
Code of Conduct for Suppliers of EZ Engineering Company

December 2020.

EZ Engineering Company is dedicated to highest standards of integrity and social responsibility. We demand equally high standards from the third parties that we do business with. These Rules of Conduct for suppliers (Rules) contain general demands which are valid for all suppliers that provide services and goods for EZ Engineering Company. Conditions of a particular contract between supplier and EZ Engineering Company can include certain provisions which are related to some of here listed subjects. Nothing in these Rules has advantage over any specific provision of a particular contract, and in the case of a discrepancy between these Rules and any provision of a particular contract, contract provisions have advantage. These Rules do not have advantage over any law. Suppliers must adhere to all applicable laws and regulations in each of their respective fields of business.

In accordance with the [Code of Conduct of the Electronics Industry Citizenship Coalition](#) and the [UN Guiding Principles on Business and Human Rights](#), regulations in this Rulebook are derivated out of the most important international human rights standards, including the [ILO Declaration on Fundamental Principles and Rights at Work](#) and the [UN Universal Declaration of Human Rights](#).

A. LABOUR

Suppliers are obliged to respect human rights of employees and treat them with dignity and respect according to international human rights standards. This relates to all employees, including temporary employees, migrant workers, students, contract workers, direct employees and all other kinds of employees.

Binding labour standards:

1) **Freely chosen employment** – It is prohibited to apply forced labour, compulsory labour (including compulsion by debt) or contract defined compulsory labour, non-voluntary prison labour, slavery or trafficking. This includes transport, hiding, recruitment, transfer or admission of persons by the means of using threat, force, compulsion, kidnapping or fraud in order to use them for providing labour or services.

- During the process of employment, workers must be provided with the description of employment conditions in the language in which the candidate is fluent. In the case of migrant workers, the aforementioned must be provided before they leave their residing state.
- All labour must be voluntary and workers must have the right to leave the job at any time or to quit the job. Workers must be able to freely leave the place of work or their sleeping quarters during the out of work hours and can not be subject to unreasonable limitations to basic

freedoms (e.g. access to sanitations, drinking water etc.).

- Employers and agents can not keep or in any other form destroy, hide, seize or deny employees of their identification or immigration documents, such as government issued identification documents, passports or work permits, except in cases when such retention is commanded by the law.
- Workers can not be demanded to pay recruiting fees or other similar employment fees to their employers and agents. If it is discovered that workers paid such fees, the money will be compensated to them.

2) **Young workers** – Child labour can not be used in any phase of a supply chain. The term "child" refers to any person under the age of 15, person at the compulsory educational age or person that has not reached the minimum age for employment in the residing state, depending on which age is the highest. Workers younger than 18 (Young workers) can not perform labour that could probably put their health or safety at risk, including night shifts and overtime labour. Suppliers must ensure adequate management for student workers by adequately keeping student records, strict in-depth control of educational partners and protection of student rights according to applicable laws and regulations. Suppliers must provide appropriate support and training to all workers. If there is no relevant local law, the salary of a student worker, apprentice and trainee will be at least in the same framework like the salaries of other beginner workers that perform same or similar labour.

3) **Working hours** – Working week will not exceed maximum time defined by the local law and will not last longer than 60 hours a week, including overtime labour, except in urgent or extraordinary situations. Workers must be allowed at least one day off work each week.

4) **Salaries and benefits** - Worker salary must be in accordance with all applicable income laws, including those referring to minimum income, overtime labour and legally defined benefits. Suppliers must pay workers an overtime labour in accordance to local laws. Salary reduction as a disciplinary measure is not allowed. For each payment period workers must be given a timely and understandable salary accounting report which contains enough information to confirm precise payment for performed labour. Usage of temporary work force, workers employed through agencies and external associates must be in accordance to existing local laws.

5) **Humane treatment** – There can be no cruel or inhumane treatment, including sexual harassment, physical punishment, mental or physical constraint or verbal abuse of workers; nor will there be a threat of such treatment. Disciplinary measures and procedures in support of these claims must be clearly defined and made familiar to the workers.

6) **Non-discriminating labour** – Suppliers must treat their employees with dignity and respect and must ensure a working environment without harassment or abuse. Suppliers can not engage in employment which discriminates on the basis which have no relation to employee job demands. Workers will be provided with a reasonable accommodation for religious purposes. Also, workers or potential workers can not be subject to medical testing or physical examinations that could be used in a discriminatory manner.

7) **Freedom of association** – According to local law, suppliers must respect the right of all workers to set up and join worker unions of their preference, the right to collective bargaining and free gathering, as well as the right of workers to sustain from these activities. Workers and/or their representatives must have the possibility to publically communicate with managers and to share with them ideas and problems

regarding working conditions and management activities without fear of discrimination, reprisals, intimidation or harassment.

B. HEALTH AND SAFETY

Suppliers are expected to integrate proper health and safety practices in all aspects of business activities, including: work safety (limits to exposing workers to potential hazards), preparedness to act in emergency situations (implementation of plans for urgent situations and emergency reaction procedures, including worker training and exercise), preventing sickness and injuries at work and reporting on them, industrial hygiene (control and limits to exposure to chemical, biological and physical agents), limits to physically demanding labour and protection for using heavy or dangerous machines, access to clean and safe working environment (including clean sanitation, drinking water and hygienic preparation of food) and clear communication of health and safety related information.

C. ENVIRONMENT PROTECTION

EZ Engineering Company is dedicated to social responsibility and gives its contribution to environment protection and we encourage our suppliers to do the same. We demand from all suppliers to respect all applicable laws and regulations on environment protection, including demands for permits and reporting. Suppliers must find sustainable methods of improving energetic efficiency and maximally reducing energy consumption and greenhouse gas emissions.

For our production we demand following from our suppliers; pollution prevention and resources reduction; safe handling, storing, transfer, disposal of dangerous materials and chemicals and their safe usage; controlled usage and reduction in waste water; screening and controlling of air emissions (including volatile organical chemicals, aerosols, corrosive materials, particles, chemicals which inflict damage to the ozon layer and combustion by-products).

D. ETHICS AND INTEGRITY

Suppliers and their agents must adhere to highest ethical standards, including the following:

1) **Business integrity and fair business**

Highest standards of integrity must be respected in all business interactions. Suppliers must respect customs, rules, practices and codes of conduct that are present in the markets and fields of business activities of EZ Engineering Company in all countries in which supplier provides its services to EZ Engineering Company, including those that relate to

clients, colleagues and associates of EZ Engineering Company.

Suppliers can not tolerate any form of bribery, corruption, extortion and embezzlement and must ban them.

All business activities must be conducted in a transparent manner and will precisely be recorded in business books and supplier records. Suppliers can not resort to false representation nor provide incorrect information or data to EZ Engineering Company, which goes for all transactions and activities in which EZ Engineering Company or its clients participate. This includes falsifying facts or providing or using incorrect information. Suppliers must accept only those business activities for which they have according skills and

experiences. Suppliers should be informed on practices in their profession to ensure ethical conduct and providing quality products and services to EZ Company and its clients.

Procedures of monitoring and overseeing will be implemented in order to ensure adherence to these demands by suppliers.

2) No bribery

Suppliers must respect all applicable local and international laws for bribery prevention, including American Foreign Corrupt Practices Act and British Bribery Act. Bribery or other means of receiving unmerited or unearned advantages can not be promised, offered, allowed, given or received. Furthermore, suppliers can not promise, offer, allow, give or receive any values for the purpose of getting or keeping a job, for the purpose of doing direct business with any other person, or to in any other way receive an inappropriate advantage. Payments for the purpose of speeding up routine official practices are forbidden. Suppliers must not use third parties in order to, instead of them, participate in aforementioned activities in which suppliers themselves are not allowed to directly participate.

3) Information publishing

Information regarding practices applied by the supplier in the fields of labour, health and safety, environment protection and information on business activities, structure, financial situation and efficiency will be published according to applicable laws and regulations and common market practices. Suppliers can not incorrectly present activities in their publishing announcements.

4) Intellectual property

Supplier must implement and maintain safety measures, including administrative, physical and technical safety measures designed to protect their information system from an unauthorized access and must immediately inform EZ Engineering Company if it feels that these systems are being compromised in a way that could inflict damage to EZ Engineering Company.

Suppliers must use confidential information, data, trading information, ownership rights and logos of EZ Engineering Company only in a manner which is allowed by their contracts with EZ Engineering Company, and must protect these data to a reasonable extent. Suppliers are not allowed to unlawfully misappropriate or undermine information on trading, logos or works of other persons protected by ownership rights. Suppliers can not misuse business secrets, ownership/confidential information of other parties nor to disclose such information to unauthorized third parties. Suppliers must immediately inform EZ Engineering Company on any unauthorized use of data, business secrets, brandmarks, logos or confidential information of EZ Engineering Company by suppliers or third parties.

5) Identity protection and retaliation prevention

Suppliers should (and) have¹ Service for reporting Rules violation or similar procedure in order for their employees to report any violation of these Rules or any other similar breach of integrity regarding working for EZ Engineering. Suppliers must have programmes for ensuring confidentiality, anonymity, supplier and whistleblower protection, except in the case when it is forbidden by law. In any case, suppliers have the responsibility to immediately report all information or allegations which they possess to EZ Engineering Company, regarding violation of these Rules of Conduct. Supplier must immediately inform EZ Engineering Company and if he/she finds out that a certain employee or a third party filled a demand or launched a complaint against EZ Engineering Company. All reports for the EZ Engineering Company are to be sent to integrity@ez-grupa.com.

¹ Definition of whistleblower: any person which discloses inappropriate conduct of company official or employee, of public servant or an official body.

6) Data and privacy protection

Suppliers must maintain internal rules and procedures that are reasonably designed for protection of data provided by EZ Engineering Company or for data which supplier acquires on behalf of EZ Engineering Company and its clients ("EZ Engineering Company Data"). Suppliers must respect all applicable laws on privacy, data protection and information safety, as well as regulatory and court demands regarding gathering, storing, processing, transfer or disclosure of EZ Engineering Company data. Suppliers must implement according agreements on data transfer with EZ Engineering Company in any form in which EZ Engineering and its clients, in accordance to applicable law, are obliged to implement them with service providers or to transfer them to subcontractors. Before recruiting a new subcontractor for processing of EZ Engineering Company data, the supplier must inform EZ Engineering Company on such matter at least 30 days before and ensure compliance of EZ Engineering Company prior to allowing any subcontractor to process EZ Engineering Company data.

7) Conflict of interest

Supplier must avoid any situation or relationship which could include inappropriate conflict of interest or impression of a conflict of interest with interests of EZ Engineering Company. Supplier is not allowed to offer or give valuable gifts, hospitality or entertainment services to any employee of EZ Engineering Company or to any family member of an EZ Engineering Company employee. EZ Engineering Company employees and their family members can not have significant economic interest in no entity that is doing business with EZ Engineering Company, and suppliers must avoid relationships which include conflict or impression of conflict with EZ Engineering employees.

8) Respecting the rules of fair competition and antitrust laws

EZ ENGINEERING enhances its business operations and maintains the confidence of its partners and clients on the basis of quality and merit of our work. We support free and open market and respect the laws on competition wherever we do business. We avoid discussing competitor sensitive issues and agreements which in an inappropriate way attempt to limit competition or break the law, including discussing and making agreements with our competitors in order to determine prices or sales conditions, to distribute market, clients and territories or to prevent competitors from entering the market. We aim to always compete fairly and expect the same from all our business partners (buyers and suppliers).

We demand our business partners to prove us that they adhere to these principles in their business operations.

We also demand from our business partners to do business by following the same high standards, commitment to integrity and respect of principles that are stated in our Code of Conduct for Business Partners when they do business with EZ ENGINEERING. It is up to each business partner to determine the way in which it will assure compliance and demonstrate compatibility with principles and standards that are listed in our Code of Conduct for Business Partners.

Relations that we built with our business partners are based on the foundations of mutual respect and confidence. We expect our business partners to do business with integrity and to be responsible for maintaining ethical relations with EZ ENGINEERING Company, as well as with all third parties contracted on our behalf.

EZ ENGINEERING does not offer inappropriate incentives, nor allows others to do it on our behalf, in exchange for favourable business decisions, business advantages or as a reward to individuals for making favourable business decisions or business advantages in the past. We expect our suppliers to respect these principles.

Business partners of EZ ENGINEERING Company which are contracted in all activities on behalf of EZ ENGINEERING Company must provide reliable, correct and complete information on their business operations and should publish information which are true, do not lead to false opinions, which are fair, balanced and in accordance with the Code of Conduct of our company.

We never participate in any kind of activity which could compromise professional judgement of our organisation, or suggest something which could give an impression to others that we operate unfairly in any other way.

From our business partners we demand the same level of commitment to transparency in all aspects.

E. MANAGEMENT SYSTEM

Suppliers will acquire or introduce management system designed to ensure the following:

- 1) Compatibility with applicable laws, regulations and customer demands regarding supplier operations and products;
- 2) Adherence to these Rules and
- 3) Recognizing and reducing operational risks related to these Rules. Furthermore, it will ensure continuous improvements.

F. CHANGES TO RULES OF CONDUCT

EZ Engineering maintains the right to update, change or modify Rules of Conduct for suppliers of EZ Engineering, and suppliers will accept these changes and work in accordance with them. Nothing in any document issued by supplier will be considered as modification or change to any part of these Rules.