

SUPPLIER CODE OF CONDUCT

It is the policy of Picanol to comply with all of the applicable laws and regulations of the countries in which we operate and to conduct our business activities in both an honest and ethical manner. Picanol is committed to ethical business practices and we hold our suppliers to the same high standards as regards compliance with all applicable laws, respect for human rights, sustainability, environmental conservation and the safety of products and services.

Child Labor

Child labor is not tolerated in any form. Therefore, suppliers must not employ:

- a) Children below 15 years of age (or 14 years only if permitted by national law in accordance with ILO agreement 138 Article 4+5) or, if they are older than 15 years, the higher of the minimum age of employment permitted by the law of the country or the age of the end of compulsory schooling in that country.

- b) Children under the age of 18 for work that either by its very nature or the circumstances in which it is carried out is likely to harm the health, safety or morals of such children.

Involuntary Labor

Suppliers will neither use any forced or involuntary labor nor will they engage in human trafficking or slavery practices of any kind.

Non-discrimination

Suppliers will promote equal opportunities for their employees and will treat all employees equally irrespective of skin color, race, nationality, social background, disabilities, sexual orientation, political or religious conviction, sex or age, and respect the personal dignity, privacy and rights of each individual. Suppliers will comply with all applicable laws, rules and regulations that promote fair employment practices or prohibit employment discrimination and unfair labor practices.

Freedom of Association & Collective Bargaining

Suppliers will respect the right of employees to associate, organize and bargain collectively in a lawful and peaceful manner, without penalty or interference. In all cases, the rights of employees to open communication, direct engagement, and humane and equitable treatment must be respected.

Fair Working Hours & Compensation

We expect suppliers to recognize that wages are essential to meeting the basic needs of employees. Therefore, at the very minimum, suppliers will comply with all applicable wage and hour laws and regulations, including those relating to minimum wages, overtime, maximum hours, piece rates and other elements of compensation, as well as provide legally mandated benefits. If local laws do not provide for overtime pay, suppliers will pay at least regular wages for overtime work. With the exception of emergency or unusual situations, a workweek will be restricted to 60 hours, including overtime, and workers will be entitled to take at least one day off every seven days. All overtime must be voluntary. Under no circumstances will workweeks exceed the maximum permitted under applicable laws and regulations. Where local industry standards are higher than applicable legal requirements, we expect the supplier to meet the higher standards.

Health & Safety

Suppliers will provide employees with a safe and healthy workplace that fully complies with all applicable laws and regulations. As a minimum, suppliers must ensure that there is reasonable access to potable water and sanitary facilities, fire safety, as well as adequate lighting and ventilation. Moreover, suppliers will control hazards and take the best possible precautionary measures against accidents and occupational diseases, provide training and ensure that all employees are educated on health and safety issues. Suppliers will maintain a workplace that is free from acts or threats of violence and respond both effectively and promptly should any acts or threats of violence occur.

Protection of the Environment

Suppliers will act in accordance with the applicable statutory and international standards regarding environmental protection, minimize environmental pollution and make continuous improvements in the area of environmental protection. Suppliers will strive to utilize resources appropriately and efficiently, and dispose of all waste in accordance with applicable laws, rules and regulations. Picanol prefers to work with suppliers that make clear efforts to reduce their carbon footprint and encourages suppliers to create products that are energy efficient, highly recyclable and contain significant amounts of recycled materials and low amounts of hazardous materials. Suppliers will act in accordance with the EU Directive on the restriction of the use of certain hazardous substances in electrical and electronic equipment (ROHS 2017/2102/EU). Furthermore, suppliers to our European sites will follow the regulation concerning the registration, evaluation, authorization and restriction of chemicals (REACH 1907/2006/EU) or the equivalent local regulation for supplies to our non-European sites.

Conflict Minerals

Picanol supports industry-wide efforts to identify, reduce and hopefully eliminate the use of conflict minerals that originate from the high risk countries or areas (as defined in the EU Conflict Minerals Regulation) that are considered to be financing or benefiting groups that are involved in human rights violations. We are committed to not sourcing products, components and materials that we know contain conflict minerals. We request that all of our core and key suppliers avoid selling parts, components or materials to Picanol that they either know or suspect might contain conflict minerals. Suppliers to Picanol are expected to establish their own conflict minerals policies, due diligence frameworks and management systems. These should be designed to prevent the aforementioned conflict minerals that originate from the high risk countries or areas from being included in the products that they sell to Picanol. Suppliers to our European sites will act in accordance with the EU Conflict Minerals Regulation (2017/821/EU that will enter into force on Jan 1, 2021) or the equivalent local regulation for supplies to our non-European sites.

Bribes, Illegal Payments and Illegal Solicitations

Any form of corruption, extortion and embezzlement is strictly prohibited. Suppliers will not offer, pay, authorize, or promise to pay money or provide anything of value in a corrupt manner to a government official in order to either obtain or maintain business. Suppliers will tolerate no form of corruption or bribery and not engage in such practices in any way. This includes any payment or other form of benefit conferred on any government official for the purpose of influencing decision-making that is in violation of any law. Suppliers will tolerate no form of commissions, compensation or gratuities to employees of Picanol.

Fair Competition

Picanol respects the rules of open and fair competition in markets throughout the world. Suppliers will act with integrity and lawfully in the proper handling of competitive data, proprietary information and other intellectual property, as well as comply with legal requirements regarding fair competition, antitrust, and accurate and ethical truthful marketing.

Conflicts of Interest

Suppliers must avoid engaging in any business activity that might be in conflict with or interfere with their provision of products and services to Picanol.

Other Laws

Suppliers will comply with all applicable laws and regulations, including anti-competition and unfair trade practices laws and those pertaining to the manufacture, pricing, sale and distribution of merchandise and the provision of services. All references to applicable laws and regulations in this Code of Conduct include local, state and national codes, rules, laws, and ordinances and regulations, as well as all applicable treaties and industry standards.

As a condition of doing business with Picanol, we expect our suppliers to conform to this Supplier Code of Conduct. The supplier will take all relevant and necessary initiatives and measures to ensure full compliance with this Code of Conduct, without undue delay upon request, the supplier will provide Picanol with all relevant and reasonably requested information and documentation to enable Picanol to closely monitor how it complies with this Code of Conduct through dialogue, questionnaires, systematic reporting or site audits.

The supplier has the strict obligation to inform Picanol of any issue of noncompliance with this Code of Conduct, without undue delay. The supplier will take immediate actions to correct the situation in a structural manner. The noncompliance by the supplier with the provisions of this paragraph will constitute a valid reason for terminating the business relationship.

We require our supply chain partners to adhere to these principles and to reflect these same principles upon their suppliers.

Company

City and Country

The undersigned declares to have taken notice of and agrees to accept the conditions set within this Supplier Code of Conduct.

Date

Name

Position