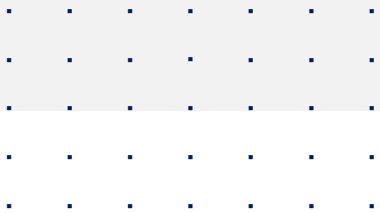




LAB SUSTAINABLE PURCHASING *** SUPPLIERS & CONTRACTORS CODE OF CONDUCT

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SUPPLIERS & CONTRACTORS
CODE OF CONDUCT



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1. Foreword

As an innovative, enterprising and high performing company, designing and building turnkey emissions treatment systems and contributing to reducing the environment impact around the world, LAB views its suppliers and contractors as a fundamental element of its business success. Suppliers and contractors here below together as “**Business Partners**” or simply “**Partners**”.

We endeavour to select our Business Partners who respect standards that we apply and are expected from our customers, and that are consistent with **Corporate Social Responsibility** principles (**CSR**) of the UN Global Compact.

We share with our clients the commitment to integrity and sustainability in our operations by improving environmental, social and economic performance and our Business Partners play a critical role in these efforts.

2. Scope and purpose

This Suppliers & Contractors Code of Conduct (the “Code”) is applicable to LAB’s operations in every part of the world and to any Business Partner delivering goods, services, work or any other business activities to LAB.

The purpose of this Code is to define the basic requirements placed on LAB’s Business Partners related to **Corporate Social Responsibility**. It is LAB’s objective to ensure that such requirements are implemented throughout the supply chain.

3. UN Global Compact

LAB expressly recognizes the ten principles of the UN Global Compact and actively supports these fundamental principles in the areas of human rights, labour standards, environment standards and the application of stringent ethical and moral business standards.

These principles also play an important role in the relationship between LAB, its customers and its Business Partners.

We commit to and expect our Business Partners to commit to observing all applicable domestic and foreign legal provisions and to avoiding all actions that could lead LAB or a company affiliated with LAB to violate or be subject to sanctions under applicable law.

4. Environment Social Governance (ESG) Standards

In line with the UN Global Compact, we expect our Business Partners to comply with the following standards:



4.1 Social Standards & Human Rights

- **Respect for human rights**

We expect our Business Partners to respect and support the UN Universal Declaration of Human Rights and to ensure that they are not accomplice in human rights abuses.
- **Health and Safety at the workplace**

In compliance with applicable laws and regulations, our Business Partners must ensure their employees' health and safety at the workplace. All hazards and the resulting health risks encountered by the employees must be properly assessed and necessary safeguard measures must be taken within the appropriate organisational structures and procedures of effective management of health & safety risks. In addition, they must provide their employees with the necessary PPE (Personal Protection Equipment).
- **No child, forced or illegal labour**

In accordance with the conventions of the International Labour Organization (ILO), our Business Partners must comply with minimum working age requirements defined by law and not tolerate any child labour, forced labour or any other form of illegal labour or human trafficking as per international conventions.
- **No discrimination or harassment & dignity**

Our Business Partners shall not practice any form of discrimination in hiring and employment on grounds on race, colour, ethnic origin, religion, nationality, gender, sexual orientation, age, political or social opinion, union membership, family background or marital status, physical ability or health conditions.
Our Business Partners must treat all their employees with respect and dignity.
No employee will be physically, psychologically, sexually or verbally harassed or abused.
- **Transparency of working hours and remuneration**

Our Business Partners' working hours must comply with applicable laws and sector-specific labour regulations on working hours and minimum remuneration (including overtime).
The employees must receive employment contracts in which their working hours and remuneration are stated explicitly. All remuneration must be paid without delay and in accordance with current applicable laws.
- **Freedom of association and the right to collective bargaining**

Our Business Partners must respect their employees' freedom of association and right to collective bargaining to the extent permitted by current applicable laws and as defined the ILO conventions.
- **Trainings**

Our Business Partners shall provide their employees with on-going appropriate professional trainings (especially but not limited to occupational health and safety regulations) and ensure they have adequate necessary qualifications for the execution of their work. LAB can request at any time to be provided with appropriate certificates related to training and qualifications.

4.2 Environmental Standards

- **Protection of the environment**

We expect our Business Partners to:

 - manage their operation in a responsible manner to meet or exceed the environmental requirements and protection defined by the applicable laws, regulations and permits;
 - have developed and implemented or to be able to credibly document their intention to develop and implement a concrete environmental policy.
- **Handling of hazardous materials**

When handling substances (materials, preparations and products) that are classified as hazardous to the environment, our Business Partners must ensure that such substances are handled, transported, stored, recycled and/or disposed in safely manner and in accordance with applicable law.

- **Minimization of resource deployment, waste and emissions**
Our Business Partners must constantly strive to use resources more mindfully and responsibly and integrate this approach into their business operations and management. All sources of waste as well as emissions to air, water and soil must be minimized, characterized and monitored to the extent reasonably feasible.
- **Environmental Permits**
All required environmental permits, licenses and registrations shall be obtained by Business Partners and their operational and reporting requirements and restrictions shall be respected and followed. At LAB's request, Business Partners shall provide appropriate environmental permits, licenses or registrations.

4.3 Corporate Governance Standards

- **Fair competition**
Our Business Partners must observe all applicable national and international rules related to fair competition. Appropriate and necessary preventative measures must be taken.
- **Economic and Trade Sanctions**
Our Business Partners must observe all applicable national and international economic and trade sanctions regulations.
- **Corruption and bribery**
Our Business Partners must not tolerate or engage in corruption and bribery and ensure that personal relationships do not interfere with business activities.
LAB has a policy of zero tolerance on corruption and bribery in any form.
LAB's Business Partners shall:
 - Not directly or indirectly offer, pay, promise or accept money or anything of value to/from a national or foreign government official or private business partners or individuals to influence an official action or obtain an improper advantage, business, or to secure any commercial or financial advantage for itself, the other party or any of their respective affiliates;
 - Abide by all applicable anti-corruption national laws in force wherever Business Partners operate, and international regulations, such as major international requirements defined in the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions;
 - Not cause LAB and its directors, employees, representatives or agents to be in violation of any applicable anti-corruption regulation.
- **Gifts and hospitality**
Business Partners shall abstain from offering gifts and invitations to LAB's employees, representatives or agents beyond ordinary corporate hospitality, such as small business-related gifts, modest meals and entertainment.

Consequently, Business Partners can offer gifts and invitations to LAB's employees only if they are in strict compliance with the above rules and applicable laws, reasonable, not extravagant or excessive, customary, not given or received for any improper purpose or influence the decision and additionally in line with specific locally defined LAB's policies.
- **Money laundering**
Our Business Partners must refrain from any form of money laundering activities.
- **Conflicts of interest**
Our Business Partners must ensure - without being requested to do so - that no conflicts of interest arise between them and LAB or any LAB's customer, if such conflicts are discovered, that they are disclosed to LAB and appropriate measures taken to eliminate.

➤ **Sourcing**

Our Business Partners must take appropriate measures to avoid using raw materials in its products that directly or indirectly contribute to human rights abuses, corruption, funding armed groups or similar adverse effects.

➤ **Books and records**

Our Business Partners shall keep accurate and complete books and records in line with applicable accounting principles to ensure that all transactions and payments are authorized, controlled and transparent.

5. Compliance with this Code

Business Partners are expected to monitor and document their own compliance with this Code and provide appropriate information and documentation at LAB's request.

Additionally, Business Partners shall pass on the principles and requirements of this Code to their sub-contractors and sub-suppliers and shall guarantee the same level of compliance with the present Code.

LAB reserves the right to check whether this Code is respected by its Business Partners and their sub-contractors/sub-suppliers using the following methods: request for information and documentation, self-declarations, declaration via third parties, submission of certifications and the right to conduct onsite audits to ensure this Code is observed (executed by LAB, its client or external auditing company representing LAB or its client).

Specifically, if Business Partners fail to comply with any part of this Code, they will be expected to take immediate remedial action. LAB reserves the right to suspend its relationship until the issue is resolved or even terminate its contracts with Business Partner who violates this Code of Conduct or in case of repeated refusal to provide the required information or documents.

Any (i) crime, offence, violation or attempted violation of the applicable law, (ii) any violation of this Code in business relation with LAB can be reported by Business Partners or their employees to LAB's whistleblowing channel at alerte@lab.fr.

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