



Supplier Code of Cooperation

Dear Thermaflex Stakeholder,

At Thermaflex, we committed to make positive contribution to our environment by delivering sustainable solutions that help minimise energy waste and optimize the use of natural resources.

Today, we are very much aware that close to half of the energy produced on this planet is used for heating and cooling. Most of it is generated by burning fossil fuels. This has made our mission absolutely clear to us: to maximize efficiency of thermal energy distribution and facilitate the use of renewable energy resources.

Corporate Social Responsibility

Thermaflex has also committed itself to take into account the environmental and social aspect of the products and services Thermaflex procures from you as one of our Stakeholders. As suppliers are an integral part of our supply chain we expect them to also embrace and support, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and business ethics. Thermaflex will initiate, as a part of its Corporate Social Responsibility program, a number of initiatives that will be implemented across our global network of suppliers in a staged approach.

Code of Cooperation

As a first step we have established the Thermaflex Supplier Code of Cooperation which outlines the minimal requirements for doing business with Thermaflex. We intend to work with you and help you to achieve full compliance to these requirements. We expect you to apply these requirements not only in your own company but also to your extended sources of supply (your suppliers) engaged in the production of goods and services for Thermaflex.

The Thermaflex Supplier Code of Cooperation is embedded in our supplier selection process. We will actively monitor compliance to the requirements as a means to promote sound business practices across Thermaflex's extended supply chain. Strong environmental and social responsibility in the supply chain is very important to Thermaflex. As a company, we are eager to make progress in this area and we look forward to pursuing this together with you.

I encourage you to read and embrace our Thermaflex Supplier Code of Cooperation. If you have questions regarding our code or wish to share with us details of your existing practices in this area please contact the regional purchase manager at the Thermaflex company you are in contact with.

Sincerely,

Hans de Haas

CEO of Thermaflex



Introduction

Thermaflex is manufacturer of pre-insulated piping systems and developer of solutions for thermal distribution. We are leading in technology and innovations that offer improved energy efficiency, supporting significant CO2 savings and renewable energy systems. Thermaflex is committed to be a reference for sustainability in all of its business activities.

The strategy of Thermaflex is to be a leading developer and manufacturer of insulation and pre-insulated pipe systems and solutions. Thermaflex further strives to make these available to customers and projects worldwide by creating appropriate geographical presence, clever logistic solutions, building local knowledge and support, eventually through local partnerships.

Thermaflex is **innovative** by creatively looking for new and better ways of doing things, in all aspects of our work. To our experience we add new insights as well as new technologies to offer better solutions for our markets. We have the passion to try and make things happen. We want to make a difference.

We take and share **responsibility** towards each other, all our stakeholders and society, through sustainability and contribution to energy efficiency, social and cultural respect and integration, environmental care and commitment to use our resources most efficiently and using our mistakes to learn, repair and improve for the future.

We are **open** and **honest** towards each other, based on mutual trust and understanding. We communicate clearly our intentions and objectives. We share them. Discussions and feedback serve to reach a higher level of understanding and performance.

At Thermaflex, we have set high standards for the way we conduct business – in areas from environmental and social responsibility including compliance with all applicable laws and regulations.

We trust to receive the same commitment from **you** as being one of our **Stakeholders**. That is why we have established the Thermaflex Supplier Code of Cooperation.

The Thermaflex Supplier Code of Cooperation includes principles which describe the minimal standard requirements for conducting business with Thermaflex. These requirements are based upon the Thermaflex policies and international standards on human rights, labour, environment and anti-corruption.

Our goal is to work with our suppliers to ensure full compliance with the minimal standard requirements, as our suppliers apply them to their own suppliers they work with in the delivery of goods and services for Thermaflex.

We will consider the minimal standard requirements as described in our Supplier Code of Cooperation in our selection of suppliers and we will actively monitor the compliance.

1. Continuous improvement and Monitoring

Thermaflex expects compliance with our Supplier Code of Cooperation, but we recognize that adhering to the minimal standard requirements is a dynamic rather than static process and therefore we encourage suppliers to continuously strive for improvement.

In order to demonstrate and communicate work and improvement towards the principles, the supplier is expected to possess necessary internal instruments (e.g. measuring procedures, tools and indicators).

Thermaflex or a third party assigned by Thermaflex may conduct reviews or onsite audits to assess the supplier's compliance towards the minimal standard requirements.

2. References

The requirements included in the Thermaflex Supplier Code of Cooperation are amongst other based upon the UN Global Compact's principles in the areas of human rights, labour, the environment and anti-corruption which enjoy universal consensus.

More information : www.unglobalcompact.org

3. Compliance

If at any time, certain compliance appears to become impossible, the supplier will immediately inform Thermaflex pro-actively with motivation and all relevant details. Thermaflex is always willing to contribute to compliance wherever possible and to agree on a corrective plan.

If it is established through compelling evidence that supplier has breached any of the minimal standard requirements of our Supplier Code of Cooperation, Thermaflex shall notify supplier thereof and grant supplier a reasonable period to remedy such breach and supplier shall within thirty days after this notification provide Thermaflex with a corrective action plan to remedy such breach.

If supplier has not delivered the aforementioned corrective plan and/or has not remedied such breach after the period determined by Thermaflex, then Thermaflex is entitled to terminate all agreements between supplier and Thermaflex.

4. Laws, including Regulations and Other Legal Requirements

Supplier will comply with all applicable laws and regulations in all locations where they conduct business.

5. Child Labour

Supplier will not use child labour. The term "child" refers to any person employed under the age of 15 (or 14 where the law of the country permits), or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest.

6. Forced or Involuntary Labour

Supplier will not use forced or involuntary labour of any type (e.g., forced, bonded, indentured or involuntary prison labour); employment is voluntary.

7. Discrimination

Supplier will not discriminate in hiring and employment practices on grounds of race, religion, age, nationality, social or ethnic origin, sexual orientation, gender, gender identity or expression, marital status, pregnancy, political affiliation, or disability.

8. Respect and Dignity

Supplier will treat all employees with respect and will not use corporal punishment, threats of violence or other forms of physical coercion or harassment.

9. Health and Safety

Supplier will provide their employees with a safe and healthy workplace in compliance with all applicable laws and regulations. Consistent with these obligations, Supplier must have and implement effective programs that encompass life safety, incident investigation, chemical safety, ergonomics, etc., and provide the same standard of health and safety in any housing that is provided for employees.

10. Wages and Benefits

Supplier will, at a minimum, comply with all applicable wage and hour laws and regulations, including those relating to minimum wages, overtime hours, piece rates and other elements of compensation, and provide legally mandated benefits.

11. Working hours

Supplier will not discriminate in hiring and employment practices on grounds of race, religion, age, nationality, social or ethnic origin, sexual orientation, gender, gender identity or expression, marital status, pregnancy, political affiliation, or disability.

12. Freedom of Association

Suppliers shall respect the legal rights of employees to join or to refrain from joining worker organizations, including trade unions. Supplier has the right to establish favourable employment conditions and to maintain effective employee communication programs as a means of promoting positive employee relations that make employees view third-party representation as unnecessary.

13. Protection of the Environment

Suppliers will operate in a manner that is protective of the environment. At a minimum, supplier must comply with all applicable environmental laws, regulations and standards, such as requirements regarding chemical and waste management and disposal, recycling, industrial wastewater treatment and discharge, air emissions controls, environmental permits and environmental reporting.

Supplier must also comply with any additional environmental requirements specific to the products or services being provided to Thermaflex.

14. Ethical Dealings

Thermaflex expects our suppliers to conduct their business in accordance with the high ethical standards. Supplier must strictly comply with all laws and regulations on bribery, corruption and prohibited business practices.

Supplier shall have appropriate procedures in place to ensure that supplier does not offer, promise, pay, request or agree to receive a bribe in any of its dealings with or on behalf of Thermaflex.

Supplier shall not offer gifts to the benefit of any specific employee of Thermaflex. Travel or accommodation arrangements or pure entertainment, without any business purpose, will not be offered to Thermaflex employees.

15. Financial Economic Crime

Supplier shall prevent any involvement in financial and economic crime and shall guard against involvement in related criminal activity. Supplier shall comply with all relevant laws, regulations and standards on financial and economic crime.

16. Export Trade Compliance

Supplier shall comply with all relevant trade embargoes that are imposed, administered or enforced from time to time by relevant competent authorities, including applicable export trade regulations and trade embargoes for goods that are either dual-use and/or shipped to a prohibited destination.

17. Sanction Legislation

Thermaflex is fully committed to complying with all applicable sanction legislation and with all obligations and requirements under those applicable laws including freezing and reporting obligations with regard to transactions involving a US, EU or UN sanction targets. Supplier shall not provide goods or services to Thermaflex that violates the above mentioned commitment.

Acceptance

By signing this Thermaflex Supplier Code of Cooperation, supplier acknowledges having read, understood and accepted the requirements described in this code. Supplier acknowledges that strict compliance with the Thermaflex Supplier Code of Cooperation is required to achieve and maintain the status of partner to Thermaflex.

Company: _____

Name: _____

Job Title: _____

Signature: _____



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