

Supplier Code of Conduct Policy

December 2021

This document was approved by Human Active Technologies (HAT) executive management and is publicly available on our website.

Introduction from our CEO: Steven Bramson

For HAT to uphold our fundamental policy with respect to Human Rights and Labor Standards, we expect our suppliers to endeavor to operate ethically and in an honest manner. We view our suppliers as strategic partners who will proactively contribute towards the delivery of value to our customers in a manner that is not only reliable, but also strives for continuous improvement. The foundation for this can be strengthened by your agreement to uphold the critical elements as they are outlined in this document.

I'm certain that our mutual conviction to uphold these important values will ensure that all affairs we conduct will not only be an unwavering testament to our awareness of social responsibility, but also serve as a key to our mutual prosperity.

Steven Bramson

CEO

September 2022

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The measure for success at Human Active Technology (HAT) includes the welfare of the people designing, fabricating, assembling, selling, and purchasing our products. Conducting business honestly, ethically and in compliance with all applicable laws is a vital element of our performance and a responsibility that we owe to society. We expect from our suppliers the same level of performance and compliance that we embrace. These guidelines are intended to communicate and share our approach with HAT Suppliers, and they mirror those which are contained in the **HAT Human Rights and Labor Policy**.

We communicate our expectations to our suppliers in the following major areas:

1. Health and Safety - It is a HAT policy to provide a safe and healthy workplace and adhere to all OSHA standards. We strive to take actions that foster a safe working environment and to prevent workplace accidents and injuries. We expect our suppliers to do the same for their own employees by establishing appropriate safety protocols and providing protective equipment that meet or exceed all requirements mandated by applicable laws. All employees should receive training with regards to the relative practices and procedures.

2. Human Rights, Freedom of Association, Discrimination & Equal Opportunity - We expect our Suppliers to comply with all applicable laws, rules, and regulations regarding their employment practices. It is required to afford equal employment opportunity to qualified individuals regardless of their race, color, religion, sex, sexual orientation, gender identity, national origin, age, disability, or veteran's status, and to comply with applicable laws and regulations.

3. Working Hours, Discipline/Harassment & Compensation - Employees are expected to be treated fairly based on job performance and other business-related criteria. This encompasses all aspects of the employment relationship, including application and hiring, promotion and transfer, selection for training, compensation, working hours, disciplinary action, termination, retirement, and seniority. We expect our suppliers to develop policies and procedures which facilitate the anonymous reporting of complaints by their own employees and representatives and which prohibit any form of retaliation against those who make a good faith complaint.

4. Working Environment - IES expects that its relationships with suppliers will be based on sound lawful, efficient, and fair practices. Accordingly, we require that our suppliers attest that they do not utilize child, forced or prison labor or engage in human trafficking. (For more information on compliance with regards to U.S. Forced and Child Labor laws see (<https://www.dol.gov/agencies/ilab>)).

5. **Environment & Community** - Standards relative to sustainment and protection of the environment impact our decisions from the early stages of product development and take shape throughout all of our processes. We are committed to business practices designed to protect the environment, conserve natural resources, and reduce waste. As our strategic partner, we expect that our suppliers manage activities in a manner that meets or exceeds all applicable international, federal, state, provincial and local environmental regulations, requirements and sustainability practices. This includes requirements that are contained in the HAT Supplier Quality Requirements Manual, as well as in all HAT product or component specifications that we provide to you.

6. **Risk Management** - HAT (or an appointed third party) may conduct periodic risk assessments of our suppliers based on aggregate spending, product line, industry type, dependencies, location of supplier manufacturing or warehousing. We expect our suppliers to have a risk management process that will eliminate or mitigate exposure to risks affecting the servicing and manufacturing of HAT products. Type of risks include but are not exclusive to climate change, brand, supply chain, distribution, security and operational risk. Upon request, HAT can require suppliers to provide us with risk, response & business continuity plans that pertain to the manufacturing and delivery of our products.

Suppliers are also required to sign a Non-Disclosure Agreement with HAT to protect our intellectual property and any other confidential information that is obtained during the course of doing business with HAT.

7. **Compliance** - We base our relationships with Suppliers on lawful, efficient and fair practices. We want ethical suppliers who comply with all applicable laws. We will not knowingly deal with suppliers engaged in unethical or unlawful practices or who are not supplying quality products and services at competitive prices. Federal, state and some international laws forbid offering, soliciting or accepting any bribe or kickback, or including the amount of any bribe or kickback in a contract with the federal government. A bribe or kickback means any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind which is provided for the purpose of improperly obtaining or rewarding favorable treatment in connection with a government contract. Suppliers are expected to comply with the Foreign Corrupt Practices Act and all international laws relating to bribery and corruption. As IES is predominantly a U.S.-based company, Suppliers must comply with all trade restrictions adopted by the U.S. Government, whether they apply to foreign countries, individuals or entities. Furthermore, suppliers may not directly or indirectly engage in any business which supports terrorist activity or conduct business with any "denied party" under any applicable law, rule or regulation. We expect our suppliers to comply and participate in any certifications, regulations and standards that HAT and our customers require for any IES products, components and sub-assemblies.

Additionally, we aim to uphold the human rights of all those affected by our business activities, and in particular, of the employees engaged throughout our supply chain. We are guided by our respect for internationally recognized human rights, which include those set out in the Universal Declaration of Human Rights and in the International Labor Organization's Declaration of Fundamental Principles and Rights at Work. We uphold all applicable laws in all countries in which we operate and treat all those with whom we interact with respect and dignity. We adhere in all material respects to the United States Conflict Minerals Rule (i.e., Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act). As part of compliance with the Rule, we carry out due diligence on the source or approximated source of Conflict Minerals (i.e., Tin Tantalum, Tungsten and Gold) originating from high risk or conflict afflicted areas in the Covered Countries. We require and expect all of our relevant suppliers to comply with our request for information on the source of approximated source of Conflict Minerals.

8. Disclosure - HAT suppliers are chosen via a thorough evaluation process. As part of this process, suppliers may be required to provide detailed information regarding employment and labor practices to ensure they are not only in compliance with applicable laws and regulations, but that they also conform to our ethical expectations as explained in this document and our own IES Human Rights and Labor Standards Policy. As part of any agreement with suppliers, we reserve the right to visit supplier manufacturing facilities or escort a customer to a supplier to ensure the quality of product being provided as well as the supplier's adherence to our ethical standards. As part of such agreement with suppliers, we also reserve the right to audit (directly or via third-party inspection service) a supplier's facilities to ensure adherence to our standards and any requirements described in our contract, code of ethics and these supplier guidelines. We require suppliers to immediately report to the IES management any violation of these principles or non-compliance, violation, or serious incident in the business activities of our supplier. We expect our supplier to provide the details of the incident, investigation, impact, and corrective action. If appropriate measures are not taken or full disclosure was not made, we may take actions such as suspending or terminating business with HAT.

This policy may be amended from time to time with or without notice by the Company.

Document Control

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