Supplier
Code of Conduct
SUPPLIER CODE OF CONDUCT

The Embraco Supplier Code of Conduct (“Code”) formalizes the key principles under which suppliers to Embraco and its global subsidiaries (“Embraco”) are required to operate.

In selecting suppliers, Embraco works hard to choose reputable business partners who are committed to ethical standards and business practices compatible with those of Embraco.

This Code formalizes Embraco’s practices and makes clear that, recognizing differences in cultures and legal requirements, we expect that wherever our suppliers are located, producing products for us, producing components that we use in our products, and wherever services are performed for us, that they are produced and/or provided in a manner compatible with the high standards that contribute to the outstanding reputation of Embraco and our brands. Suppliers are required to comply with this Code and to have and maintain practices similar to those in Embraco’s Code of Ethics (available at www.embraco.com).

This Code applies to all suppliers of Embraco (“Embraco Suppliers”) including all of the Embraco Suppliers’ facilities.

Embraco strongly encourages suppliers to exceed the requirements of this Code and promote best practices and continuous improvement throughout their operations. If there is no local legal requirement, or if a local legal requirement is not as strict as the requirement included in this Code, Embraco Suppliers are required to follow the requirement in this Code if they want to do business with Embraco.

Laws and Regulations
Embraco Suppliers must operate in full compliance with all applicable laws and regulations of the countries in which they operate and also in full compliance with this Code.

Child Labor
Embraco Suppliers must comply with local laws regarding the minimum age of employees. The minimum age for workers must be the greater of: (a) 15 years of age or 14 years of age where local law allows such an employment age consistent with International Labor Organization guidelines; or (b) the age for completing mandatory (compulsorily) education; or (c) the minimum age established by law in the country of manufacture.

In addition, Embraco Suppliers must comply with all legal requirements for the work of authorized young workers, particularly those pertaining to hours of work, wages, safety, working conditions, and the handling of certain materials.

Forced Labor
Embraco Suppliers must not use any type of involuntary or forced labor, including indentured, bonded, prison, slave or human trafficked labor.

Harassment
Embraco Suppliers must treat all workers with respect and dignity. No work shall be subject to corporal punishment, physical, sexual, psychological or verbal harassment or abuse. In addition, Embraco Suppliers will not use monetary fines as a disciplinary practice unless it allowed by local law.
SUPPLIER CODE OF CONDUCT

Wage and Benefits
Embraco Suppliers must pay workers at least the minimum compensation required by local law and provide all legally mandated benefits. In addition to payment for regular hours of work, workers must be paid for overtime hours at such premium rate as is legally required or, in those countries where such laws do not exist, at least equal to their regular hourly payment rate.

Hours of Work
Embraco Suppliers must ensure that on a regularly scheduled basis, except in extraordinary business circumstances, workers are not required to work more than (a) 60 hours a week, including overtime, or (b) the limits on regular and overtime hours allowed by the law of the country of manufacture. In addition, except in extraordinary business circumstances, all workers are entitled to at least one day off in every seven day period.

Health and Safety
Embraco Suppliers must provide workers a clean, safe and healthy work environment in compliance with all legally mandated standards for workplace health and safety in the countries in which they operate. This includes any residential facilities a Embraco Supplier provides to its workers.

Nondiscrimination
Embraco Suppliers must ensure employment – including hiring, payment, benefits, advancement, termination and retirement – is based on ability and not on beliefs or any other personal characteristics.

Women’s Rights
Embraco Suppliers will ensure women workers receive equal treatment in all aspects of employment. Pregnancy tests will not be a condition of employment and pregnancy testing – to the extent provided – will be voluntary and the option of the worker. In addition, workers will not be forced to use contraception.

Freedom of Association and Collective Bargaining
Embraco Suppliers must recognize and respect any rights of workers to exercise lawful rights of free association, including joining or not joining any association. Embraco Suppliers also must respect any legal right of workers to bargain collectively.

Environment
Embraco Suppliers must comply with all local environmental laws applicable to the workplace, the products produced, and the methods of manufacture. Additionally, Embraco Suppliers must not use materials that are considered harmful to the environment, but should encourage the use of processes and materials that support sustainability of the environment.

Subcontracting
Embraco Suppliers must not use subcontractors in the manufacture of Embraco products or product components without prior approval from Embraco, and only after the subcontractor has agreed to comply with this Code. Embraco Suppliers must ensure that any subcontractor used has ethical and business practices that are similar to Embraco’s practices.
SUPPLIER CODE OF CONDUCT

Communication
Embraco Suppliers should communicate, through its existing ethical operating standards/practices or through this Code, that it's workers, supervisors and its permitted subcontractors are aware of expectations/requirements detailed in this Code.

Monitoring and Compliance
Embraco will take affirmative measures, such as announced and unannounced inspections of production facilities, to ensure compliance with this Code. Embraco Suppliers must maintain at each facility all documents necessary to demonstrate compliance with the Code. Embraco Suppliers must allow representatives from Embraco and, if requested, Embraco’s customers, full access to facilities, documents, worker records and workers for confidential interviews in compliance with local laws.

Embraco Suppliers are expected to take necessary corrective actions to promptly remedy any identified noncompliance. Embraco reserves the right to terminate its business relationship with any Embraco Supplier who is unwilling or unable to comply with this Code when termination is allowed by local laws.

This Code generally includes standards that are objective, measurable and linked to applicable local laws. However, in certain areas there are terms that may benefit from further explanation. Embraco has provided definitions of key terms that clarify the minimum requirements set forth in the Code. The Code provisions and the related terms being defined are posted on Embraco’s Global Supplier Portal at https://www4.whirlpool.com.br

Definitions of Key Terms

Application of the Code of Conduct
The Code represents Embraco Corporation’s core values, which apply to our entire supply chain – from raw materials and components through finished goods. Embraco takes active steps to communicate its Supplier Code of Conduct to all business partners.

To the extent Embraco becomes aware – through either internal or external sources of information – of violations of the terms of the Code anywhere along the supply chain, Embraco will actively investigate and follow-up on any identified noncompliance.

Hours of Work – Extraordinary Business Circumstances
Extraordinary Business Circumstances: Circumstances that allow for working more than 60 hours in a single week or working seven days without a day off are limited to the following instances:

- Natural disasters, including but not limited to earthquakes, typhoon, hurricanes and fires, directly affecting a supplier.
- Unforeseeable disruption in production resulting from a natural disaster at a supplier facility (for example, a typhoon disrupts the production at an oil refinery facility that has a direct impact on a resin facility’s operation).
- Unforeseeable business events at a facility, including but not limited to peak season machine malfunction.

These exceptions for Extraordinary Business Circumstances do not provide a basis for exceeding the local laws limiting hours of work – or number of days worked without a day off.
Supplier Code of Conduct

Definitions of Key Terms

Hours of Work – Regularly Scheduled Basis
Regularly Scheduled Basis: This means that working more than 60 hours in a single week – is limited to the following instances:
• Hours of work exceeding the limits stated in the Supplier Code of Conduct will be considered “regularly scheduled” to the extent that in any 12 week period, more than 25 percent of the total hours worked in any given week are greater than 60 hours.
• For example, it would be a violation of the Code if, in any 12 week period, the actual hours worked exceed the requirements of the Code for more than three weeks.

The exception provided under Regularly Scheduled Basis does not provide a basis for exceeding local laws limiting the hours of work or number of days worked without a day off.

Health and Safety – A clean, safe and healthy work environment in compliance with all applicable, legally mandated standards.
Clean, safe and healthy work environment includes all requirements of the applicable local law (for example, the Occupational Safety and Health Act for factories in the United States). The principle areas of focus in this regard will initially be:
• Fire Safety
• Machine Guards
• Personal Protective Equipment
• Lighting, Temperature and Ventilation
• Toilet Facilities

Definitions of Key Terms

Nondiscrimination – Belief or any other personal characteristics.
Beliefs and other personal characteristics include, but are not limited to, the following:
• Race
• Religion
• Age
• Gender
• Ethnic Origin
• Caste
• Political Opinion
• Disability
• Sexual Orientation

Environment – Materials that are considered harmful to the environment and/or are regulated by governmental agencies.
Materials that are considered harmful to the environment, including chemicals, should not be used by Embraco Suppliers. These materials are identified in the Embraco Restricted Materials List.

In addition, regulated minerals known as “T3G” metals – cassiterite/tin, columbite-tantalite/tantalum, wolframite/tungsten and gold (and others determined by the U.S. Secretary of State as financing conflict in the DRC countries); and originating from the Democratic Republic of Congo (DRC) or adjoining countries, need to be disclosed to Embraco in advance and Supplier must produce documentation tracing the origin of these minerals.
Definitions of Key Terms

**Subcontracting** – Subcontractors in the manufacture of Embraco products for whom the Supplier Code of Conduct also applies. Facilities, other than the facility identified for the production of a product for Embraco, involved in either the final assembly of the product or the manufacture of product components bearing any Embraco-owned trademark or logo.