

## PROCUREMENT POLICY

### INTRODUCTION

Our procurement policy implements ten commitments aimed at distinguishing lasting and balanced relationships with suppliers. Procovès implements requirements reference based on the ISO 20400 standard version 2017 and the Supplier Relations & Responsible Purchasing label standard version 2020 (<http://www.rfar.fr/>).

#### Commitment 1: Clarity

Procovès is committed to defining a clear and coherent Procurement Policy, at the heart of which a responsible purchasing approach is in line with the company's general orientations. The General Management has defined objectives which have been broken down into operational actions to ensure their achievement.

#### Commitment 2: Loyalty

Procovès and all its employees are responsible for their purchases. We are committed to developing our business in an environment of integrity. This is why Procovès has chosen to affirm, for all its activities, the principle of a zero-tolerance policy towards acts of corruption. As such, we communicate to our stakeholders our "Supplier Code" and the "Forced labor" questionnaire, the basis for conducting business in Marmon Group.

#### Commitment 3: Professionalism

Procovès is committed to professionalism in the management of its purchases. For us, it is in particular to go beyond the regulatory framework of the market: to ensure the free negotiation of the parties in the commercial relationship, to respect the balance in the contractual relationship and to respect intellectual property, even tacit.

#### Commitment 4: Listening

In order to establish a climate of trust with our suppliers, we wanted to listen to our suppliers: on the one hand to deal with delicate points before a situation deteriorates but also to continuously improve our relations. This is why an internal mediator has been appointed within Procovès. In addition, we communicate with our suppliers on our Purchasing Policy for a better mutual understanding.

#### Commitment 5: Balance

Procovès is committed to ensuring a balance between client and supplier. In order to satisfy our customers, it is important that our stakeholders respect their contractual commitments in terms of deadlines, price, product quality level. In return, Procovès respects and honors its regulatory and contractual financial commitments. In the event of difficulties, Procovès favors dialogue with an internal mediator, and possibly the use of compensatory alternatives to late payment by suppliers. In order to maintain a constructive approach whatever the circumstances, we wish to favor mediation in the treatment of possible disputes with our suppliers. *Contact: mediateurfournisseurs@wleiprocoves.com*

#### Commitment 6: Transparency

In order to ensure full transparency of its supply chain, Procovès prohibits any subcontracting not previously declared and authorized. We refuse to work with opaque circuits, which could go against the Sustainable Development Goals to which we are committed.



**Commitment 7: Know-how**

Procovès is committed to maintaining know-how and employment in France and Tunisia where the factories have been created. The company participates in groups of companies and local authorities, to optimize local synergies.

**Commitment 8: Local**

Procovès favors short circuits. When supplies cannot be made locally, Procovès favors a supply chain that has the least impact possible on the environment.

**Commitment 9: Improvement**

In order to help its suppliers move forward constructively, Procovès focuses on mutually beneficial points of improvement. Thus, we rely on an objective evaluation and ranking procedure based on verifiable indicators.

**Commitment 10: Competition**

Procovès has an objective supplier referencing policy that is open to potential new prospects, in line with our needs, in order to ensure healthy competition.

**Acknowledged and Agreed:**

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**Name of Supplier**

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**Date**

## SUPPLIER CODE

### INTRODUCTION

Marmon is committed to maintaining the highest standards of integrity, ethics, and sustainability in our business and supply chains. In keeping with our cornerstone values of Trust and Ethics, we are committed to working only with sub-contractors, vendors, service providers and business partners (collectively, “Suppliers”) who adhere to consistent standards and agree to conduct their business in accordance with these principles.

This Supplier Code applies to all individuals and businesses that provide products or services to Marmon and its subsidiaries, divisions, or affiliates (“Marmon”).

As a Marmon Supplier, you must comply with all applicable laws and regulations in the countries and jurisdictions in which you operate, the requirements set out in this Supplier Code, and your contractual obligations to us. The provisions of this Supplier Code are in addition to, and do not alter or replace, the provisions of any legal agreement or contract between the Supplier and Marmon. Suppliers are expected to hold their supply chain, including subcontractors and third-party labor agencies, to standards equivalent to those contained in this Supplier Code.

If a breach of this Supplier Code occurs, Marmon may, in its sole discretion, suspend related procurement, refuse or return goods from the Supplier until appropriate corrective action is taken, and/or terminate its business relationship with the Supplier in addition to any other rights or remedies available.

### **1. HUMAN RIGHTS & MODERN SLAVERY**

Marmon is committed to conducting business in a manner that respects and protects fundamental human rights as set out in the United Nations Universal Declaration of Human Rights. These include the right to life, liberty and security; equal rights of men and women; the right to protection under the law and against discrimination, slavery, servitude, torture or inhumane treatment; and freedom of speech, thought and religion. We take a zero-tolerance approach to modern slavery in all forms (including debt bondage, servitude, human trafficking and/or forced or child labor) occurring anywhere within our supply chain. In keeping with these commitments, our Suppliers must uphold the following labor practices.

#### Forced Labor, Human Trafficking and Child Labor

Suppliers must not use forced labor, including but not limited to any form of involuntary prison labor, human trafficking, forced, bonded, indentured, or slave labor. The use of child labor in working for Marmon is also prohibited. All Suppliers must be able to certify that materials in their products have not been manufactured using or otherwise obtained from companies that use forced or child labor or participate in human trafficking. Marmon expects its Suppliers to confirm the steps they are taking to ensure modern slavery and labor exploitation are not taking place in their business or supply chain.

#### Hiring and Employment Practices

Suppliers are expected to support and promote diversity in the workplace and provide equal opportunity for all qualified applicants. Suppliers must prohibit employment discrimination based on protected categories, including gender, age, ethnicity, nationality, religion, disability, or marital status. Suppliers must also comply with all local laws and regulations regarding a worker's legal right to work, including verifying work status through appropriate documentation.

#### Respect & No Harassment



Suppliers must ensure that the personal dignity, privacy, and rights of each individual in their workforce are respected. Suppliers must strive to create a workplace that prohibits any form of unethical treatment, threats of violence, or other forms of physical, mental or sexual harassment.

#### Compensation and Working Hours

Our Suppliers are required to conduct their operations in ways that promote a humane and productive work environment. Suppliers must compensate employees fairly and follow all applicable local wage, leave and hour labor laws and regulations. Where applicable, Suppliers must adhere to agreed-upon collective bargaining agreements. Suppliers shall ensure that working hours, including overtime, do not exceed applicable legal requirements and that workers are allowed appropriate leave time.

## **2. HEALTH, SAFETY AND ENVIRONMENT**

At Marmon we place the highest priority on providing a safe workplace for our employees and to operating in an environmentally sustainable and responsible manner. No consideration, deadline or job is more important than maintaining compliance with all applicable health, safety and environmental laws and standards. Our Suppliers are expected to share our commitment to these core priorities.

#### Health & Safety

Suppliers must provide a safe and healthy work environment for all employees and anyone else present at their locations. Suppliers should take proactive measures that support accident prevention and minimize health risk exposure. This includes implementation of appropriate systems and procedures in order to prevent, manage, track and report occupational health and safety incidents. Suppliers should also ensure that all workers are sufficiently aware of health and safety risks and are appropriately trained in a language the worker can understand in relation to workplace hazards that they may be exposed to.

#### Environment & Sustainability

Suppliers are expected to conduct their business in an environmentally responsible way that supports sustainable operations, minimizes their impact on natural resources and protects the environment. Suppliers must ensure that their operations comply with all applicable environmental laws and that all related permits, approvals and registrations are current and maintained wherever in the world they are operating.

#### Restricted Materials/Substances List

Suppliers must maintain sufficient knowledge of input materials and components to ensure they were obtained from permissible sources, in compliance with laws and regulations. If mandated by applicable law, Suppliers are expected to implement appropriate policies and procedures regarding conflict minerals and exercise due diligence with the sourcing of these minerals. Suppliers may be required to show evidence of compliance with these requirements.

## **3. BUSINESS CONDUCT & INTEGRITY**

At Marmon, operating with integrity is part of who we are and our expectation of all those who work with us. Marmon is committed to maintaining the highest standards of honest and ethical behavior in its work. We act in compliance with all applicable laws and regulations of the countries where we operate, both within the U.S. and abroad. Acting consistently with these requirements is a condition of selection as one of our Suppliers.

#### Compliance with Laws



Suppliers must adhere to all applicable laws and regulations in the countries and jurisdictions in which they operate. In particular, Suppliers must never seek to gain an advantage of any kind by acting fraudulently or dishonestly, making false claims or facilitating tax evasion or by allowing anybody else to do so on their behalf. Suppliers must comply with all anti-trust and other anti-competition laws.

Suppliers must comply with all applicable international trade and export control laws and regulations. In keeping with this commitment, while working with Marmon, Suppliers must not engage in any transactions or other business dealings, whether directly or indirectly, involving businesses or individuals located in countries that are subject of comprehensive sanctions embargoes imposed by the U.S. government, including Cuba, Iran, North Korea, Syria and the Crimea, Luhansk and Donetsk Regions of the Ukraine. Because trade and export restrictions are dynamic and subject to change, Suppliers are expected to maintain up to date compliance with the restrictions published by the relevant authorities in each country where they operate, including the U.S. Office of Foreign Asset Control and U.S. Bureau of Industry and Security. Suppliers must also maintain accurate financial books and business records in accordance with all applicable legal and regulatory requirements and accepted accounting practices.

#### Bribery & Corruption

Suppliers must refrain from involvement in any and all forms of corruption, extortion, embezzlement, bribery and kickbacks. It is strictly prohibited to offer, give or accept improper payments or anything else of value in order to obtain or retain business or to secure a business advantage, whether directly or indirectly via, e.g. a third party agent or intermediary. Suppliers must ensure that gifts or other business courtesies given to customers (including Marmon employees), government officials, and any other party are appropriate in nature and in compliance with all applicable anti-corruption laws.

#### Conflict of Interest

Suppliers must avoid all ethical, legal, financial or other personal relationships, activities and interests that could present a potential or actual conflict of interest. If a Supplier has a relationship with any Marmon employee that could represent a conflict of interest, this must be promptly disclosed to Marmon.

## **4. SUPPLY CHAIN MANAGEMENT**

Suppliers must procure goods and services in a responsible manner and in compliance with this Supplier Code. In particular, Suppliers are expected to communicate our requirements throughout their supply chains by adopting processes, policies, procedures and training to ensure compliance with all applicable laws and promote the standards and expectations set forth in this Supplier Code. This includes the following aspects:

#### Supply Chain Transparency and Right of Access

In order to ensure and demonstrate compliance with this Supplier Code, transparency is paramount. Suppliers shall keep records of all relevant documentation in relation to work undertaken for Marmon which may be reviewed to verify compliance with this Supplier Code upon reasonable request.

#### Training and Competency

Suppliers are expected to communicate and enforce the principles of this Supplier Code to their supervisors, employees, and suppliers. This includes establishing appropriate training measures to allow managers and employees to gain an appropriate level of knowledge and understanding of this Supplier Code, the applicable laws and regulations, and generally recognized standards.



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S.A.S. au capital de 1.056.570 € • R.C.S. Dijon B 712 054 899 • SIRET 712 054 899 00059  
APE 1419Z • N° T.V.A. : FR 57 712 054 899 • EORI : FR71205489900059

## 5. SPEAKING UP & REPORTING CONCERNS

No matter your location or role, when you are working for or on behalf of Marmon you are expected to conduct yourself according to this Supplier Code and to speak up if you see something that goes against the requirements set out within. We encourage you to raise any concerns via the Marmon stakeholder reporting channels. We have a zero tolerance approach to retaliation against anyone for reporting a concern in good faith.

Reports of non-compliance or any related concerns should be made to your Marmon business representative. All such reports will be treated confidentially and communicated on a need-to-know basis only.

We thank you for your cooperation and commitment to knowing and following this Supplier Code at all times.

### Acknowledged and Agreed:

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Name of Supplier

\_\_\_\_\_  
Date



<b>Procovès</b> Forced Labor Questionnaire		Version	1.00
<b>(Supplier Name)</b>			
<p>It is our policy to assure that no product purchased by us is produced, in whole or in part, with convict, forced, child or indentured labor. The purpose of this document is to collect information regarding the source of materials used in the production of items sold to us as well as an understanding of the procedures used in sourcing these materials. Please complete the following questionnaire with respect to the all levels of production, including the production of raw materials. For example, if you produce a circuit board and use purchased integrated circuits, you will need to determine the source of the silicon used in the product and demonstrate that the silicon was not produced with convict, forced, or indentured labor.</p>			
Supplier Address			
Description of Product(s)			
Contact Name:			
Contact Title:			
Email – Contact:			
Phone – Contact:			
Date:			
<b>Please Answer the Following Questions Regarding the Products that you sell to Procovès</b>			
A. Have you established a due diligence program or policy regarding forced labor?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
B. If Yes, please indicate whether your due diligence program includes the following:			
a. Review for all forms of forced labor and human trafficking?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
b. Review for issues regarding child labor?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
c. Assurance that worker identification or immigration documents are not being withheld?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
d. Determination of whether workers or potential workers are required to pay recruitment fees?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
e. Requirement for recruiters to comply with local labor laws, regardless of whether recruiters are located in the country where the worker will be employed?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
C. Is your due diligence program or policy publicly available on your website? (If yes, please specify the URL below.)		<input type="checkbox"/> Yes <input type="checkbox"/> No	
D. Do you require your direct suppliers to meet the requirements of this document and to require the same from their suppliers?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
E. Does your company conduct due diligence surveys of your relevant supplier(s)?		<input type="checkbox"/> Yes <input type="checkbox"/> No	



<b>ProcoVès</b>		
	Version	1.00
<b>(Supplier Name)</b>		
F. Do you review due diligence information received from your suppliers against your company's expectations?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
G. Has your company conducted business with suppliers who: attempt to hide the origin of their goods or conceal their ownership of the companies, writes contracts with opaque terms, or conduct financial transactions in such a way that it is difficult to determine where the goods were produced, or by whom?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
H. Does your organization issue a policy or policies that explicitly ensures: a. The provision or payment of return transportation for all foreign migrant workers at the end of their period of work if they were brought to the country for purposes of working for your organization? b. Worker housing, provided or arranged for, meets the host-country housing, sanitation and safety standards? c. Workers, including foreign migrant workers, can cancel their work contracts at any time without financial penalty, subject to providing reasonable notice in accordance with local law or a collective agreement? d. Wages meet applicable home country legal requirements, or the prevailing sector wage if no legal minimum wage exists? e. Verification of worker age, to confirm they are allowed to work, according to legal standards or organization policies? f. All workers are provided with detailed and accurate work agreements or similar work papers in a language understood by the worker?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No	
I. Do your workers who have direct responsibility for supply chain management and recruitment receive training on how to mitigate the risk of slavery and human trafficking?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
J. Does your organization have a process for workers and agents to report, without fear of retaliation, matters related to slavery and human trafficking?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
K. Does your organization maintain internal accountability standards and procedures to respond to a failure by workers or agents to meet organization policies regarding slavery and human trafficking?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
L. Does your organization have contractual terms and conditions that require its suppliers to affirmatively agree to its policy/policies regarding slavery and human trafficking?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

<b>ProcoVès</b> Forced Labor Questionnaire			
		Version	1.00
<b>(Supplier Name)</b>			
<b>XINJIANG SPECIFIC QUESTIONS:</b>			
M. Do you use any of the following in your products:		<input type="checkbox"/> Yes	<input type="checkbox"/> No
a. Agriculture (including such products as raw cotton, hami melons, korla pears, tomato products, and garlic)?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
b. Extractives (including coal, copper, hydrocarbons, oil, uranium, and zinc)?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
c. Fake hair and human hair wigs, hair accessories?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
d. Metallurgical grade silicon?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
e. Polysilicon, ingots, wafers, crystalline silicon solar cells, crystalline silicon solar photovoltaic modules		<input type="checkbox"/> Yes	<input type="checkbox"/> No
f. Stevia?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
g. Latex or nitrile gloves?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
h. Palm oil or palm oil products?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
N. Has a SUPPLIER you conducted or are conducting business with mention any variation of internment terminology (e.g., Education Training Centers (职业教育培训中心) or Legal Education Centers) coupled with poverty alleviation efforts (e.g. Xinjiang Aid, Mutual Assistance Programs), ethnic minority graduates, or involvement in reskilling vocational training, or re-education?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
O. Is the supplier you are conducting business with a Xinjiang Production and Construction Corps ("XPCC") affiliate, or work with any XPCC affiliate?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
P. Is the company you are conducting business with operating in Xinjiang?		<input type="checkbox"/> Yes	<input type="checkbox"/> No

Supplier Name

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Signature:

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Name:

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Title

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Date:

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