

Essex Solutions Inc. Supplier Code of Conduct

Essex Solutions Inc. and its subsidiaries and affiliated companies (the "Company") prioritize conducting business with the utmost ethical and legal standards. The company firmly believes in upholding the rights of all individuals and protecting the environment. To achieve this, the entire workforce is expected to comply with not only the letter but also the spirit and intent of all applicable laws, as outlined in the company's *Code of Ethics*. In line with its commitment to ESG, the Company expects all suppliers, contractors, labor agents, and other business partners to familiarize themselves with and adhere to the company's *Standards of Business Conduct, Code of Ethics*, and *Human Rights Policy*. By working together, the company and its partners can create a sustainable and responsible supply chain that positively impacts society and the environment.

The Company is also aligned with the International Labour Organization (ILO) and its Fundamental Conventions: No. 29, 87, 98, 100, 105, 111, 138, and 182. This collaborative approach will not only ensure compliance but also position the company as a leader in sustainable business practices as it aims to align better with the evolving regulatory landscape.

This *Supplier Code of Conduct* ("Code") establishes standards to ensure that working conditions in our supply chain are safe and that workers are treated with respect and dignity. It also establishes an understanding that business operations are environmentally responsible and conducted ethically. For the purposes of this Code, the Company considers all organizations that may design, market, manufacture, or provide goods and services that are used to produce our products.

Fundamental to adopting the Code is the understanding that a business, in all its activities, must operate in full compliance with the laws, rules and regulations of the countries in which it operates. Our supply chain partners ("Suppliers") go beyond legal compliance, drawing upon internationally recognized standards to advance social and environmental responsibility and business ethics.

The following standards establish the minimum requirements for doing business with the Company: It is required that each supplier, vendor, contractor, consultant, agent and/or any other provider of goods or services who does, or seeks to do, business with the Company (each, a Supplier) meets or exceeds these standards in activities as they relate directly or indirectly to the Company—just as we require and expect our own global workforce to honor a commitment to these standards.

This includes, but is not limited to, all applicable laws and regulations of the localities in which they operate, regarding:

- A. Labor
- B. Health and Safety
- C. Environment
- D. Ethics
- E. Management Systems



A. Labor

1) Forced Labor

Suppliers will not use forced nor involuntary labor (ILO 29, 105). This includes use of imprisoned, bonded, indentured, human-trafficked persons or otherwise. Additionally, this Code prohibits the transporting, harboring, recruiting, transferring, or receiving of vulnerable persons by means of threat, force, coercion, abduction, or fraud for the purpose of exploitation.

2) Child Labor

Suppliers strictly adhere to upholding the highest standards of social responsibility and promoting the well-being of workers worldwide. Supplier will not use child labor in any of its operations (ILO 182). Suppliers accept the definition of a "child" as any person under the age of 15, or under the age for completing compulsory education, or under the minimum age for employment in the country of operation, whichever is greatest (ILO 138). The Company recognizes the importance of legitimate workplace apprenticeship programs in fostering skill development and providing opportunities for young individuals. As such, the Company supports Suppliers' use of such development so long as it complies with all laws and regulations governing such programs. Anyone under the age of 18 shall not perform any task that is likely to jeopardize their health or safety (ILO 138, 182).

3) Compensation and Work Hours

Suppliers will comply and uphold all applicable wage and hour laws as well as collective bargaining agreements. Suppliers will ensure that all compensation paid to workers complies with the relevant wage laws, including those pertaining to minimum wages, overtime hours, and legally mandated benefits. Suppliers will ensure the payment of a living wage that aligns with the standards set by the ILO which defines that workers are compensated with a wage that covers their basic needs—including food, housing, and healthcare (ILO 100).

With reasonable exception in the case of emergency, for workers paid hourly, workweeks are expected not to exceed the maximum set by local law.

4) Non-Discrimination, Non-Harassment, and Diversity, Equity, & Inclusion

Suppliers will not discriminate in its screening, hiring, nor employment practices based on race, color, religion, sex, sex stereotyping, pregnancy (including pregnancy, childbirth, and medical conditions related to pregnancy, childbirth and breastfeeding), national origin, ancestry, citizenship status, age, military or veteran status, mental or physical disability, genetic information, medical condition, marital status, sexual orientation, gender identity/expression, and any other factor protected by law, except where sex is a bona fide occupational qualification in accordance with Federal, State, and Local legislation (ILO 111).

Additionally, Suppliers will promote diversity, equity, and inclusion by ensuring fair treatment for all persons in the workplace, respecting the diversity of all workers, as well as fostering an organizational culture of inclusivity and respect for fundamental rights and dignity. Suppliers will demonstrate a commitment to the Rights of Women, the Rights of Minorities, as well as the Rights of Indigenous Persons. Religious practices should also be reasonably accommodated.



5) Freedom of Association

Suppliers will respect the rights of workers to associate freely, join or not join labor unions, seek representation, and to join councils in accordance with local laws (ILO 87, 98).

B. Health and Safety

1) Workplace Safety

Suppliers are expected to provide safe, hygienic, healthy, and humane working conditions for all employees. This includes adequate lighting, reasonable temperatures, functional sanitation, ventilation, and availability of potable water. Adequate measures, systems, protections, and training are encouraged to prevent harm to the health, safety, and well-being of employees.

2) Emergency Preparedness

Suppliers are required to respect the right of workers to keep themselves and others safe in the event of an emergency by implementing systems to manage emergency responses as well as prevent and remedy adverse impact.

Suppliers are recommended to identify potential emergency situations and assess potential impact as well as implement emergency plans and response procedures—up to and including emergency reporting, employee notification and evacuation procedures, worker training and drills, appropriate fire detection and suppression equipment, adequate exit facilities and recovery plans.

3) Occupational Injury and Illness

Suppliers will implement and maintain procedures to prevent, manage, track, and report occupational injury and illness. Such measure should include but are not limited to encouraging worker reporting, classifying and recording cases, providing medical treatment, investigating cases, implementing corrective actions, and facilitating return to work.

C. Environmental Protection

1) Carbon Disclosure

Suppliers, upon request, are required to disclose Scope 1, 2, and 3 (including upstream value chain) greenhouse gas emissions, as available. Suppliers are encouraged to set greenhouse gas reduction targets. Suppliers are encouraged to conduct a Lifecycle Assessment on products.

2) Environmental Permits and Reporting

Suppliers are required to follow environmental permits, approvals, and registrations; each is to be obtained, maintained, and kept current for operational and reporting requirements.

3) Resource Reduction

Suppliers are encouraged to adopt a *Waste Mitigation Hierarchy* and reduce waste to landfill within its operations. Suppliers, upon request and if available, are required to disclose waste diversion data.

Suppliers are encouraged to reduce water use within operations. Suppliers, upon request and if available, are required to disclose water use data.



4) Pollution Prevention

Suppliers are encouraged to adopt a *Pollution Mitigation Hierarchy* within its operations pertaining to air, soil, water, noise, and land pollution. Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations are required to be characterized, monitored, controlled, and treated prior to discharge.

5) Product Content Restrictions, Hazardous Substances & Responsible Chemical Management Suppliers are required to adhere to all applicable laws and regulations regarding prohibition or restriction of specific substances, including labeling, for recycling and disposal.

Suppliers are required to identify, minimize, and/or eliminate the use of restricted substances in the manufacturing processes—as well as finished products—to ensure regulatory compliance. Suppliers are required to be aware of the use of any restricted substances in processes and finished products, as well as actively investigate suitable substitutes to maintain product and environmental stewardship. Suppliers are required to have measures in place to avoid exposure to chemical, physical, or biological substances.

6) Responsible Sourcing

Suppliers are required to implement a policy committing to the responsible sourcing of all minerals and materials in line with the Company's *Conflict Minerals Policy* and, if applicable, the *California Transparency in Supply Chain Act Disclosure*. Suppliers are required to disclose to the Company, upon request and if applicable, updated information for any tin, tantalum, tungsten, and/or gold (3TG) minerals used in the production of its parts, materials, components, and products.

Suppliers are required to respect the *Critical Minerals List* as well as engage with its own supply chain to conduct appropriate due diligence.

7) Biodiversity, Land Use, and Deforestation

Suppliers are required, upon request, to demonstrate the legal right to use land and/or natural resources.

Suppliers are required to recognize and protect the land impacted by its own operations, where applicable. This includes, but is not limited to, impacts to biodiversity, land use, and deforestation. Suppliers are encouraged to engage with local communities and seek their free, prior, and informed consent for any activities that are likely to materially impact their rights.

8) Forced Eviction

Suppliers shall not engage in forced eviction nor the resettlement of any person on acquired land for their operating activities.

D. Ethics

1) Commitment to Law

Suppliers will operate in compliance with all applicable international and local laws, rules, and regulations that apply to the manufacture, sale and/or distribution of goods and services provided to or on behalf of the Company.



2) Business Integrity

Suppliers must operate with high ethical standards and should not be involved in any corruption, extortion, bribery, fraud, false declarations, counterfeiting, insider trading, and/or acts of unfair competition.

Suppliers shall also have a policy to prohibit all forms of bribery, corruption, extortion, and embezzlement. Such policies should cover the promising, offering, giving, and/or accepting any bribes. Suppliers' business dealings should be transparently performed and accurately reflected on its business books and records. Monitoring and enforcement procedures shall be implemented to ensure compliance with anti-corruption laws.

3) Anti-Bribery

The Company sets ethical standards which prohibit bribes and provides guidelines for complying with applicable anti-bribery laws, including but not limited to the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act 2010, in its internal Anti-Bribery Policy. Suppliers are, likewise, required to have ethical standards which prohibit bribes and provide guidelines for complying with applicable anti-bribery laws, including but not limited to the U.S. Foreign Corrupt Practices and the U.K. Bribery Action 2010. Suppliers must prohibit any officer, employee and/or representative from offering, promising, authorizing, and/or providing a bribe, directly or indirectly—regardless of whether it involves the use of Suppliers funds or personal or third-party funds—in relation to the Suppliers business.

4) Disclosure of Information and Accurate Recording of Financial Responsibility

Suppliers are required to accurately record as well as disclose information regarding business activities, structure, financial situation, and performance in accordance with applicable regulations and prevailing industry practices.

5) Export Controls and Economic Sanctions

Suppliers are required to comply with applicable economic sanctions as well as export control laws and regulations. Suppliers are also required to avoid actions that would position themselves or the Company in violation of applicable economic sanctions and export control laws.

6) Intellectual Property and Plagiarism

Suppliers acknowledge that intellectual property, trade secrets and confidential information—which includes but is not limited to personal data and personally identifiable information—are to be respected and that business is to be done in a manner that protects recognized intellectual property rights.

Suppliers will not engage in plagiarism. The Company defines this as the misrepresentation of previously produced documents, data, research, proposals—including electronic versions—and/or software of others as its own.

7) Conflicts of Interest

Suppliers are expected to avoid contributing to any conflict or any situation that may appear to be a conflict of interest with the Company. This includes disclosing an interest of any kind in the Company business or other economic ties.



8) Non-Retaliation, Confidentiality, and Whistleblower Protections

Suppliers are required to prohibit retaliation in any form against anyone who, in good faith, reports any actual or potential violation of this Code, or any illegal or unethical behavior.

Supplier shall protect the confidentiality of any proprietary and/or confidential information provided by the Company in accordance with any executed nondisclosure agreement, and, in the absence of such agreement, with at least the same degree of care (but no less than a reasonable degree of care) as it uses to protect the confidentiality of its own proprietary and confidential information of like kind.

Suppliers are also required to provide an anonymous complaint mechanism for employees to report possible violations of this Code as well as protect confidentiality.

9) Counterfeit Parts

Suppliers shall never utilize counterfeit components. Suppliers shall minimize the risk of introducing diverted parts and materials into deliverable products as well as adhere to relevant technical regulations in the product design process.

10) Use of Private or Public Security Force

Suppliers that hire private and/or public security forces for protection must provide sufficient instruction and oversight to avoid torture, cruel, inhumane, or degrading treatment, damages to life or limb of individuals. This extends to eliminating the impediment to freedom of association for its workforce.

E. Management System

1) Company Commitment and Management Accountability

Suppliers are encouraged to have a corporate Environmental, Social, and Governance (ESG) statement affirming its commitment to compliance and continual improvement, endorsed by executive management.

Suppliers should clearly identify any representative responsible for ensuring implementation of the management systems and associated programs. Senior management is recommended to reviews the status of the management system on a regular basis.

2) Legal Documentation and Records

Suppliers are required to maintain documents and records to ensure regulatory compliance and conformity to Company requirements, along with appropriate confidentiality to protect privacy.

Suppliers are encouraged to have a process to identify, monitor, and understand applicable laws, regulations, and customer requirements, including the requirements of this Code.

3) Risk Assessment and Risk Management

Suppliers are encouraged to have a process that helps identify ESG-related risks, as well as maintain verification of adherence to labor practice and ethics risks associated with its operations.

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4) Supplier Responsibility and Training

Suppliers are strongly encouraged to communicate the Code requirements to its supply chain and to monitor its compliance to the Code, including the allowance of unannounced audits.

Suppliers are recommended to provide programs and/or training for managers and workers to implement policies, procedures, and improvement objectives in order to meet applicable legal and regulatory requirements.

5) Transparent Communication of Objectives, Assessments, and Corrective Actions

Suppliers are required to communicate clear and accurate information about its policies, practices, expectations, and performance to the Company, upon request.

It is recommended that Suppliers conduct periodic self-evaluations to ensure conformity to legal and regulatory requirements, the content of this Code, and its requirements related to ESG responsibility.

Suppliers are required, upon request, to provide written performance objectives, targets and implementation plans to improve is ESG performance, including a periodic assessment of its performance in achieving those objectives.

Suppliers are encouraged to have a process for the correction of deficiencies identified by internal or external assessments, inspections, investigations, and reviews.