

The background of the cover features a photograph of two men in a professional environment. One man, wearing a red plaid shirt, is seen from the side, looking towards the other man. The second man, wearing a blue button-down shirt and glasses, is facing forward, also looking at the same point. They appear to be in an office or a control room, as there are multiple screens and a complex network graph visible in the background. The overall color palette is dark, with purple and blue tones.

# **SUPPLIER CODE OF CONDUCT**

**August, 2020**

## **CONFIDENTIALITY STATEMENT**

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## TABLE OF CONTENTS

Global Message .....	5
What we value.....	6
Integrity .....	6
Energy and Positive Attitude.....	6
Respect .....	6
Focus on sustainable results .....	6
What we do not tolerate .....	6
Lack of Integrity .....	6
Negative Attitude and Disloyalty .....	7
Disrespect.....	7
Lack of Focus on Sustainable Outcomes .....	7
Anticorruption practices .....	7
Undue advantage .....	7
Supply Chain Value .....	8
Provisions.....	8
Work .....	8
Free Job Choice.....	8
No Child Labor .....	8
Working hours .....	9
Salaries and Benefits .....	9
Personal Integrity .....	9
Non-discrimination .....	9
Freedom of Expression .....	9
Respect for Diversity .....	9
Health & Safety.....	9
Workplace Safety .....	10
Emergency Preparedness.....	10
Occupational accidents and illnesses .....	10
Industrial Hygiene .....	10
Physically demanding work .....	10
Machine Maintenance .....	10
Sanitation, Food and Housing.....	11
Environment .....	11



Environmental licenses and reports .....	11
Prevention and reduction of resources.....	11
Hazardous substances.....	11
Atmospheric emissions .....	11
Product Content Restrictions .....	12
Ethics.....	12
Business Integrity.....	12
Undue advantage.....	12
Disclosure of information.....	12
Intellectual Property .....	12
Trade fair, advertising and competition .....	12
Identity protection.....	12
Privacy .....	13
No retaliation.....	13
Management system .....	13
Company Commitment .....	13
Accountability and accountability management.....	13
Legal and customer requirements.....	13
Risk Assessment and risks management .....	13
Improvement goals.....	14
Training .....	14
Communication .....	14
Feedback and employee participation.....	14
Audits and assessments .....	14
Corrective Action Process.....	14
Documentation and Records.....	14
Supplier Liability .....	14
Supplementary provisions .....	15
Privacy and Information Data protection .....	15
Intellectual Property .....	15
Monitoring and execution .....	15
Contacts.....	15
Stefanini Channels .....	15



## **GLOBAL MESSAGE**

This Stefanini Code of Ethics (the “Code”) reflects our commitment to achieving our goals with ethics and transparency in mind, while developing internal and external relationships based on principles of integrity. The values contained in this Code must be communicated to and adopted by all Stefanini employees and partners, whether customers, suppliers, or service providers.

The fundamental premise of this Code is full compliance with all laws and regulations applicable to Stefanini's operations. All employees must maintain compliance with the Code, and if any individual perceives of any deviation of ethics relevant to this Code, the individual must report such deviation to Stefanini Human Resources channels.

Inspired by Stefanini's values, this Code details the principles that are part of our organizational culture and is based upon the belief that ethical conduct is the basis for sustainable business development. This Code evidences both what we value and also what we cannot tolerate.

Stefanini's solid reputation and credibility are built by each individual in our business chain, through their actions and attitudes day after day. We truly appreciate the dedication and commitment of all our employees and partners in their efforts to understand and observe this Code as well as to protect the integrity of Stefanini.

Global CEO



## **WHAT WE VALUE**

### **Integrity**

Integrity is the primary value of Stefanini. Ethical behavior is the standard in both our actions and our words. For us, each decision must be guided by the highest standards of integrity and ethical behavior, thus preserving a relationship of trust, transparency, and good faith with our customers.

### **Energy and Positive Attitude**

Believe that you are capable and can accomplish anything. We believe that all Stefanini employees and affiliates should exhibit an attitude that emphasizes self-confidence and trust. It is an attitude that involves added value, responsibility, and results. Being positive is a striking feature in our collaborators and is essential to achieving the sustainable business results of our company. We believe that we are capable individuals and that we all can perform business activities in a positive and healthy way.

### **Respect**

We respect the person and the professional. The diversity of our teams is a major strength of the organization. Stefanini wants and advises its collaborators to stress the importance of diversity with the objective of promoting inclusion, regardless of race, skin color, gender ethnicity, sexual orientation, religion, origin, marital status, age, socioeconomic status, or any other personal characteristic. Much of our prosperity is built upon our organizational diversity and respect for people of all backgrounds.

### **Focus on sustainable results**

We always act to generate value for customers, shareholders, employees, and society. Stefanini encourages employee ability to innovate and propose differentiated solutions that add value. We anticipate innovation that brings results, which helps us overcome obstacles and reveal new ways to contribute to the success of our customers and business partners. Our value chain is regarded as a highly important aspect of our business.

## **WHAT WE DO NOT TOLERATE**

### **Lack of Integrity**

We do not tolerate any activity that goes against our values. We do not practice nor do we condone any conduct that involves: corruption, money laundering, fraudulent practices, undue advantage, conflict of interest, and partiality that compromises the relationships of trust, transparency, and good faith.



## **Negative Attitude and Disloyalty**

Stefanini does not tolerate negative or unfair attitudes in its value chain. We instill our employees, suppliers, and partners with our values and beliefs through recurring communications and trainings, and we share such ideas with our customers.

## **Disrespect**

Stefanini does not tolerate any kind of discrimination or disrespect for race, skin color, sex or gender identifications, ethnicity, sexual orientation, religion, origin or nationality, marital status, age, social class, or any other characteristic, throughout the process of hiring, promotion, and dismissal of employees, nor in our day-to-day activities and communications as employees. We will not tolerate any form of intimidation, forced labor, nor sexual, moral, religious, political, or organizational harassment.

## **Lack of Focus on Sustainable Outcomes**

We neither accept nor practice: non-compliance with agreements, failure to seek excellence, inability to change, neglect of clients and their needs, inflexibility, lack of accountability, and dishonesty. We believe integrity is a necessary component of sustainable business.

## **Anticorruption practices**

Stefanini neither practices nor condones the: offering, giving or committing to give to whomever, or accepting or committing to accept from whomever, both on their own account and through others, any payment, donation, compensation, financial or non-financial advantages or benefits of any kind that constitute illegal practice or corruption under the laws of any country, either directly or indirectly related to its activities, and, expects that its representatives and collaborators act the same way.

## **Undue advantage**

Bribery or other means of obtaining undue or improper advantage must not be offered or accepted. Employees can only receive promotional gifts and prizes that do not exceed the value of \$25.00 USD bi-annually.

Business decisions must be based on opinions exempt from personal interests or gains. A conflict of interest may occur when personal goals interfere with the assessment and objectivity of an employee, or in his/her loyalty to Stefanini. Employees should avoid situations that create or appear to conflict. No one is allowed to represent the company in agreements that result in the financial and/or personal benefits of relatives or friends. If a situation arises, the employee must recuse themselves from the decision-making process.



## **Supply Chain Value**

Stefanini professionals should develop and maintain the value chain with suppliers. Suppliers are contracted through a merit process and no favoritism should be shown due to personal interests.

It is expected:

- Adopt and follow objective, transparent and fair processes for choosing suppliers.
- Follow and require suppliers to comply with contracts, as well as respect for legislation, procedures, policies and this Code of Conduct.
- Report any suspected or unlawful practices involving suppliers to appropriate channels.

It is inadmissible:

- To hire or allow hiring by a supplier in an unethical manner.
- To hire or allow hiring by a supplier in a way that would violate child labor laws or be considered forced labour.
- To allow or tolerate in your chain a solution which involves the use of bribery, corruption, or otherwise considered as a crime by applicable law.

## **PROVISIONS**

### **Work**

Suppliers are committed to defending the human rights of workers and treating them with dignity and respect. This applies to all workers.

#### **Free Job Choice**

We do not allow the use of forced labor, mandatory (including debt servitude), slave labor, involuntary imprisonment or trafficking of persons. This includes transporting, lodging, recruiting, transferring or receiving vulnerable persons through threat, force, coercion, abduction or fraud.

All work must be voluntary, and workers must be free to leave work at any time or terminate their employment. Workers should not be obliged to deliver any identification, passport or work permit issued by the government as a condition of employment, unless required by law. Excessive fees are unacceptable, and all fees charged to workers must be disclosed.

#### **No Child Labor**

All regions should follow local regulations as they relate to child labor laws.



## **Working hours**

All regions should follow local regulations as they relate to working hours and overtime rules.

## **Salaries and Benefits**

The compensation paid to workers must follow at least all applicable wage laws. Salary discount as a disciplinary measure must only be carried out in accordance with the law. The basis on which workers are being paid must be provided in a timely manner via pay stub or similar document and according to local regulations.

## **Personal Integrity**

There should be no cruel and inhumane treatment, including any threat of such treatment, including any type of sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers. Disciplinary policies and procedures to support these requirements must be clearly defined and communicated to workers.

## **Non-discrimination**

For any type of work relationship, discrimination or harassment caused by different beliefs, ideology, sexual orientation, culture, religion, disability, social position or any other factor that may generate differentiation, inappropriate and discriminative behavior is not tolerated, and Stefanini respond to reports of such.

## **Freedom of Expression**

Open communication and direct engagement between workers and management are the most effective ways to resolve work and compensation issues. The rights of workers to express themselves freely must be respected within the confines of what is appropriate. Workers should be able to communicate openly and share complaints with management about working conditions and management practices, without fear of reprisals, intimidation or harassment.

## **Respect for Diversity**

Respect for people, regardless of gender, age, education, origin, social position, or beliefs is paramount. We value respect for diversity, talents and opinions, and individual personality. It is extremely important to respect and treat people free of any prejudices of any nature. We practice respect for the cultural diversity present in the Stefanini locations worldwide.

## **Health & Safety**

The suppliers acknowledge that, in addition to minimizing the incidence of accidents and diseases, a safe and healthy work environment improves the quality of products and services, the consistency of production, the retention of workers, and promotes positive



worker morale. Suppliers also acknowledge that educating the workforce is essential for the identification and resolution of health and safety issues in the workplace. Local regulations for health and safety will be followed.

## **Workplace Safety**

The exposure of workers to potential safety risks (e.g., sources of electricity and other sources of energy, fire, vehicles, and risk of falling) must be controlled through engineering and administrative controls, preventive maintenance, and safe-working procedures (including blocking/cutting), as well as safety training. In places where the risks cannot be adequately controlled, appropriate protective equipment must be provided for each worker. Workers should not be punished for raising legitimate security concerns.

## **Emergency Preparedness**

Potential emergency situations should be identified, evaluated, and their impact minimized by the implementation of emergency plans and procedures including: emergency reporting, employee notification and evacuation procedures, worker training, proper fire detection and suppression equipment, proper facilities, and exit recovery plans.

## **Occupational accidents and illnesses**

Procedures and systems should be up-to-date to prevent, manage, monitor and report injuries and illnesses, including provisions for: encouraging workers to report accidents and illnesses; classify and record cases of injuries and diseases; provide the necessary medical treatment as required; investigate cases and implement corrective actions to eliminate their causes; and facilitating the return of workers to work.

## **Industrial Hygiene**

Exposure of workers to chemical, physical and biological agents should be identified, evaluated and controlled. The engineering or administrative controls should be used to control exposure. When the risks cannot be adequately controlled by such means, the health of the worker must be protected by appropriate personal protective equipment programs.

## **Physically demanding work**

Exposure of workers to the risks of physically demanding tasks, including the handling of materials and heavy or repetitive work, prolonged position and highly repetitive or vigorous assembly tasks, must be identified, evaluated, and controlled.

## **Machine Maintenance**

Production machines must undergo maintenance to minimize safety risks. Proper physical protections must be provided and kept in place near the machines.



## **Sanitation, Food and Housing**

Workers should have access to clean sanitary facilities, drinking water and food preparation, food storage and cafeterias, where available and according to sanitary standards. The dorm for workers, where applicable, provided by the supplier or a work agent, should be kept clean and secure, with appropriate emergency exit, hot water for bathing, heating and proper ventilation, and provide privacy and the right to come in and out.

## **Environment**

Suppliers must recognize that environmental responsibility is part of global production. In operations, the adverse effects on the community, the environment, and natural resources should be minimized, while safeguarding the health and safety of the public. Renowned management systems such as ISO 14001 and EU Eco-Management and Audit Scheme (EMAS) have been used as a reference in the preparation of this Code and may be an additional source of information.

### **Environmental licenses and reports**

All necessary environmental licenses (e.g., disposal monitoring), approvals, and registrations must be obtained, maintained, and updated, and operational requirements and reports must be followed.

### **Prevention and reduction of resources**

Residues of all types, including water and energy, should be reduced or eliminated by practices such as the modification of production, maintenance, and installation processes, replacement, conservation, recycling, and reuse of materials.

### **Hazardous substances**

Chemicals and other materials that represent danger in the environment must be identified and properly handled, transported, stored, used, recycled or reused and discarded. Wastewater and solid waste generated by operations, industrial processes and sanitary facilities must be characterized, monitored, controlled and treated correctly before discharge or disposal.

### **Atmospheric emissions**

Atmospheric emissions of volatile organic chemicals, aerosols, corrosive particles, chemicals that destroy the ozone layer and combustion by-products generated from operations must be identified, monitored, controlled, and treated as required before unloading.



## **Product Content Restrictions**

Suppliers must comply with all laws, customer regulations and requirements relating to the prohibition or restriction of specific substances, including labelling for recycling and disposal.

## **Ethics**

To fulfill social responsibilities and to achieve success in the market, it is necessary that suppliers and their providers maintain the highest standards of ethics including:

### **Business Integrity**

The highest standards of integrity should be maintained in all business interactions. Suppliers must have a zero-tolerance policy to prohibit any and all forms of bribery, corruption, extortion and embezzlement (covering promising, offering, giving or accepting any bribes). All business transactions must be made transparent to accurately reflect the supplier's business records. Follow-up and enforcement procedures should be applied to ensure compliance with anti-corruption laws.

### **Undue advantage**

Bribery or other means of obtaining undue or improper advantage must not be offered or accepted.

### **Disclosure of information**

Business activities involving information on structure, financial situation and performance must be disclosed in accordance with applicable regulations and industry practices. Falsification of records or misrepresentation of conditions or practices in the supply chain are not accepted.

### **Intellectual Property**

Intellectual property rights must be respected as well as technology transfer and know-how must be done in a way that protects intellectual property rights.

### **Trade fair, advertising and competition**

Fair business standards, advertising and competition should be followed. Customer information must be secured appropriately.

### **Identity protection**

Programs that guarantee the confidentiality and protection of the supplier and the employee must be maintained.



## **Privacy**

Suppliers must undertake to protect the reasonable expectations of privacy and personal information of everyone with whom they do business, including suppliers, customers, consumers and employees. Suppliers must respect privacy and information security laws and regulatory requirements when personal information is collected, stored, processed, transmitted, and shared.

## **No retaliation**

Suppliers must have an effective process of communicating with employees and be able to raise any good-faith concerns without fear of retaliation.

## **Management system**

Suppliers must adopt or establish a management system, the scope of which is related to the content of this Code. The management system must be designed to ensure:

- Compliance with the laws, regulations and requests of customers related to the supplier's operations and products;
- Compliance with this Code; and
- Identification and mitigation of operational risks related to this Code.

The management system shall contain the following elements:

### **Company Commitment**

Policies of corporate social and environmental responsibility affirming the supplier's commitment to compliance and continuous improvement must be approved by the executive management.

### **Accountability and accountability management**

Supplier must have representatives of the company properly identified and responsible for ensuring the implementation of the management systems and associated programs.

### **Legal and customer requirements**

A process is required to identify, monitor, and understand the laws, regulations, and customer requirements, including the items in this Code.

### **Risk Assessment and risks management**

A process is required to identify the environment, health and safety, work and ethical practices associated with supplier operations, along with a determination of the relative importance of each risk and appropriate implementation of procedures to control the identified risks and ensure regulatory compliance.



## **Improvement goals**

It is expected that supplier has written performance goals, goals and implementation plans to improve supplier's social and environmental performance, including a periodic evaluation of supplier performance in achieving these goals.

## **Training**

It is expected that supplier has training programs for managers and workers to implement supplier policies, procedures, and improvement objectives, and to meet legal provisions and regulatory requirements.

## **Communication**

It is expected that the supplier has a process for communicating clear and accurate information about suppliers, practices, expectations and performance for workers, suppliers, and customers.

## **Feedback and employee participation**

It is recommended that the supplier have ongoing processes to assess the understanding of employees and obtain feedback on the practices and conditions covered by this Code and to promote continuous improvement.

## **Audits and assessments**

The supplier shall make periodic assessments to ensure compliance with the legal and regulatory requirements, the content of the Code, and contractual requirements of the customer related to social and environmental responsibility.

## **Corrective Action Process**

It is expected that the supplier has a process for correcting deficiencies identified by internal or external assessments, inspections, investigations, and assessments.

## **Documentation and Records**

The supplier must have a system for creating and maintaining documents and records to ensure regulatory compliance and compliance with the company's requirements, along with the proper confidentiality to protect privacy.

## **Supplier Liability**

It is expected that the supplier has a process for communicating the requirements of the supplier Code.



## **Supplementary provisions**

### **Privacy and Information Data protection**

Personal information and any type of information that may be related to an identified or identifiable person. This includes, but is not limited to, name, address, email, phone number, credit card information, Social Security number, other identification number (e.g., HR-ID).

Suppliers who have access to Stefanini's personal information, their customers, or partners must:

- Implement appropriate technical and organizational measures to protect information against threats to confidentiality, integrity and availability;
- Process, share, store and transmit personal information solely for the purpose that the data has been collected or provisioned and;
- Comply with all privacy and data protection requirements defined in the contract/agreement between the supplier and Stefanini.

### **Intellectual Property**

All intellectual property provided, disclosed or licensed to the supplier, including trademarks, patents, copyrights and trade secrets or information registered or not, are the property of Stefanini. The supplier agrees to use such intellectual property solely for the limited purpose of complying with the terms of the relevant agreement with Stefanini. The supplier shall not provide the registration of such intellectual property directly or indirectly and will not produce and/or distribute the unauthorized and/or falsified Stefanini products.

### **Monitoring and execution**

Stefanini expects suppliers and their employees to respect this Code and strive to achieve and maintain the standards described. Stefanini is available to support suppliers to achieve compliance.

### **Contacts**

Suppliers and/or their employees or subcontractors must promptly notify Stefanini if they suspect, observe or take notice of unethical conduct or the practice of any dishonest, destructive or unlawful act.

### **Stefanini Channels**

Stefanini Mission and Quality Policy: <https://stefanini.com/en/stefanini/about>

Stefanini Privacy Policy: <https://stefanini.com/en/stefanini/policies/privacy-policy>

