

FISHER & PAYKEL

Supplier Code of Conduct Policy

1. INTRODUCTION & APPLICATION

Corporate integrity, responsible product sourcing, and the safety and wellbeing of workers across the global supply chain are of paramount importance to Fisher & Paykel Appliances Holdings Limited and its subsidiaries (the **Company**). These principles apply to all aspects of the Company's business, and encompass all manufacturers, distributors, vendors, and other suppliers and their employees, contractors, secondees, representatives and those engaged to carry out work on any such person's facility (each a **Supplier** and collectively **Suppliers**) that supply goods and services to the Company.

These principles are reflected in this Supplier Code of Conduct Policy (**Supplier Code**), which establishes the minimum standards that must be met by any Supplier that sells goods or services to or does business with the Company, regarding:

- Supplier's treatment of workers;
- workplace safety;
- the impact of Supplier's activities on the environment; and
- Supplier's ethical business practices.

2. POLICY STATEMENT

2.1 Applicability

This Supplier Code applies to all Suppliers that provide goods or services to the Company. Supplier is responsible for compliance with this Supplier Code throughout its operations and throughout its entire supply chain.

Without limiting Supplier's obligations hereunder, Supplier shall comply with the Supplier Code in:

- all of its facilities where goods destined for the Company are manufactured, distributed, packaged or otherwise handled (each a **Facility**); and
- all of its operations, including with respect to manufacturing, distribution, packaging, sales, marketing, product safety and certification, intellectual property, labour, immigration, health, worker safety, and the environment.

Without limiting Supplier's obligations hereunder, Supplier is responsible for compliance with the Supplier Code by all of its suppliers, vendors, agents, and subcontractors and their respective Facilities (each a **Partner**).

Supplier shall disclose to the Company the names and contact information of its Partners at least 30 days before the Company and Supplier commence a business relationship or Company's first purchase order, whichever is earlier. Supplier shall notify the Company of the names and contact information of any change of Partners within 14 days of any such change.

2.2 Slavery and Human Trafficking

All labour must be voluntary. Supplier shall not support or engage in slavery or human trafficking in any part of its supply chain.

Without limiting Supplier's obligations hereunder, Supplier shall not, and shall ensure that its Partners do not, support or engage in, or require any:

- compelled, involuntary, or forced labour;
- labour to be performed by children (meaning any person of the highest of the following ages: (a) 15 years of age; (b) the age for completing mandatory education in the relevant country; or (c) the minimum age for employment in the relevant country);
- bonded labour;

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- indentured labour; or
- prison labour.

2.3 Compliance and Documentation

Supplier shall:

- implement and maintain a reliable system to verify the eligibility of all workers, including:
 - age eligibility; and
 - legal status of foreign workers.
- implement and maintain a reliable recordkeeping system regarding the eligibility of all workers.

2.4 Hazardous Work

Without limiting Supplier's obligations hereunder, Supplier shall not, and shall ensure that its Partners do not, support or engage in, or require any hazardous labour to be performed by any person under the age of 18 or any pregnant or nursing woman. Hazardous labor involves any work that by its nature or the circumstances in which the work is undertaken, involves the substantial risk of harm to the safety or health of the worker or coworkers if adequate protections are not taken.

2.5 Identification Papers

Without limiting Supplier's obligations hereunder, Supplier shall not require any worker to surrender control over original:

- identification papers or documents giving a foreign worker the right to work in the country;
- identification papers or documents, such as a passport, giving a foreign worker the right to enter or leave the country; or
- documents, such as a birth certificate, evidencing the worker's age.

2.6 Financial Obligations

Without limiting Supplier's obligations hereunder, Supplier shall not, whether or not as a condition to the right to work, require any worker (or worker's spouse or family member) to, directly or indirectly:

- pay recruitment or other fees or other amounts (monetary or in-kind);
- incur debt.
- make financial guarantees; or
- incur any other financial obligation.

2.7 Freedom of Movement

Without limiting Supplier's obligations hereunder, Supplier shall ensure that workers have the right to freedom of movement without:

- delay or hindrance; or
- the threat or imposition of any discipline, penalty, retaliation, or fine or other monetary obligation.

Worker freedom of movement rights include each worker's right to leave the Facilities without retaliation:

- at the end of each workday;
- based on reasonable health and safety-related justifications; and
- based on any reasonable circumstances, such as personal or family emergencies.

2.8 Freedom to Terminate Employment

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Without limiting Supplier's obligations hereunder, Supplier shall allow workers to terminate their employment or work arrangement:

- without restriction; and
- without the threat or imposition of any discipline, penalty, retaliation, fine or other monetary obligation.

2.9 Compensation and Benefits

Supplier must compensate all workers with wages, including overtime premiums, and benefits that at a minimum meet the highest of:

- the minimum wage and benefits established by applicable law;
- collective agreements;
- industry standards; and
- an amount sufficient to cover basic living requirements.

Supplier shall make wage payments at least monthly and provide benefits on a timely basis.

Supplier's obligation to compensate and provide benefits applies to all workers at all times, including during periods of training, apprenticeship, and probation.

2.10 Documentation

Supplier shall:

- provide proof of payment to workers in the workers' native language showing hours worked, wage amounts and rates (regular, overtime, and bonus), and deductions;
- ensure that proof of payment is accurate, clearly calculated, and enables workers to quickly verify the amount of payment and method of calculation; and
- maintain proper documentation of wage payments for their internal records.

2.11 Deductions

Supplier shall not make any deductions from wages, except income tax withholding and any others that are permitted by relevant law.

2.12 Work Hours

Regular Work Hours: Supplier shall not require or allow workers to work more than the maximum legally permitted number of regularly paid hours worked per week.

Overtime Work Hours: Additional overtime hours are voluntary, and must not exceed the maximum legally permitted number of overtime hours worked per week.

Rest and Lunch Breaks: Supplier shall allow workers to take:

- reasonable rest breaks, including bathroom breaks; and
- reasonable lunch breaks.

Other Requirements: Supplier shall:

- permit workers to take at least one regularly scheduled day off per seven-day schedule; and
- permit workers to take paid or unpaid leave as allowed by law.

Documentation: Supplier shall:

- use an industry-accepted time-keeping system to track worker work hours; and
- develop work-hour policies to ensure compliance with this Supplier Code and applicable law.

2.13 No Discrimination, Abuse, or Harassment

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Supplier shall not discriminate in hiring, compensation, training, advancement or promotion, termination, retirement, or any other employment practice based on race, color, national origin, ethnicity, gender, gender identity, sexual orientation, military status, religion, age, political affiliation, marital or pregnancy status, covered veteran status, protected genetic information, disability, or any other characteristic other than the worker's ability to perform the job.

Supplier shall treat workers with respect and dignity.

Supplier shall not subject workers to corporal punishment, or physical, verbal, sexual, or psychological abuse or harassment. Supplier must not condone or tolerate such behaviour by its Partners.

2.14 Health and Safety

Supplier shall provide a safe, healthy, and sanitary working environment. Supplier shall implement procedures and safeguards to prevent workplace hazards, and work-related accidents and injuries, including procedures and safeguards to prevent industry-specific workplace hazards, and work-related accidents and injuries, that are not specifically addressed in this Supplier Code.

General and industry-specific procedures and safeguards include those relating to:

- health and safety inspections;
- equipment maintenance;
- maintenance of Facilities;
- worker training covering the hazards typically encountered in their scope of work;
- fire prevention; and
- documentation and recordkeeping.

Supplier shall provide workers adequate and appropriate personal protective equipment to protect workers against hazards typically encountered in the scope of work.

2.15 Facilities

Supplier shall:

- ensure that all Facilities meet all applicable building codes and industry design and construction standards;
- obtain and maintain all construction approvals required by law;
- obtain and maintain all zoning and use permits required by law;
- without limiting Supplier's obligations hereunder, ensure that all Facilities have:
 - an adequate evacuation plan;
 - adequate, well-lit (including emergency lighting), clearly marked, and unobstructed emergency exit routes, including exits doors, aisles, and stairwells;
 - a sufficient number of emergency exit doors, which are located on all sides of each building, are unlocked (from the inside), and are readily opened from the occupied side and swing in the direction of emergency travel;
 - visible and accurate evacuation maps posted in the local language, and including a "you are here" mark;
 - adequate ventilation and air circulation;
 - adequate lighting;
 - adequate first aid kits and stations;
 - adequate fire safety, prevention, alarm, and suppression systems;
 - adequate access to potable water;
 - adequate access to private toilet facilities; and
 - reasonable space for nursing women.
- post safety rules, inspection results, incident reports, and permits, in each case, as required by law.

If Supplier provides dining or dormitory facilities for its workers, it shall provide safe, healthy, and sanitary facilities (including food preparation and storage areas) that comply with the Health and Safety section of this Supplier Code.

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Access to drinkable water must be provided. Without limiting Supplier's obligations hereunder, Supplier shall obtain and maintain all food preparation permits and health certificates required by law.

With regard to dormitory facilities, workers shall be free to enter and leave said facilities at all times. Dormitory facilities must allow workers reasonable personal space, provide workers access to clean toilet, shower and bathroom areas and allow for adequate heating and ventilation.

2.16 Freedom of Association and Collective Bargaining

Supplier shall respect, and shall not interfere with, the right of workers to decide whether to lawfully associate with groups of their choice, including the right to form or join trade unions and to engage in collective bargaining.

Without limiting Supplier's obligations set out above, Supplier shall not:

- take any action to prevent or suppress the workers' exercise of freedom of association or collective bargaining rights;
- discriminate or retaliate against, or discipline or punish, any worker who supports or exercises freedom of association or collective bargaining rights;
- discriminate or retaliate against, or discipline or punish, any worker who raises collective bargaining compliance issues; or
- discriminate or retaliate against, or discipline or punish, any worker based on union membership or the worker's decision to join or not join a union.

2.17 Environmental Protection

Operation of Supplier's Facilities:

- Comply with laws and permits: Supplier shall operate its Facilities in compliance with all environmental laws, including laws, regulations and international treaties relating to waste disposal, emissions, discharges and hazardous and toxic material handling. Where Supplier is required to obtain and maintain permits and/or approvals for its activities, the conditions of such permits and approvals must be strictly adhered to. In the event of any non-compliance with this section, Supplier shall notify the appropriate authorities promptly and take immediate action to remedy the issue.
- Minimise use of natural resources: The use of natural resources should be minimised including by such methods as reducing materials used and recycling.
- Prevent pollution: Supplier shall minimise the creation and emission of pollutants while carrying out its activities including any air emissions (for example emission of any ozone-depleting substances) and contamination of water (such as through discharge of wastewater) or land.
- Waste disposal: Where waste is created by the Supplier (despite taking the steps outlined elsewhere in this section), such waste shall be recycled if possible and disposed of responsibly to the extent that recycling cannot occur.
- Hazardous substances: Any restricted or hazardous substances created by or otherwise dealt with by the Supplier must be identified, labelled and managed to ensure that they are safely handled, stored, used, recycled or disposed of responsibly (as relevant).
- Energy efficiency: Suppliers shall undertake a program of continuous improvement in relation to improving their energy efficiency and minimising energy consumption and emissions of greenhouse gases.

Inputs and Components:

Supplier must ensure that the goods that it manufactures (including the inputs and components that it incorporates into its goods) comply with all environmental laws, treaties, regulations and customer requirements.

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Supplier must ensure that it will only use packaging materials that comply with all environmental laws, treaties, regulations and customer requirements including providing labels with recycling and disposal instructions.

Environmental Audits

Without limiting paragraph 2.22 (*Compliance with Laws*) of this Supplier Code, Supplier acknowledges that the Company may in its discretion conduct audits of Supplier's compliance with this paragraph 2.17 (*Environmental Protection*) as set out in paragraph 2.22.

2.18 Ethical Standards

Supplier must maintain the highest ethical standards and must not take part in any bribery or corruption and must comply with all relevant laws in this area including those in the areas of:

- Gifts and entertainment: Supplier must not offer cash, favours, gifts, or entertainment to the Company's team members. Supplier should also not accept gifts, entertainment or personal benefits (directly or indirectly) if it could be perceived this could materially compromise or influence any decision by or on behalf of the Supplier.
- No fraudulent behaviour: Supplier shall not be involved with any deception with the intention of obtaining advantage, avoiding an obligation or causing loss to another party (ie fraud).
- Intellectual property: Supplier shall uphold the Company's intellectual property rights and maintain the confidence of the Company's confidential information.
- Fair competition: Supplier shall support fair competition and integrity in all its dealings.

2.19 Poster Display Requirements

It is important that Supplier's workers understand Supplier's obligations under this Supplier Code. Therefore, upon request by the Company, Supplier shall display a poster (**Poster**) containing a summary of the terms and conditions of this Supplier Code in a common area of each of its Facilities. Supplier shall follow all instructions accompanying the form, including, instructions relating to poster size and font requirements.

Supplier shall post in a location that is conspicuous and accessible to its workforce an accurate translation of the Poster in the native language or languages of the workforce next to the English-language version of the Poster. Supplier shall bear the entire cost of preparing, translating, and displaying the Posters.

2.20 Information Requirements

The Supplier will maintain and protect the confidentiality of confidential information entrusted to the Supplier by the Company, except where disclosure is allowed or required by law.

Supplier shall respond to all reasonable requests for advice and information received from the Company. This will include, but shall not be limited to, Supplier self-assessment questionnaires.

2.21 Report Violations

Supplier shall self-report any violations of the Supplier Code. Supplier can also submit questions and comments regarding the Code of Conduct, to the Supplier's usual Company contact.

Supplier shall not retaliate or take disciplinary action against any worker who has, in good faith, reported violations or questionable behaviour, or who has sought advice regarding this Supplier Code.

2.22 Compliance with Laws

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Supplier shall comply with all applicable national, international and local laws and regulations. Where this Supplier Code requires Supplier to meet a higher standard than set out by law or regulation, Supplier shall meet such higher standards.

Supplier acknowledges that the Company may in its discretion conduct audits (either itself or through its appointed subcontractors), including but not limited to inspections of the Facilities, to confirm Supplier's compliance with this Supplier Code. Audits shall be carried out during business hours on reasonable notice to the Supplier except in cases of emergency. The Company does not have, however, any obligation to conduct any such audit or inspection.

2.23 General Compliance

Supplier must comply with the conditions, requirements and specifications included in documents supplied by the Company including, but not limited to, any purchase orders or Supplier Requirements/Quality Manual.

2.24 Adherence to Supplier Code

All Suppliers are expected to read, understand and adhere to this Supplier Code, which has been prepared in line with recognised international standards (see for example the Responsible Business Alliance Code of Conduct available at <http://www.responsiblebusiness.org/>). The Company will work with Suppliers to support these requirements.

The Company reserves the right to terminate its business relationship (including any purchase order(s) and purchase contracts) with Supplier if Supplier or any Partner fail to meet the requirements of this Supplier Code.

3 COMPANY CODE OF CONDUCT

The Company's Code of Conduct Policy sets out the framework of the standards that the Company's Directors, employees, contractors, secondees, consultants and any other person who represents the Company or is engaged to carry out work on any Company site (**Company employee**) is expected to conduct their professional lives by. The Company operates across many countries and legal jurisdictions. High ethical standards are a prerequisite for delivering on the Company's objective to be a recognised leader in responsible business practices globally and an 'employer of choice'.

As stated in the Code of Conduct, Company employees will not accept or offer gifts, entertainment or personal benefits of any value from or to external parties if it could be perceived this could materially compromise or influence any decision by the Company.

In addition, the Company's employees will (amongst other things):

- conduct themselves in a way that demonstrates that their honesty is beyond question and will not commit behaviour that has the potential to bring the Company's image into disrepute;
- deal honestly with the Company, customers, consumers, clients, Suppliers, creditors, competitors, professional advisers and other employees; and
- not accept or offer bribes or improper inducements to or from anyone.

4 COMPANY APPROVAL AND REVIEW

This Supplier Code was approved by the Board on 28 August 2019.

This Supplier Code is subject to biennial review.

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5 SUPPLIER ACKNOWLEDGEMENT AND AGREEMENT

We hereby acknowledge and agree to comply with the Company's Supplier Code.

Signed for and on behalf of:

Name of Supplier

Signature of Supplier's Authorised Signatory

Name of Supplier's Authorised Signatory

Date

*****Once signed, please scan and email a copy to your designated Fisher & Paykel category manager or to Global-Procurement@fisherpaykel.com*****

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