

VAPORMATIC

Supplier Code of Conduct (updated April 2018)



OVERVIEW

Since 1949, Vapormatic has been a responsible and successful business that focuses on providing Genuine Value to customers, employees, investors, dealers, suppliers and the communities where we do business. As a wholly owned business of John Deere, it is guided by the core values of integrity, quality, innovation and commitment.

Vapormatic's commitment to integrity and social responsibility extends to its diverse and worldwide supply base. To ensure that suppliers conduct business with a high degree of integrity and in a socially and environmentally responsible manner, all of Vapormatic's suppliers are expected to adhere to this Supplier Code of Conduct.

General Responsibility

Suppliers are expected to do what is necessary to comply with this code without delay. Suppliers are expected to be familiar with the business practices of their suppliers and subcontractors and ensure they operate within the guidelines of this code. Failure to comply with this code may result in discontinuance of business relationships.

KEY EXPECTATIONS

Labour and Human Rights

Child Labour

In the absence of local law, suppliers may not employ workers under the age of 14. Workers under the age of 18 may not perform work likely to jeopardize their health, safety, or education.

Forced Labour

Suppliers must not participate in human trafficking; use forced, involuntary, or slave labour; or purchase materials or services from companies using forced, involuntary, or slave labour. They must be able to certify that materials included in their products comply with the slavery and human trafficking laws of the country or countries in which they do business.

Conflict Minerals

Suppliers are expected to comply with John Deere's Conflict Minerals Policy whose requirements include their response to information requests on the source and origin of conflict minerals in the parts, components or materials provided to Vapormatic.

Hiring and Employment Practices

Suppliers' hiring practices must include verification of workers' legal right to work in the country and ensure that all mandatory documents, such as work permits, are available.

Vapormatic suppliers are expected to support diversity and equal opportunity in their workplaces. Suppliers must also prohibit discrimination based on race, colour, gender, nationality, age, disability, union membership, maternity, sexual orientation, marital status gender identity or expression.

Harassment

Vapormatic suppliers must treat all workers with respect and dignity. They may not subject workers to corporal punishment, physical, sexual, psychological, or verbal harassment or abuse. Suppliers may not use monetary fines to discipline employees. In addition, suppliers must provide an environment that allows employees to raise concerns without fear of retaliation. Where it is allowed by law, suppliers should have a system that allows employees to anonymously report their concerns.

Compensation and Working Hours

Suppliers must comply with applicable wage and hour labour laws and regulations governing employee compensation and working hours. Suppliers should conduct operations in ways that limit overtime to a level that ensures a humane and productive work environment.

Health and Safety

Suppliers must provide workers with a safe and healthy work environment. They should take proactive measures that support accident prevention and minimize health risk exposure. They must ensure their health and safety operations comply with all laws related to health and occupational safety.

Environment

Suppliers are expected to conduct their operations in a way that minimizes the impact on natural resources and protects the environment, customers, and employees. They must ensure their operations comply with all laws related to air emissions, water discharges, toxic substances, and hazardous waste disposal. Throughout the world laws and regulations (e.g., RoHS and REACH) prohibit or restrict certain substances and/or require manufacturers and suppliers to provide information about restricted substances in their products. Suppliers must, therefore, comply with the most recent version of Vapormatic / John Deere's Restricted Materials List (for suppliers) and, when requested by Vapormatic/ John Deere, provide regulatory compliance declarations for identified products.

Ethics

Gifts and Gratuities

Suppliers must not offer gifts to Vapormatic employees. This includes gifts of nominal value. Although giving gifts is acceptable in some cultures, Vapormatic requests that suppliers respect its policy of not accepting gifts.

Improper Payments

Bribes, kickbacks, and similar payments are strictly prohibited. This ban applies even when local laws may permit such activity. Employees, suppliers, and agents acting on behalf of Vapormatic / John Deere are strictly prohibited from accepting such considerations under any circumstances.

Confidential Information

Proper management of confidential information is critical to the success of both Vapormatic and suppliers. Suppliers must protect all John Deere and Vapormatic information, electronic data, and intellectual property or Deere technologies with appropriate safeguards.

Any transfer of confidential information must be executed in a way that secures and protects the intellectual property rights of John Deere / Vapormatic and its suppliers. Suppliers may receive our confidential information only as authorized by a confidentiality or non-disclosure agreement and must comply with their obligations to not disclose the confidential information, to not use the information except as permitted by the agreement, and to protect the information from misuse or unauthorized disclosure. Our suppliers can expect Vapormatic / John Deere to similarly safeguard their confidential information when authorization is provided to Vapormatic / John Deere. Suppliers may not use the John Deere or Vapormatic trademark,

images, or other materials to which Vapormatic and John Deere own the copyright, unless explicitly authorized.

Supplier Management System

Suppliers are expected to have a management system that ensures they comply with applicable laws, regulations, and John Deere policies; conform to this Supplier Code of Conduct; and identify and reduce operational risks related to this code. The system should also promote continuous improvement and compliance with changing laws and regulations. An environmental management system (EMS), such as ISO14001, is strongly recommended for environmental compliance.

Supply Chain Transparency

Supply chain transparency is required to confirm compliance to this code of conduct. To monitor this, John Deere and Vapormatic will request documentation, conduct onsite audits, review and approve corrective action plans, and verify implementation of corrective action.

Communication

Suppliers are expected to assist John Deere and Vapormatic in enforcing this Supplier Code of Conduct by communicating its principles to their supervisors, employees, and suppliers. This includes but is not limited to, supporting Vapormatic / John Deere's reporting requirements pertaining to restricted substances and Conflict Minerals.

CONTACT INFORMATION

For questions or comments on the Vapormatic Supplier Code of Conduct, please contact Fraser Willis, Supply Management Supervisor at Vapormatic.

NON-COMPLIANCE REPORTING

Violations of the Vapormatic Supplier Code of Conduct should be reported using one of the following confidential options:

Telephone: +44 (0)1392 684059
Post: Compliance Desk
PO Box 58
Kestrel Way
Sowton Industrial Estate
Exeter
EX2 7NB
England

ONLINE VERSION

The Vapormatic Supplier Code of Conduct is available online at:

http://www.vapormatic.com/assets/documents/vapormatic_supplier_code_of_conduct.pdf

Please refer to the website for changes to the Vapormatic Supplier Code of Conduct.