

## Arnold Magnetic Technologies - Supplier Code of Conduct (SCC)

Arnold Magnetic Technologies and its affiliated companies are committed to the highest standards of integrity, ethical conduct, and social responsibility. We expect all suppliers, service providers, and partners throughout our global supply chain to share these commitments and to uphold the principles outlined in this Supplier Code of Conduct (SCC).

Suppliers are responsible for communicating these expectations to their upstream supplier networks and ensuring appropriate controls and policies are in place to support these requirements.

### Our Supplier Code of Conduct is built around the following key principles:

- ❖ Human Rights, Forced Labor, Inclusion and Diversity
- ❖ Environmental Responsibility, Health and Safety
- ❖ Responsible Sourcing
- ❖ Business Integrity and Ethics
- ❖ Supply Chain Security
- ❖ Export Control Compliance
- ❖ Management Systems
- ❖ Terms and Conditions

### Human Rights, Forced Labor, Inclusion and Diversity

#### Human Rights

Arnold expects all suppliers to maintain a safe, respectful, and dignified workplace. Suppliers shall prohibit physical abuse, threats, intimidation, harassment, mental coercion, or any form of degrading treatment. Compliance with all applicable local wage, working-hour, and labor laws is required.

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### **Forced Labor**

Suppliers must comply with all prohibitions on forced labor, including the UN conventions, the EU Forced Labor Ban, and the U.S. Uyghur Forced Labor Prevention Act (UFLPA). Suppliers shall not use slave labor, child labor, prison labor, bonded or indentured labor, or any form of coercive employment. Suppliers must actively monitor their entire supply chain to ensure materials are not sourced, in whole or in part, from the Xinjiang Uyghur Autonomous Region of China or any other prohibited region.

### **Inclusion and Diversity**

Arnold fosters an inclusive environment and expects its suppliers to take the same approach. Discrimination in hiring, employment practices, promotions, harassment, or retaliation is prohibited. Suppliers must comply with all applicable equal opportunity and anti-discrimination laws.

## **Environmental Responsibility, Health and Safety**

### **Environmental Management**

Suppliers must comply with all environmental laws and regulations. Arnold expects suppliers to monitor and reduce their environmental impact, including managing energy use, greenhouse gas emissions, water consumption, and waste. Suppliers shall act as responsible stewards of natural resources.

### **Health and Safety**

Suppliers must provide safe, clean, and healthy working conditions that meet or exceed legal standards. Suppliers shall implement safety procedures, provide required PPE, conduct appropriate training, and continually improve safety programs with the goal of zero workplace incidents.

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## Responsible Sourcing

Arnold is committed to sustainable, fair and ethical sourcing practices throughout the supply chain.

### Conflict Minerals

Suppliers shall not source materials that contribute to armed conflict, human rights abuses, or illegal trade. Suppliers must comply with OECD Due Diligence Guidance and ensure responsible sourcing of minerals, including but not limited to:

Gold, Gallium, Germanium, Cobalt, Mica, Steel, Iron, Tin, Tantalum, Tungsten (3TG) and other materials from Conflict-Affected and High-Risk Areas (CAHRAs), including regions under UN embargo such as parts of Russia and China.

Suppliers must complete and provide a Responsible Minerals Assurance Process (RMAP) declaration upon request.

### Resources and Indigenous Rights

Suppliers must respect the principles of free, prior, and informed consent regarding the land and resource rights of Indigenous communities. Suppliers shall conserve resources, minimize pollution, reduce GHG emissions, and mitigate impacts on surrounding communities.

## Business Integrity and Ethics

Suppliers must uphold the highest standards of ethical conduct and comply with laws related to anti-corruption, intellectual property, data protection, sanctions, and competitive practices.

### Anti-Corruption

Bribery, extortion, kickbacks, improper gifts, embezzlement, and any attempt to improperly influence decision-making are strictly prohibited. Suppliers shall comply with all applicable anti-corruption laws worldwide.

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### **Intellectual Property and Proprietary Assets**

Suppliers must protect Arnold's intellectual property, technical data, designs, software, trade secrets, and confidential information. Unauthorized disclosure, reverse engineering, duplication, or transfer to third parties is prohibited.

### **Prohibition of Malpractice and Fraud**

Suppliers and sub-tiers must continually strive to prevent Malpractice, Fraud and Falsification in their organization and throughout their supply chains. This includes but is not limited to: concealment, misrepresentation, or manipulation of data, documentation, or materials—especially related to ITAR-controlled work.

- ❖ Engaging in any form of malpractice or fraudulent activity is strictly forbidden and may result in disciplinary action, termination of contract, civil penalties, and/or criminal prosecution under applicable U.S. law.
- ❖ Any falsification, concealment of information, gross error amounting to fraud, or deceptive representation related to ITAR-controlled work is a direct violation of company policy and U.S. law. Such actions are unacceptable and will be reported to the appropriate regulatory and legal authorities.
- ❖ Suppliers must ensure that their employees and any sub-tier suppliers receive all required documentation, training materials, and communications necessary to comply with ITAR regulations and this policy, including any mandated notices or postings.

## **Supply Chain Security**

Arnold is committed to secure and compliant movement of goods globally.

Suppliers must implement controls related to:

- ❖ Facility and physical security
- ❖ Shipping/receiving and cargo integrity
- ❖ Personnel vetting
- ❖ Cybersecurity

Arnold strongly encourages supplier participation in security initiatives such as CTPAT or equivalent international programs.

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## **Export Control Compliance**

Suppliers must comply with all applicable export control and economic sanctions laws, including restrictions on transferring goods, software, services, or technology to denied or prohibited individuals, entities, regions, or end uses.

Suppliers are responsible for screening business partners, maintaining export-related records, and abiding by relevant national and international trade laws.

## **Management Systems**

Suppliers must implement management systems that support the requirements of this SCC, including:

### **Leadership Commitment**

Senior leadership must oversee the implementation and continual review of compliance programs.

### **Risk Assessment**

Suppliers must identify and control legal, safety, environmental, labor, ethical, and supply chain risks. Regular training must be provided to ensure adherence to this SCC.

### **Information Technology and Traceability**

Suppliers must implement IT controls that prevent the procurement or use of materials from sanctioned or restricted sources. Full material traceability must be provided upon request.

Cybersecurity protections must be in place to safeguard confidential information.

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## Terms and Conditions

By accepting purchase orders from Arnold Magnetic Technologies, suppliers agree to comply with applicable Terms and Conditions, which define responsibilities, legal obligations, and available remedies. These terms will accompany purchase orders and be available on Arnold's website(s). Suppliers must demonstrate compliance with this SCC upon request, complete questionnaires, and participate in audits or site visits as necessary. Failure to meet SCC requirements may result in corrective actions or termination of the business relationship.

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### Supplier Acknowledgement and Agreement

I/we, the undersigned, representing \_\_\_\_\_

(Supplier Name)

certify that we have read, understand, and agree to comply with the Arnold Magnetic Technologies Supplier Code of Conduct.

**COMPANY NAME:** \_\_\_\_\_

**VENDOR NUMBER:** \_\_\_\_\_

**"TRADE AS" NAME:** \_\_\_\_\_ (if applicable)

#### Authorized Signatories:

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

If Arnold Magnetic Technologies does not receive a signed acknowledgement within 7 business days, continued fulfillment of purchase orders will be considered acceptance of this SCC. Suppliers must notify Arnold immediately upon identifying any compliance issue within their supply chain or business operations.

