



**Dear Supplier:**

I am pleased to share with you Victaulic's Supplier Code of Conduct (the "Code"). The Code outlines our ethical expectations concerning labor practices and human rights, health and safety, environmental protection, and business management. Our stakeholders expect our organization and our entire network of business partners to operate in an honest and ethical manner, in accordance with applicable laws and regulations, and guided by shared values and policies.

Like Victaulic's employees, management and board members, our suppliers (as well as their suppliers and contractors) have an obligation to create and maintain safe working conditions. Supplier's employees must be treated fairly and respectfully, and products and services must be developed and delivered responsibly and in an environmentally conscious way.

We ask that all suppliers and sub-contractors adhere to this Code, including following proper procedures for reporting actual or suspected violations to our organization as specified herein.

As a supplier, you are responsible for knowing and adhering to all applicable regulations and performing due diligence on your suppliers, agents and subcontractors to ensure their compliance with those regulations and with this Code. You have an obligation to report any actual or suspected violations of the Code directly to Victaulic's Compliance department at [Compliance@victaulic.com](mailto:Compliance@victaulic.com). Everyone in our supply chain will be selected and evaluated on an ongoing basis using these measures, among others. Failure to comply with these essential requirements may jeopardize a supplier's relationship with our organization. Thank you for your cooperation and your continued business with Victaulic.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rick Bucher".

Rick Bucher  
President and Chief Executive Officer



## **SUPPLIER CODE OF CONDUCT**

Victaulic's Supplier Code of Conduct (the "Code") describes corporate responsibility requirements for our suppliers. Victaulic has a long-standing commitment to conducting its procurement business in an ethical, legal, environmentally and socially responsible manner, and this commitment extends to its diverse and worldwide supply base.

It is Victaulic's expectation that all suppliers acknowledge and accept the terms of this Code and meet its requirements. Suppliers are expected to be familiar with the business practices of their suppliers, agents, and subcontractors and ensure they operate within the guidelines of this Code. Failure to comply with this Code may result in the discontinuance of business relationships and termination of any current or future contracts with Victaulic.

### **Raising Ethical Concerns**

Any time a business partner fails to live up to the ethical standards established by our organization, the reputation and viability of both entities may be seriously and negatively affected. To establish, preserve and protect an ethical workplace, each of our partners has a critical responsibility to be alert for red flags of ethical violations and to address them as soon as possible.

Victaulic expects its suppliers to speak up promptly to report questionable behavior, concerns, or actual or potential violations of this Code discovered within their organization or among their subcontractors. Suppliers should also raise concerns when proper procedures relating to our business together are not being followed, even if they are not certain whether there are legal or ethical violations. Please contact Victaulic's Compliance department at [Compliance@victaulic.com](mailto:Compliance@victaulic.com) and our team will work with the supplier to implement recommended action plans to correct non-compliance within a specified time.

### **Our Non-Retaliation Policy**

To encourage business partners to report and discuss ethical concerns without fear of negative personal consequences, Victaulic has a strict non-retaliation policy. Any supplier who makes a report in good faith will not be retaliated against by anyone in our organization.

### **I. ETHICS AND STANDARDS OF CONDUCT**

Suppliers, and their suppliers, agents, and subcontractors are expected to conduct business with integrity and mutual respect, upholding the highest standards of ethics and behavior, including:



1. **Business Integrity** - Any and all forms of illegal or inappropriate activity, including, but not limited to, corruption, misrepresentation, extortion, embezzlement, and bribery are strictly prohibited and may result in termination of any or all supply agreements with Victaulic and possible legal action.
2. **Company Information** - Confidential and proprietary information addressing matters such as Victaulic 's business activities, strategies, plans, structure, technology, customers, financial situation, and performance is critical to Victaulic's success and cannot be disclosed or used, except in accordance with applicable regulations, contractual requirements and this Code. Suppliers must:
  - Comply with applicable non-disclosure agreements and contractual confidentiality requirements regarding information belonging to or in the possession of Victaulic;
  - Never misuse or disclose confidential or proprietary information to unauthorized parties;
  - Properly handle information regarding the Victaulic brand and logo; and
  - Receive Victaulic's written approval before using information about Victaulic or Victaulic's name or brand identity publicly in any publicity, advertising, or website.
3. **Conflicts of Interest** - Suppliers should avoid engaging in any business activity that would conflict or interfere with their provision of products and services to Victaulic.
4. **Corruption and Bribery** - Suppliers shall not engage in any business or activities that violate any applicable anti-corruption and anti-bribery laws and regulations. Suppliers shall comply with the U.S. Foreign Corrupt Practices Act, 15. U.S.C. §§ 78dd-1 et seq. ("FCPA"), which prohibits payments to any third party, whether directly or through any intermediaries, regardless of whether they are agents, consultants or manufacturers, while knowing (including conscious disregard and deliberate ignorance) that all or a portion of that payment will go directly or indirectly to a government official, the OECD Convention of 17 December 1997 on "Combatting Bribery of Foreign Officials", and any other applicable laws prohibiting improper payments, and at such time and in such form as requested by Victaulic, will agree to sign a certification statement of compliance with all applicable anti-corruption and anti-bribery laws.
5. **Business Gratuities** - Victaulic's suppliers are expected to compete based on the merit of their products and services, not through gifts, entertainment, or other business gratuities. The giving and receiving of gifts, however, is a common business practice and appropriate business gifts and entertainment are often courtesies designed to further build professional relationships and understanding



among business partners. Victaulic expects suppliers to follow all applicable laws and the provisions of this Code with respect to gifts, entertainment, and other business courtesies when working with or representing Victaulic. Supplier should adhere to the following guidelines when determining whether a gift or business gratuity is appropriate:

- Gifts should never be given or accepted with the intention to influence, or appear to influence, a business decision. Gifts should never be given or accepted any time around a contract negotiation.
- Gifts should never be solicited.
- Acceptable gifts should be reasonable and appropriate.

## II. HUMAN RIGHTS

Suppliers, and their suppliers, agents and subcontractors will always remain in compliance with all applicable laws and policies covering the following labor practices.

1. **Child Labor** - Victaulic does not engage in or support the use of child labor. Suppliers shall employ only workers who meet the applicable minimum legal age requirement for their location.
2. **Minimum Wages** - Suppliers shall provide wages and benefits that meet or exceed legal requirements.
3. **Forced Labor** - Suppliers shall not use any forced, indentured, or prison (except for legitimate paid prison labor/work programs) labor. Victaulic will not purchase materials or services from a supplier utilizing forced or involuntary labor.
4. **Freedom of Association** - Supplier considers the rights of all workers and employers without exception to establish and join organizations of their own choosing without prior authorization and without interference from government or from one another.
5. **Discrimination** - Victaulic supports diversity and equal opportunity in employment and unlawful discrimination in the workplace is not tolerated.
6. **Slavery and Human Trafficking** - Victaulic does not tolerate the use of slavery or human trafficking in any part of its business or supply chain and expects its suppliers to take steps to ensure it is not taking place in their business or supply chains. We expect all suppliers to have effective controls to ensure slavery and human trafficking in any form does not occur in their supply chains.

## III. GLOBAL TRADE LAW COMPLIANCE



This Code is used to standardize requirements for Victaulic suppliers and should be utilized for all international shipments to Victaulic facilities. Suppliers shall comply with all applicable export/import regulations governing international trade, including the U.S. Export Administration Regulations (EAR), the Office of Foreign Assets Control Regulations (OFAC) and all applicable non-U.S. Government export/import regulations.

Victaulic will not do business with anyone who engages in business with OFAC's Specially Designated Nationals and Blocked Persons (<https://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>) or who directly or indirectly source or manufacture any materials, components, sub-components, or services for products from vendors or suppliers located in any OFAC sanctioned country (<https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information>). Victaulic expects suppliers to effectively screen its vendors and suppliers to determine if they are denied parties or located in an OFAC sanctioned country.

***Any government penalties that are determined to be the result of supplier's non-conformance will be for the account of the supplier.*** Suppliers who do not comply with Victaulic compliance and shipment instructions may be held responsible for the payment of extra shipping charges and/or the additional cost of using an unapproved carrier. Foreign suppliers should direct questions regarding entry documentation to their designated point of contact. Questions may also be directed to Victaulic's Global Trade Compliance Department via email at [Trade.Compliance@Victaulic.com](mailto:Trade.Compliance@Victaulic.com)

#### **IV. ENVIRONMENTAL PRACTICES**

Victaulic values environmentally preferable products. Victaulic works with and encourages its suppliers to create products that are energy efficient, highly recyclable, and contain recycled materials and the lowest amounts of hazardous materials. Suppliers shall comply with all environmental laws and regulations applicable to their operations worldwide. Such compliance shall include the following items:

- Obtaining and maintaining environmental permits and timely filing of required reports;
- Proper handling and disposition of hazardous materials;
- Monitoring, controlling, and treating discharges generated from operations; and
- Conforming to applicable labeling and warning requirements.

Adverse effects on the community, environment, and natural resources are to be minimized while safeguarding the health and safety of the public.

#### **V. HEALTH AND SAFETY**

Suppliers are expected to provide a safe working environment and must comply with all applicable health and safety laws and regulations in the countries in which they operate. Suppliers shall, among other things, address the following:



- Be committed to the safety and health of its employees and shall ensure that required training of personnel has been completed prior to initiating any work activity. The supplier should have or subscribe to a written safety and health program.
- Be responsible for addressing and controlling worker exposure to potential safety hazards in conformance with all applicable standards and/or regulations and by utilizing suitable means, e.g., design, engineering and administrative controls, preventative maintenance, training, work procedures, and appropriate personal protective equipment.
- Have emergency plans and response procedures that implement all applicable laws and regulations regarding emergency preparedness, addressing emergency reporting, notification and evacuation procedures, training and drills and appropriate hazard detection and suppression equipment.
- Have procedures and systems to manage, track, and report occupational injuries and illnesses.

## **VI. DATA PRIVACY**

Victaulic expects its suppliers to comply with all applicable data protection and privacy laws and ensure that any personal data provided by or related to Victaulic or its employees, customers, agents, or representatives is obtained properly, stored securely, and is used only for those business purposes for which the data is obtained. Suppliers shall comply with Victaulic's privacy policies and shall always maintain protections and policies that are, at a minimum, in compliance with all applicable laws and regulations, including but not limited to the General Data Protection Regulation 2016/679 and such other applicable data privacy regulations. Suppliers must report any suspected or actual data breaches involving the exposure of Victaulic's data – whether Victaulic's employees or customers.

## **VII. COMMUNICATION**

Suppliers shall take appropriate steps to ensure that provisions of this Code are communicated to and adopted by their employees, suppliers, agents, and subcontractors. Any suppliers and/or their workers or subcontractors must promptly notify Victaulic if they suspect, observe or learn of unethical business conduct or the commission of any dishonest, destructive or illegal act.



**By signing below, Supplier acknowledges the terms of this Code and agrees to comply with the obligations set forth herein.**

**[Insert Supplier Name]**

\_\_\_\_\_  
Signed By:

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Title:

\_\_\_\_\_  
Date:

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