic actions and work with continuous improvements to reduce the negative impact.

The SUPPLIER shall at any given moment comply with specific requirements, such as banned or restricted substances that have been communicated as part of contracts /agreements.

12. Supply chain initiative

FLEXATI HOSE expects that the SUPPLIER make reasonable efforts to ensure that its suppliers and sub-suppliers understand and comply with this Supplier Code of Conduct.

13. Conflict minerals, REACH, RoHS, EU Waste Framework Directive (WFD), POP, Prop 65, TSCA

The SUPPLIER shall comply with federal laws and regulations requiring disclosure of the use of conflict minerals. Conflict Minerals are tin (Cassiterite), tungsten (Wolframite), tantalum (coltan), gold and the derivative metals from these minerals. FLEXATI HOSE expects the SUPPLIER to have policies based on the OECD guidelines enabling FLEXATI HOSE to make sure that components and products delivered from the SUPPLIER are conflict-free.

The SUPPLIER shall undertake to comply with the REACH Regulation (EC) 1907/2006 (“REACH”) and the RoHS Directive (“RoHS”). The Substances regulated in REACH and RoHS must either not be used in any Products delivered to FLEXATI HOSE (or the production process of such Products) or be compliant according to approved exemptions. The SUPPLIER is responsible, at all times, for being updated of the REACH-SVHC, candidate list and RoHS list and to be able to show evidence of full compliance. The SUPPLIER shall comply with EU Waste Framework Directive 2008/98/EG. If the SUPPLIER uses any material included in REACH and RoHS the SUPPLIER is obliged to register the products in the EU Waste Framework Directive database including information on Substances of Concern In articles as such or in complex object (Products) (SCIP).

The SUPPLIER shall comply with all restrictions to Persistent Organic Pollutants (POPs). The SUPPLIER affirms that products supplied do not contain substances listed in the current POPs list. The SUPPLIER agrees to promptly inform FLEXATI HOSE of any changes in the composition of supplied products that may affect compliance with POPs regulation.

The SUPPLIER warrants that all products supplied to FLEXATI HOSE comply with Proposition 65 and Toxic Substance Control Act (TSCA) regulations. If any supplied product is found to be in the violation of Proposition 65 or TSCA, or if any substances subject to warning requirements is present, the SUPPLIER shall promptly notify FLEXATI HOSE in writing. The notification should include details of the non-compliance, corrective actions taken, and a proposed plan to prevent future occurrences.

Material data reporting

The SUPPLIER must adhere to all applicable regulations and industry standards regarding material reporting. As part of this commitment, the SUPPLIER are required to submit accurate and timely material information through specified systems, limited to the International Material Data System (IMDS) and BOM Checker. Non-compliance with these reporting requirements may result in a review of the SUPPLIER relationship.

14.Ethics & Compliance Program

Proportionate with the size and nature of the SUPPLIER business, the SUPPLIER must have management system and processes in place to ensure compliance with applicable laws, regulations and requirements set forth in this Code; (b) promote an awareness of and commitment to ethical business practices, including, expectations set forth in this Code; (c) facilitate the timely discovery and disclosure (to FLEXATI HOSE and others, as appropriate) and implementation of corrective actions for violations of law, regulations or the expectations set forth in this Code; and (d) provide training to the SUPPLIER employees on compliance requirements.

15.Code Compliance

The SUPPLIER will permit FLEXATI HOSE and/or its representatives to assess SUPPLIER compliance towards the expectations set forth in this Code when performing work for FLEXATI HOSE, including on-site inspection of facilities and review of associated books, records and other documentation. The SUPPLIER are responsible to have all necessary documents showing compliance to this Supplier Code of Conduct and upon request provide that information to FLEXATI HOSE. The SUPPLIER must also provide FLEXATI HOSE upon request with additional information and certifications evidencing compliance.

In the event of any wrongdoing, The SUPPLIER will fully cooperate with any related investigation conducted by FLEXATI HOSE. The SUPPLIER will ensure that also SUPPLIER business partners fully cooperate if such investigation involves their performance.

The SUPPLIER (and SUPPLIER business partners) must correct any non-conformances identified during assessments. FLEXATI HOSE does not assume any duty to monitor or ensure compliance with this Code, and the SUPPLIER acknowledge and agree they are solely responsible for full compliance with this Code.

Date _____

Company name _____

Signature _____

Name _____

Title _____

Appendix 1

The FLEXATI HOSE Supplier Code of Conduct is based on the following international guidelines, supported by FLEXATI HOSE:

- United Nations Global Compact, Ten principles (GC)
- UN 17 Goals, Agenda 2030, 17 goals (2030 goals)
- United Nations Universal Declaration of Human Rights
- OECD guidelines
- RoHS, Directive 2011/65/EU including amendment 2015/863/EU
- REACH, Regulation (EC) No. 1907/2006
- POPs, Regulation (EU) No. 2019/1021
- Toxic Substances Control Act (TSCA), 15 USC 2601 et seq., 1976
- California Prop 65, The California Safe Drinking Water and Toxic Enforcement Act of 198
- Waste Framework Directive (WFD), Directive 2008/98/EC

Log of changes

- 1.
- 2.
- 3.