



# SUPPLIER CODE OF CONDUCT

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# REVISION HISTORY

FIRST EDITION:

| DATE    | AUTHOR     | VERSION | CONTENT             |
|---------|------------|---------|---------------------|
| 2022/09 | M. EL KARA | V0.1    | Document initiation |

MODIFICATIONS :

| DATE       | AUTHOR           | POSITION                             | INDEX | CONTENT  |
|------------|------------------|--------------------------------------|-------|--|
| 2023/10/12 | C. MINI/A. OUDIN | Sustainability manager/Legal Council |       | Changes: <ul style="list-style-type: none"> <li>- ISO 20400 and ISO 26000 guidelines to comply with: already mentioned previously, “certification” replaced by “guidelines”</li> <li>- Moratorium on deep seabed mining</li> <li>- Precisions on the definition of hazardous work for young workers</li> </ul>   |
| 2024/06/18 | C. MOORING       | Compliance & regulatory officer      |       | Changes as following: <ul style="list-style-type: none"> <li>- Addition of UNEP Resolution 4/19 on Mineral Resource Governance to Appendix 1 (best practices relating to supply chain due diligence described in the resolution are already mentioned in the core text, no further additions needed)</li> <li>- Reference to UN SDG’s in chapter 1 and addition to Appendix 1</li> <li>- Reference to the role of indigenous and local communities in the mitigation of impacts on biological diversity in art. 4.1.11 and addition of Convention on Biological Diversity to Appendix 1</li> </ul> Additional changes: <ul style="list-style-type: none"> <li>- Addition of CAHRA list reference</li> <li>- Introduction of grievance mechanism obligation</li> <li>- Modification of language requirements in employment contracts (art 6.2.4)</li> <li>- Addition of the obligation to develop appropriate metrics to measure performance and provide performance data when requested with regards to EUBR requirements</li> </ul> |
| 2024/06/27 | C. MOORING       | Compliance & regulatory officer      |       | Additional references: <ul style="list-style-type: none"> <li>- Resolution 4/19 on Mineral Resource Governance in chapter 1.1</li> <li>- United Nations Paris Agreement (2015) and the aim to reach carbon neutrality by 2040 in clause 4.1.4</li> </ul>   |
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APPROVAL :

| DATE | APPROVER                                 | POSITION  | SIGNATURE |
|------|--|---|-----------|
|      | C. GOARANT<br>G. MOREAU<br><br>T. FIGEAC | CFO<br>Chief Open Innovation<br>and Sustainability Officer<br>Chief Strategic Sourcing<br>Officer |           |

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## 1. OVERVIEW

### 1.1 Purpose

Verkor S.A. ("**Verkor**") is a company focused on the large-scale industrialisation of low-carbon lithium-ion batteries – an ambitious project that will power up phase by phase. Against the backdrop of climate issues relating to the transport industry, Verkor was born with the clear goal of making Europe a key manufacturer of the batteries of the future with sustainability at its core.

Verkor is spearheading a new business model: it wants to commit to a clean and locally based technological future that is in tune with the deep aspirations of today's society. Verkor stands by its convictions and is committed to a green approach throughout the battery life cycle — from the choice of components to recycling. These strengths will help to establish the battery sector as a sustainable industry that meets the growing demands imposed by the energy transition and contribute significantly to the implementation of UNEP Resolution 4/19 on Mineral Resource Governance and the achievement of the United Nations Sustainable Development Goals, in particular Sustainable Development Goal 7 (Ensure access to affordable, reliable, sustainable and modern energy for all) and Sustainable Development Goal 12 (Ensure sustainable consumption and production patterns).

Our ambition is to increase the manufacture of low-carbon batteries to meet the growing demand for electric vehicles.

We have written this "Verkor Supplier Code of Conduct" (the "**Code**") to ensure compliance with international norms, standards and legal requirements such as but not limited to those referenced in Appendix 1 and to help us establish a sustainable supply chain. To achieve this goal, we require the support of all our suppliers to comply with the standards set out in international legislations and regulations as well as to adopt best practices concerning responsible sourcing, the environment, ethics, human rights and health and safety at least to the levels indicated in this Code. We expect suppliers to request their sub-suppliers and subcontractors in their supply chain, to comply with the provisions contained within this Code. If there are any conflicts between this Code and any applicable local laws, the higher standard will prevail.

### 1.2 Compliance with the Code

Each supplier must consider the provisions of this Code during its normal on-going business operations and must ensure compliance through their own value chain. For more information on how you can effectively implement and comply with the provisions of this Code, please see section 8 (Implementation of the Code) included below.

Subject to the scope permitted by local legislation and providing reasonable written notice, Verkor, and third-party entities commissioned by Verkor, may verify and audit, whether suppliers are complying with the provisions of this Code. Based on the result of the inspection and investigation, Verkor may recommend that suppliers respond to any identified risks, and if so, suppliers will establish plans and implement countermeasures to mitigate identified risks in a timely manner.

### 1.3 Changes to the Code

This Code may be regularly reviewed, supplemented and amended by Verkor by giving written notice. The most recent version of the Code will be made available on the Verkor website.

### 1.4 Contact

We believe that communicating these values will help us build a stronger, longer lasting and sustainable business relationship with you. If you have any questions regarding the Code, please do not hesitate to contact the Sustainability department ([sustainability@verkor.com](mailto:sustainability@verkor.com)).

## 2. RESPONSIBLE SOURCING

*Verkor aspires to source goods that are responsibly produced and services that are responsibly performed. To help achieve this goal, suppliers are required to support Verkor by securing full transparency and traceability of their supply chain.*

### 2.1 The supplier must:

- 2.1.1 maintain and operate in accordance with **ISO 20400 sustainable procurement guidelines** or, if the supplier is not compliant yet, it must strive to comply with such guidelines as soon as reasonably possible;
- 2.1.2 perform appropriate due diligence on its own suppliers for risks of non-conformities to all the ethical, legal, environment and labour supply chain risks outlined in this Code;
- 2.1.3 submit relevant due diligence documentation to Verkor, or such other professional third parties appointed by Verkor to assess responsible sourcing, as requested by Verkor from time to time ("**Professional Advisors**");
- 2.1.4 complete all assessments and questionnaires and provide all reasonably necessary assistance and information to Verkor and the Professional Advisors, to allow Verkor and/or such Professional Advisors to evaluate existing and new sub-suppliers and subcontractors that the supplier wishes to use in its supply chain for Verkor;
- 2.1.5 comply with, and ensure its sub-suppliers comply with, the obligations and requirements of this Code and the OECD Guidance (as defined below), and will demonstrate such compliance upon Verkor's request; and
- 2.1.6 provide to Verkor and the Professional Advisors, upon request, information, data and evidence of its compliance with this section of the Code.

2.2 The supplier acknowledges and agrees that, subject to complying with all applicable legislation, the Professional Advisors may share with Verkor any and all information disclosed by the supplier to the Professional Advisors in accordance with this Code, and vice versa.

2.3 Based on the result of any assessment carried out by the Professional Advisors, Verkor may recommend that suppliers respond to any identified risks, and if so, suppliers will establish plans and implement countermeasures to mitigate identified risks in a timely manner.

## 3. RESPONSIBLE MINING

*Verkor is committed to only source Relevant Minerals (as defined below) which have been responsibly mined. To help achieve this goal, suppliers are required to support Verkor by securing full transparency and traceability of their Relevant Minerals in their supply chain.*

3.1 No supplier will use tin, tantalum, tungsten, gold, cobalt, nickel, lithium, manganese, graphite, or any other minerals or materials as may be added to this list by Verkor giving written notice, which have been mined in conflict-affected and high-risk areas or which have otherwise been procured through any illegal, unethical, or improper processes which result in the direct or indirect financing of armed conflicts, human rights abuses and violations, human trafficking, severe health and safety risks and violations, and environmental harm ("**Relevant Minerals**").

3.2 High risk areas will include any areas in a state of armed conflict, fragile post-conflict areas, as well as areas witnessing (i) weak or non-existing governance and security, such as failed states, (ii) widespread and systematic violations of international law and/or human rights abuses, (iii) widespread violence or other risks of harm to people. In this respect, the supplier can refer to the

non-exhaustive list of conflict-affected and high-risk areas (CAHRA) under Regulation (EU) 2017/821.

3.3 Without prejudice and in addition to section 2.1, the supplier must:

3.3.1 conduct due diligence in accordance with the OECD Guidelines for Multinational Enterprises and on Responsible Business Conduct and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (the “**OECD Guidance**”);

3.3.2 implement and maintain a policy of responsible sourcing, transparency and traceability in respect of any Relevant Minerals, so that the origin and supply chain of these minerals, including smelters, can be tracked from the mine to the point of supply to Verkor. The transparency and traceability process must be validated by a recognised independent third-party audit programme (for example, the Responsible Minerals Assurance Process (“**RMAP**”) or the Responsible Business Alliance’s (“**RBA**”), etc.);

3.3.3 include an obligation in its agreements with sub-suppliers that any Relevant Minerals will be sourced from mines and smelters that:

(a) comply with the IRMA Standard for Responsible Mining and have an IRMA certification, or can demonstrate a certification that meets or exceeds its requirements in all material aspects; and

(b) follow the most up-to-date Responsible Mining Foundation recommendation and best practice guidance (Responsible Mining Index Framework 2020);

or if the supplier is a mine or smelter that it will comply with the same itself;

3.3.4 conduct regular checks of its supply chain to identify, address and mitigate any risks related to the mining and processing of Relevant Minerals, and, in case of breach or potential breach, inform Verkor as soon as it becomes aware of the breach or reasonably believes there may be a breach, and implement appropriate corrective actions within a reasonable timeframe, so as to remedy the violation and to prevent similar future occurrences; and

3.3.5 complete an annual audit (internally or by a third party) of its sub-contractors (including mines used by sub-suppliers) which will include information on human working conditions and carbon emissions and make the results of such an audit available to Verkor within 30 days of receipt of the same.

3.4 If a Responsible Mining Foundation Report (for example, RMI Report 2022), identifies a smelter or a mine as being in breach of the responsible sourcing principles identified in this Code, Verkor may, without prejudice to any other contractual or legal rights or remedies that Verkor may have, request that:

3.4.1 if the supplier is the smelter or mine in question, establishes a remediation plan and implements measures to address any non-compliance; or, otherwise

3.4.2 the supplier sources Relevant Minerals from different sub-suppliers.

3.5 The Supplier shall support a moratorium on deep seabed mining as a matter of precaution and commits not to source minerals from the deep seabed, to exclude such minerals from Verkor supply chains and not finance deep seabed mining activities. When a Deep Sea Moratorium is published, the Supplier undertakes to subscribe to it and provide a signed copy of the Deep Sea Moratorium to Verkor.

## 4. ENVIRONMENT

*Verkor believes that access to a healthy and clean environment is a basic human right, and it is committed to preserving the environment for present and future generations. As part of our supply chain, suppliers have a key role in helping us reduce our collective environmental footprint and in supporting environmental responsibility throughout their operations.*

### 4.1 The supplier must:

- 4.1.1 obtain and maintain up to date all environmental **permits, approvals, licences and registrations** required by applicable local laws and it will comply with all disclosure and reporting requirements of the same;
- 4.1.2 operate in accordance with **ISO 14001 certified environmental management system or equivalent**, or, if the supplier has not obtained the certification yet, it must strive to obtain and maintain such certification as soon as reasonably possible, which will include processes to organize, plan, implement and check outcomes to mitigate environmental impacts from its business operations;
- 4.1.3 meet the EU Commission's minimum **recycled content target and carbon footprint threshold as** amended from time to time ("**EU Battery regulation**") and strive to perform above these minimum requirements. The supplier shall develop appropriate metrics to measure its performance and provide performance data when requested;
- 4.1.4 take steps to **reduce its impact on climate change**, in accordance with the **United Nations Paris Agreement (2015)** by aiming to reach **carbon neutrality by 2040**, including (without limitation) by:
  - (a) measuring and reporting Scope 1, 2, and 3 emissions (using the GHG protocol) and water usage data or, where appropriate systems to measure such data are not available, taking steps to implement a system to measure GHG emissions, water usage and resource use as soon as reasonably practicable and by 2027 at the latest;
  - (b) implementing and maintaining an air emission control system for all volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals, combustion by-products generated from operations and any other greenhouse gas emissions; and
  - (c) establishing targets (and where possible science-based targets) and action plans to reduce emissions (which plans must include monitoring and transparent reporting mechanisms);
- 4.1.5 **use recycled and recyclable materials** wherever possible, including in packaging, and comply with all applicable laws;
- 4.1.6 considering the **entire product life cycle**, implement a systematic approach to **identify, measure, manage, reduce, and responsibly dispose of waste**, diverting as much as possible waste from landfill and incineration, reducing single use plastic and utilizing materials with reduced toxicity in manufacturing processes for example by implementing practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials;
- 4.1.7 achieve **continuous improvement** in its operations by reducing emissions, increasing energy efficiency, and increasing renewable energy share;
- 4.1.8 develop and diffuse **environmentally friendly technologies**;



- 4.1.9 take steps to **monitor, measure and improve water usage** across its business operations including by:
  - (a) reducing freshwater usage;
  - (b) preventing contamination of storm water runoff and taking steps to ensure the storm drains are not contaminated by illegal discharges and spills;
  - (c) monitoring, controlling and treating wastewater generated from operations, industrial processes and sanitation and taking steps to reduce the generation of wastewater; and
  - (d) supporting safe and accessible drinking water in its business operations in alignment with the United Nations CEO Water Mandate;
- 4.1.10 **strive to continuously reduce the use of energy and water**, as well as minimise waste in their operations;
- 4.1.11 mitigate impacts on biodiversity, and respect practices of indigenous and local communities relevant for the conservation and sustainable use thereof;
- 4.1.12 **promote the circular economy and pay attention to the efficient use of materials** and the lifecycle impact on their products. i.e. minimize usage of single time use of materials;
- 4.1.11 ensure the safe handling, movement, storage, use, recycling or reuse and disposal of all **hazardous materials** and ensure information that can be used to identify hazardous or harmful substances is prominently displayed and otherwise communicated to Verkor in accordance with all applicable laws;
- 4.1.12 verify whether the raw materials and parts they secure, sell and supply contain any **substances that are harmful to the human body or the environment**.

## 5. ETHICS

*Verkor will hold suppliers to the highest standard of ethics and expect suppliers to conduct business lawfully, honestly, and responsibly, in line with all applicable laws and regulations and this Code.*

- 5.1 The supplier must maintain and operate in accordance with **ISO 26000 guidelines** or, if the supplier is not compliant yet, it must strive to comply with such guidelines as soon as reasonably possible;
- 5.2 When conducting its business, the supplier must **comply with the highest standards of integrity** and:
  - 5.2.1 implement measures, policies and provide training to ensure **compliance with anti-corruption** laws;
  - 5.2.2 shall not accept, facilitate or support money laundering;
  - 5.2.3 reject all corrupt practices;
  - 5.2.4 not engage in extortion, embezzlement, or graft through abuse of status, nor gain unfair benefits by taking advantage of weaknesses and deficiencies;
  - 5.2.5 not to directly or indirectly promise, offer, authorize, give or accept bribes or other means of obtaining undue or improper advantage in order to obtain or retain business;
  - 5.2.6 not participate in any action that constitutes influence peddling;

- 5.2.7 not proceed with any facilitation payment;
  - 5.2.8 perform business based on defined operational rules and transparently and ensure the participation of any party is accurately recorded (including any conflicting interests of such a party, if applicable);
  - 5.2.9 exercise caution with government officials, avoiding actions that could appear improper or raise bribery concerns; and
  - 5.2.10 accurately record business expenditures, never concealing the true nature of an expense.
- 5.3 The supplier must **respect all relevant fair business, advertising and competition laws and regulations** applicable in the country in which it is based and must not:
- 5.3.1 engage in activities that would disrupt fair competition through the pursuit of unfair transactions, such as abusing its market dominance or trading position;
  - 5.3.2 engage in activities that unfairly restrict competition in the marketplace with regards to the price, supply volume, area and terms of trade of goods or services; and
  - 5.3.3 improperly obtain information from competitors, partners, or other agencies, nor will it use or disclose information obtained illicitly.
- 5.4 The supplier must comply with all applicable international and local **export controls and customs regulations** with regards to the materials, goods and services supplied to Verkor and must:
- 5.4.1 conduct appropriate due diligence to comply with sanctions, export controls, and anti-boycott requirements;
  - 5.4.2 not engage in direct or indirect business transactions with countries, regions, and individuals under export controls or economic sanctions; and
  - 5.4.3 maintain accurate and complete records related to customs activities.
- 5.5 The supplier must ensure that it owns all intellectual property rights or otherwise that it has the appropriate licences for such intellectual property rights in any and all goods and services (including knowhow, process and deliverables complementary to such goods and services) supplied to Verkor and that it **must not infringe any third party's intellectual property rights** in supplying such goods and services. At all times, the supplier must:
- 5.5.1 not manufacture nor use unauthorized raw materials, parts or goods, nor use or sell counterfeit raw materials, parts or goods; and
  - 5.5.2 respect the intellectual property rights of its clients and business partners and put in place processes to protect such rights and to identify if infringing intellectual property rights are used, and if detected, notify Verkor and any relevant authorities as required by applicable law.
- 5.6 The supplier must **collect, use and disclose information** only in accordance with applicable laws and prevailing industry practices. Without limitation, the supplier must:
- 5.6.1 not disclose trade secrets and information relating to its clients or business partners without the relevant disclosing party's consent;
  - 5.6.2 comply with privacy and information security laws and regulatory requirements when personal information is collected, stored, processed, transmitted, and shared;

- 5.6.3 use personal information only for the purpose agreed with the disclosing party and store the information only for such period of time as it is necessary and otherwise in accordance with applicable laws;
- 5.6.4 adequately manage and safeguard its IT systems using appropriate technical and organizational data security controls to reduce the chance of a cyber-attack and of data loss; and
- 5.6.5 inform Verkor, by emailing Julien Darvey, IT manager (julien.darvey@verkor.com), as soon as possible and in any event within 24 hours of all material cyber security incidents affecting its IT systems to the address identified in section 1 (Overview).

5.7 The supplier is expected to provide or cooperate in remedy in cases where it has caused or contributed to violations of human rights or the environment, and to enable access to remedy where it has been directly linked to said violations. As part of this expectation, the supplier **shall establish a grievance mechanism** that fulfils the effectiveness criteria set out in Principle 31 of the UN Guiding Principles on Business and Human Rights, and ensure its sub-suppliers have done so in like manner. The supplier shall take effective steps to ensure that individuals who raise a concern do not fear negative repercussions or any other form of reprisal due to having raised the concern.

## 6. HUMAN RIGHTS

*Verkor treats its workforce fairly, with respect and dignity and supports the protection of internationally proclaimed human rights, including but not limited to the United Nations Universal Declaration of Human Rights and it expects its suppliers to do the same.*

6.1 The supplier **must not use child labour** in any form:

- 6.1.1 all supplier workers must meet the minimum legal working age in the region where the supplier is based and the workers must not in any case be aged 15 or lower even if permitted under local law (government-authorized job training or apprenticeship programmes excepted). The supplier must verify the age of all workers and applicants through legitimate documents such as identification cards and birth certificates;
- 6.1.2 the supplier must carry out due diligence and ensure at all times that it does not receive materials, goods and services from businesses that use child labour or who breach related legislation and, if the supplier becomes aware that any sub-supplier becomes engaged in such activities or has reasonable reason to suspect such engagement, it will immediately terminate the engagement of any such sub-suppliers;
- 6.1.3 the supplier must not employ young workers (aged 18 or lower) in high-risk jobs as defined by local health and safety standards, or which include night shifts, overtime, or hazardous work (as defined with exposure to physical, psychological or sexual abuse; underground, underwater, working at heights, or in confined spaces; with dangerous machinery, equipment, or tools, or involving handling of heavy loads; in unhealthy environments exposing the worker to hazardous substances, agents, processes, temperatures, noise or vibration damaging to health; under difficult conditions such as long hours, late night, or confinement by employer); and
- 6.1.4 if the supplier employs apprentices or other types of student workers it must ensure it has carried out sufficient due diligence on the educational partners to satisfy itself that the programme contributes towards the student's or the apprentice's overall education and upskilling and that it complies with all applicable laws. The supplier must keep appropriate work records and provide appropriate support and training to all apprentices and student workers. In the absence of any local applicable law, the wage rate for student workers, interns and apprentices will be at least the same wage rate as other entry level workers performing equal or similar tasks.

- 6.2 The supplier must comply with all applicable employment laws applicable in the country where it carries out its business operations, and it must **prohibit all forms of forced or mandatory labour**. The supplier must:
- 6.2.1 not use or support bonded (including debt bondage) or indentured labour, involuntary prison labour, slavery or human trafficking. This includes transporting, harbouring, recruiting, transferring or receiving persons by means of threat, force, coercion, abduction or fraud for labour or services;
  - 6.2.2 not, for the purpose of restricting workers' personal activities, require workers to submit their passports, identification cards or visas or engage in any other activities intended to restrict worker freedom of movement;
  - 6.2.3 not employ any form of abusive disciplinary practices including assault, intimidation, confinement or any other physically or psychologically cruel, inhuman, or degrading treatment for the purpose of forced labour;
  - 6.2.4 provide workers with an employment agreement in a language understood by them (and, in the case of workers moving from a different country, provided to them prior to the worker departing from his or her country of origin) and ensure workers are free to terminate employment by giving reasonable notice in accordance with their contract;
  - 6.2.5 not ask workers to pay the employers' or agents' recruitment fees or other related fees for their employment. If any such fees are found to have been paid by workers, such fees will be repaid to the worker; and
  - 6.2.6 carry out due diligence and ensure at all times that it does not receive goods and services from businesses that use forced labour and who break related legislation and, if it becomes aware that any sub-supplier becomes engaged in such activities or has reasonable reason to suspect such engagement, it will immediately terminate the engagement of any such sub-suppliers.
- 6.3 The supplier must **comply with all applicable local laws regulating working hours (including overtime) and provide fair and competitive compensation** and benefits that meet or exceed legal requirements and are sufficient to meet basic needs. In complying with this obligation, the supplier will:
- 6.3.1 ensure that any hours worked beyond normal work hours are voluntary, and, where applicable, compensate overtime at a rate greater than regular hourly rates or agree in advance to time in lieu instead of a higher hourly rate. In any event a working week should not be more than 60 hours per week, including overtime, except in emergency or unusual situations;
  - 6.3.2 ensure that all workers receive at least one day off every week;
  - 6.3.3 pay workers on specified agreed dates and provide them with a clear wage statement that includes sufficient information to verify accurate compensation for the work performed;
  - 6.3.4 not make deductions from wages as a disciplinary measure; and
  - 6.3.5 provide a working environment which is positively conducive of productivity by providing all workers with:
    - (a) benefits to improve quality of life;
    - (b) mandatory training in accordance with all applicable local laws; and

(c) a system that helps workers build their careers and strengthen their capabilities.

6.4 The supplier must **respect the right of workers to associate** and bargain collectively, and allow them to form and manage lawful bargaining bodies. The supplier will:

6.4.1 work with recognised worker representatives to promote the interests of workers and engage, with sincerity and in good faith, in collective bargaining negotiations with them;

6.4.2 allow individual workers to freely recommend negotiation terms if their representatives are absent; and

6.4.3 provide opportunities, even where there is no representation by unions, for worker and external stakeholder concerns to be heard without fear of intimidation, harassment, retaliation, or violence.

6.5 The supplier must be committed to a workforce **free of harassment and unlawful discrimination** and will not engage in discrimination based on race, colour, age, gender, sexual orientation, gender identity and expression, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic information or marital status in hiring and employment practices such as wages, promotions, rewards, and access to training. The supplier will (without limitation):

6.5.1 not include requirements that are not relevant to the job description when recruiting and hiring;

6.5.2 provide reasonable accommodation for religious practices;

6.5.3 not subject workers or potential workers to medical tests or physical exams that could be used in a discriminatory way;

6.5.4 not subject workers to harsh and inhumane treatment including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse (or threat of such treatment). Appropriate changes and measures should be implemented to eliminate such harassment, such as disciplinary measures against offending workers and changing workplaces or placements upon request;

6.5.5 respect the privacy of all workers and refrain from assigning unnecessary overtime tasks; and

6.5.6 notify workers in advance and obtain voluntary agreement when collecting their personal information.

## 7. **HEALTH AND SAFETY**

*Verkor is committed to ensuring it creates a safe and healthy work environment which minimizes the potential of work-related injuries and illness and it has developed its practices around the understanding that such practices need to be continuously reviewed and updated (including with worker input). Verkor expects suppliers to develop health and safety practices in accordance with all applicable laws and legislation and, at a minimum, to cover the areas identified in this section.*

7.1 The supplier must **obtain and maintain at all times all licences, permits and consents** required by applicable local health and safety laws and regulations and must provide a working environment that meets or exceeds local and national safety, occupational health, and fire safety legislation.

7.2 The supplier must **identify, implement and operate an internationally recognised occupational health and safety management system** in accordance with **ISO 45001 certification or equivalent**, if the supplier has not obtained the certification yet, it must strive to obtain and maintain such

certification as soon as reasonably possible. The health and safety management system must include organization, planning, procedures to prevent, manage, track and record occupational injury and illness, and a process to analyse the outcomes to prevent health and safety-related accidents. The system should, among other things, encourage workers to report work-related injuries and illnesses; enable the supplier to classify and record injury and illness cases; provide necessary medical treatment; investigate cases and implement corrective actions to eliminate their causes; and facilitate return of workers to work.

7.3 The supplier must provide workers with:

- 7.3.1 appropriate and on-going workplace **health and safety training**;
- 7.3.2 **health and safety information** easily available and in multiple accessible formats (as necessary);
- 7.3.3 appropriate and well maintained **personal protective equipment** (PPE) at no cost to workers;
- 7.3.4 **resting areas, toilet facilities, eating facilities and drinkable water**, and maintain hygiene and cleanliness in such facilities;
- 7.3.5 if applicable, **dormitories**, in which case these will be maintained to be clean and safe, with appropriate emergency egress, hot water for bathing and showering, adequate heat and ventilation, and reasonable personal space along with reasonable entry and exit privileges; and
- 7.3.6 regular **general or special medical examinations** as may be required by applicable local health laws;

7.4 The supplier will:

- 7.4.1 implement an **effective fire safety management system and emergency plan** at every supplier worksite, including for natural disasters and cluster infections which will include at the very least emergency reporting, worker notification and evacuation procedures;
- 7.4.2 provide an appropriate number of **clearly marked and unobstructed emergency exits** and evacuation routes, fire detection and warning equipment (which it will ensure it remains in good function all the time) and first aid materials;
- 7.4.3 conduct **emergency drills** in accordance with applicable laws and its own plans and guidelines;
- 7.4.4 have programs to measure **industrial accidents and illness**, and in cases of industrial accidents or where severe disease outbreaks occur, it will immediately cease operations and take necessary countermeasures including the evacuation of workers;
- 7.4.5 identify and evaluate worker **exposure to chemical, biological and physical agents** and use appropriate measures to control overexposures. If the hazards cannot be adequately controlled by such means, worker health is to be protected by appropriate personal protective equipment;
- 7.4.6 identify, evaluate and introduce appropriate controlling measures to **minimise worker exposure to the hazards of physically demanding tasks**, including manual material handling and heavy or repetitive lifting, prolonged standing and highly repetitive or forceful assembly tasks;



- 7.4.7 take precautionary action to prevent alcohol and illegal drug consumptions in the workplace; and
  - 7.4.8 not employ pregnant women, young, old or weak workers in **high-risk jobs** and should endeavour to improve the working environment to support socially vulnerable groups, including the disabled and immigrants.
- 7.5 To determine if workers are exposed to risk factors, the supplier must conduct regular **workplace safety assessments, including inspections and evaluations of hazardous or otherwise dangerous machines, equipment, and tools**. Upon completion of the assessment, the supplier must:
- 7.5.1 make the results available to its workers;
  - 7.5.2 taking into consideration the results, amend or change as necessary processes, machines, equipment so as to improve the overall safety of the work environment and address any risks identified in the results of the assessment or the inspection.
- 7.6 The supplier shall inform Verkor regarding any technology change and/or following an incident or any unforeseen event affecting the activity of the Supplier. Supplier shall provide Verkor with the latest information available regarding the characteristics and recommended use regarding the materials and/or products and/or services provided by Supplier.

## 8. **IMPLEMENTATION OF THE CODE**

- 8.1 The supplier must comply with all applicable laws, international norms, standards and legal requirements such as but not limited to those referenced in Appendix 1 and this Code, striving to prevent, mitigate, and remediate issues.
- 8.2 Verkor's goal is to develop a stronger, more sustainable supply base. In the event that a supplier fails to comply with this Code, Verkor may take such actions as it considers necessary and permitted by applicable laws and/or the agreement with the supplier, including without limitation (i) requiring that a remedial plan is developed and implemented by the supplier or (ii) suspending or terminating the business relationship with the supplier by giving written notice to the supplier in accordance with the agreement which governs the relationship of the parties.
- 8.3 Without prejudice to the obligations included in this Code, to help implement this Code, the supplier should (among other things):
- 8.3.1 designate a senior executive who is responsible for oversight, governance, implementation, and compliance with this Code;
  - 8.3.2 conduct a risk assessment to identify the legal compliance, environmental, health and safety and labour practice and ethics risks associated with its operations, and implement appropriate procedural and physical controls to control the identified risks and ensure regulatory compliance;
  - 8.3.3 consult with external experts, relevant stakeholders, and potentially affected groups to identify and assess actual or potential impacts;
  - 8.3.4 integrate due diligence findings in business planning and decision making, considering the environment, human rights, public health, indigenous populations, and the communities where it operates;
  - 8.3.5 set performance objectives, targets and implementation plans to improve the supplier's social and environmental performance, accurately track results, and continually evaluate and report progress;

- 8.3.6 provide appropriate remedies when non-compliance occurs; and
- 8.3.7 write and manage appropriate documents to prove their compliance with this Code and make such documents available to Verkor for inspection upon request.

## 9. **SUPPLIER ACKNOWLEDGEMENT**

- 9.1 We have read the contents of the Code and are committed to comply with the requirements included herein.
- 9.2 We acknowledge and accept that a breach of any of our obligations under this Code is a material breach of contract, and that if the relevant issue is not remedied or improved, Verkor may take actions, including requiring that a remedial plan is implemented, suspension or termination of the business relationship, upon giving us written notice in accordance with the agreement which governs the relationship of the parties.
- 9.3 We agree that this Code is subject to change and may be amended or supplemented by Verkor by giving written notice.
- 9.4 We will maintain documents and records of all identified risks, and the actions taken to follow up on such risks, for the duration of the business relationship with Verkor and otherwise as requested by applicable laws, and make such documents available to Verkor upon request.
- 9.5 We will immediately notify Verkor in writing if we become aware of any violation of this Code.
- 9.6 By remitting an offer to and/or entering business relations with Verkor we undertake to (i) comply with the principles set forth hereabove, (ii) give access to Verkor, if requested, to relevant data, information or evidence that demonstrate the said compliance and (iii) to collaborate with Verkor to implement a performance improvement action plan in accordance with these principles.



## APPENDIX 1

### REFERENCES

1. [International Bill of Human Rights \(The United Nations Universal Declaration of Human Rights and its two Covenants\) 1948](#)
2. [International Labour Organisation \(ILO\) Declaration on Fundamental Principles and Rights at Work \(1998\)](#)
3. Conventions n°138 of 1973 and 182 of 1999, relating to the minimum working age and the worst forms of child labour
4. Conventions n°29 of 1930 and 105 of 1957, on forced labour
5. Convention n°111 of 1958, non-discrimination in employment relations
6. Convention n°100 of 1951, relating to equal remuneration for work of equal value
7. Convention n°87 of 1948, on the freedom of association and protection of the rights to organise
8. Convention n°98 of 1949, on the right to organise and collective bargaining
9. Convention n°135 of 1971, on workers' representative in order to prevent any form of discrimination as a result of trade-union activities
10. ILO Convention n°158 of 1982
11. [United Nations \(UN\) Guiding Principles on Business and Human Rights \(2011\)](#)
12. United Nations Global Compact
13. United Nations Sustainable Development Goals (SDGs)
14. [Organisation for Economic Co-operation and Development \(OECD\) Guidelines for Multinational Enterprises \(2011 Edition and as updated from time to time\)](#)
15. [OECD Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas \(2016 Edition and as updated from time to time\)](#)
16. [Dodd-Frank Wall Street Reform and Consumer Protection Act](#)
17. [European regulation concerning batteries and waste batteries](#)
18. [United Nations CEO Water Mandate](#)
19. [United Nations Women's Empowerment Principles \(2010\)](#)
20. [Automotive Industry Guiding Principles \(2017\)](#)
21. [RMI Framework 2022](#)
22. UNEP Resolution 4/19 on Mineral Resource Governance
23. Convention on Biological Diversity

