

PHOENIX
CODE OF CONDUCT

BUSINESS PARTNER CRITERIA

PHOENIX

PHOENIX VIBRATION CONTROLS B.V.

INTRODUCTION

Phoenix Vibration Controls B.V. (further on named as Phoenix) is a partner-focused organization. Phoenix's core values of commitment, interaction, innovation and passion for technology formed our past, created our present and will guide our future.

Commitment means that we support our partners in finding the best solution for vibration and noise-isolation we can possibly deliver. The ability to listen to and understand the needs of our partners, coupled with our capacity to create new and better solutions, based on what we learn during this interactive process, makes us successful. We always believe there is a better way of doing things. This innovative spirit is one of the vital parts of our identity and therefore our way of conducting business.

The vision of Phoenix is to be the best **partner** in mind of its customers, suppliers and other business partners. Based on common core values Phoenix intends to achieve this by being ethical in its business practices and working with business partners who share similar standards.

The Phoenix's Business Code of Practice¹ states:

"We strive to be the best associate for our business partners, such as customers, suppliers, subcontractors, joint venture partners, shareholders, and to be the one that they prioritize.

We seek, evaluate and select business partners impartially on the basis of objective factors including productivity, quality, delivery, price, and reliability, as well as commitment to environmental and social performance, and development. We make them aware of our commitments and expect them to adhere to our policies."

This document is intended to support the implementation of Phoenix's policy as regards business ethics, social, safety, health and environmental performance, by providing brief explanations of Phoenix' basic expectations of its business partners.

¹ <https://www.phoenixvibrationcontrols.com/contact/businesscodeofpractice>

CRITERIA LIST

This list is based on the Phoenix Vibration Controls Business Code of Practice, which is based on the following international guidelines supported by Phoenix:

UN Universal Declaration of Human Rights and connected UN Conventions;

ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy;

UN Global Compact;

OECD Guidelines for Multinational Enterprises.

GENERAL REQUIREMENTS

Business partners such as suppliers, subcontractors, joint venture partners, shareholders, shall be made aware of Phoenix's commitments and expectations in accordance with the Business Code of Practice. If business partners use subcontractors for the production of Phoenix products or services, it is the responsibility of that business partner to use the same principles to evaluate and select their subcontractors. If requested, the business partner must inform Phoenix which subcontractors they use.

Business partners must, in all their activities, follow the national laws and regulations applicable to their operations and employment in the countries in which they operate. Should any criteria in this document conflict with the national law in any country or territory, the law must always be followed. In such cases the business partner must notify Phoenix immediately of the conflict, before signing this document.

Phoenix requirements may go beyond the requirements set out in national law, in which case the business partner must comply with the additional Phoenix requirements.

BUSINESS PARTNER CRITERIA

1. Elimination of all forms of forced and involuntary labor

Business partners must not have any forced or involuntary labor. It's not tolerated in any form. This includes any work or service performed by a person under the threat of penalty and for which the person has not offered himself or herself voluntarily. It also prohibits business partners from requiring employees to deposit money or original documents such as passports, education certificates and the like, during their employment.

2. Rejection of child labor

Phoenix does not accept child labor. Business partners have to take necessary preventive measures to ensure that they do not employ anyone below the legal age of employment. This means that unless local law stipulates a higher age limit, no person younger than the age for completing compulsory education or younger than 15 (or 14 where permitted by ILO convention No. 138) may be employed. For authorized minors, management is responsible for providing the working conditions, hours of work and wage appropriate for his or her age in compliance with applicable local law as a minimum. The minimum age for hazardous work is 18 years.

3. Integrity

Business partners have to work against all forms of corruption, including extortion and bribery. There can be no use of fake documents or other illegal practices or use of undeclared production units or suppliers. We require a cooperative management and free access to the business partner's premises, including the manufacturing facilities. Business partners have to confirm their commitment to fair competition and agree not to enter into discussions or agreements with competitors concerning pricing, market sharing or other similar activities.

4. Support and respect of human rights

Business partners have to support and respect the protection of human rights. They have to be able to confirm that they are not complicit in human rights abuses and they must comply with the main international ethical guidelines supported by Phoenix. If requested by Phoenix, business partners who provide parts, products or raw materials that contain one or more 'conflict minerals'² and source from conflict-affected and high-risk countries must be willing to cooperate to conduct due diligence following the OECD Due Diligence Guidelines.

5. Elimination of discrimination with respect to employment and occupation

Business partners must support equal opportunities, fairness and diversity and ensure that all employees are treated strictly according to their abilities and qualifications in any employment decisions, regardless of ethnic group, religion, gender, age, nationality, disability, personal relationship, union membership and/or political opinion.

6. Safe and healthy working environment, conditions and housing

Business partners are required to make employees' safety a priority at all times. Work premises and factory conditions have to be such that workers can perform their functions in a safe and healthy environment, including fire prevention. To minimize risks, there must be appropriate policies to safeguard employee health and safety, training and clear role descriptions. Facilities for employees must safeguard individuals' dignity and meet personal hygiene needs. Business partners must take appropriate action to ensure safety and prevent accidents and illnesses resulting from workplace conditions, on behalf of their employees. This includes availability of first aid equipment, for example.

7. Freedom of association and the effective recognition of the right to collective bargaining.

Business partners have to confirm that their workers are free to communicate openly with management to resolve workplace and compensation issues. Employees have the right to choose whether or not to be represented by trade unions for the purpose of collective bargaining. Phoenix does not tolerate discrimination against any employee exercising such rights.

8. Initiatives to promote greater environmental responsibility

Business partners shall ideally have an Environmental Management System or, as a minimum, be committed to developing an environmental policy or system, which ensures continuous improvement of their own environmental performance.

9. A precautionary approach to environmental challenges and the development and diffusion of environmentally friendly technologies

Business partners must conduct their business in a manner that protects and preserves the environment. When developing products and services, business partners must address and minimize the negative environmental effects that the products and services may have when being manufactured, distributed and used, as well as during their disposal. Business partners must confirm their commitment to the development and promotion of environmentally friendly technologies in products, processes and design.

10. Compliance with Phoenix VC’s prohibited and declarable³ lists

Phoenix’s Prohibited list identifies substances not to be used in parts, products or raw materials delivered to Phoenix or in production processes. The Declarable list contains substances whose use shall be limited, and content of any listed substance in items delivered to Phoenix must be declared. Conflict minerals are also included in the Declarable list, see criteria 4 for clarification. Business partners must confirm their compliance with these lists, follow updates of the lists and alert Phoenix if any included substance is a problem.

² Conflict minerals are columbite-tantalite (coltan), cassiterite, gold, wolframite or their derivatives (tin, tungsten and tantalum) according to the Securities and Exchange Commission definition
³ Prohibited and Declarable lists are available on request by sending an email to info@phoenixvc.nl

COMPLIANCE AND FOLLOW-UP

Phoenix requires its business partners to adhere to the social, business ethics and environmental criteria listed here. Business partners who are proactive in implementing or those who already have met these criteria will be considered for preferred partnerships. Phoenix will strictly monitor and follow up on business partner compliance with these criteria through surveys and audits. Phoenix will also review its business relations if violations are detected and business partners will be immediately requested to adapt or change to meet the criteria. Business partners may sign their commitment to this document if they are in the process of meeting these requirements and are willing to set up an action plan with Phoenix.

Phoenix requires their business partners to maintain adequate documentation to demonstrate their compliance with the above-mentioned criteria or demonstrate the intention and willingness to comply with the criteria by establishing an action plan with activities. As a condition of doing business with Phoenix, business partners and their subcontractors must authorize Phoenix and its designated agents (including third parties) to perform audits.

I, the undersigned, Authorized Signatory / Legal Representative of the company set out below, confirm that the company has understood and will comply with the Phoenix Business Partner Code of Conduct.

Date and place

Company name (Business partner)


Name


Position / Job title

Signature

PHOENIX VIBRATION CONTROLS B.V.

Nijverheidsweg 6 - 3251 LP Stellendam - The Netherlands
Registration No. 2308 3914 - VAT NL805003319B01

 +31 (0)187 493 744

 info@phoenixvc.nl

 www.phoenixvibrationcontrols.com

