

# Supplier Core Expectations

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**Tennant Company** is committed to conducting business ethically by respecting the local customs and practices of its suppliers and customers while requiring its own employees, agents, service providers, suppliers, and their subcontractors, to abide by applicable laws and industry standards.

These Supplier Compliance Standards (“Standards”) are based upon Tennant’s expectation that its Suppliers, and their subcontractors, comply with all applicable laws and regulations, maintain just and decent working conditions, share Tennant’s respect for the environment, and implement sound security measures.

Suppliers must permit Tennant and its agents to engage in assessment activities to confirm compliance with these Standards. Accordingly, Suppliers should endeavor to regularly evaluate their own facilities, books and records and those of their suppliers and service providers.

If Tennant determines through its assessment process that a Supplier is not meeting the requirements and expectations set forth in these Standards, Tennant will offer guidance with respect to matters requiring correction or that need improvement. Tennant reserves the right, however, to cancel outstanding orders, suspend future orders or terminate its relationship with the Supplier, as circumstances demand.

## 1. COMPLIANCE WITH APPLICABLE LAWS

Suppliers must comply with all applicable laws and regulations of the jurisdictions in which the Suppliers are doing business, including but not limited to labor and employment laws and laws pertaining to product design, manufacture, packaging, labeling, importation and exportation of those jurisdictions of the countries of manufacture and distribution. Commercial invoices and other necessary documentation must be provided in compliance with applicable laws. All products, unless specifically exempt under the applicable customs laws and regulations, shall be marked with the country of origin.

## 2. CODE OF CONDUCT

Suppliers are expected to maintain fundamental labor and human rights standards as described below and to require that upstream suppliers also adhere to these standards. All references to local law below include regulations implemented in accordance with applicable local law.

### ◆ **No Forced Labor/Human Trafficking**

Suppliers will not use any forced labor, whether in the form of prison labor, indentured labor, bonded labor, slavery or otherwise. Suppliers will not engage in human trafficking. It is Tennant’s policy that where forced labor, including slavery, and human trafficking is found in its supply chain, it will seek eradication rather than ceasing business in that area.

### ◆ **No Child Labor**

It is Tennant’s policy that it will not knowingly do business with Suppliers that illegally or improperly employ underage workers. Accordingly, Tennant expects that its Suppliers will not employ workers younger than the minimum age prescribed by the law of the country of manufacture or younger than the age for completing compulsory education in the country of manufacture, whichever is higher. However, under no circumstances should Suppliers hire or employ workers younger than 15 years of age.

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## ◆ **No Harassment or Abuse**

Suppliers will treat each employee with respect and dignity and will not subject any employee to any physical, sexual, psychological, verbal, or any other form of harassment or abuse.

## ◆ **No Discrimination**

No person shall be subject to any unlawful discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, social or ethnic origin, or any other applicable prohibited basis.

## ◆ **Health and Safety**

Suppliers shall provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of Suppliers' facilities.

## ◆ **Freedom of Association and Collective Bargaining**

Suppliers shall recognize and respect the right of employees to freedom of association and collective bargaining.

## ◆ **Wages and Benefits**

Suppliers recognize that wages are essential to meeting employees' basic needs. Suppliers shall pay employees, as a floor, at least the minimum wage required by local law or the prevailing industry wage, whichever is higher, and shall provide legally mandated benefits.

## ◆ **Reasonable Working Hours and Overtime Compensation**

Employees shall not be required, except in extraordinary circumstances, to work more than sixty hours per week, including overtime, or the local legal requirement, whichever is less. All employees shall receive a minimum of one day off in seven, or the local legal requirement, whichever is more. In addition to their compensation for regular hours of work, employees shall be compensated for overtime hours at such premium rate as is legally required in the country of manufacture or, in those countries where such laws do not exist, at a rate at least equal to their regular hourly compensation rate.

### 3. ENVIRONMENT

Tennant expects its Suppliers to conduct business in a way that demonstrates respect for the environment. Suppliers should be alert to environmental issues and share in the commitment to conserve natural resources. Suppliers are encouraged to reduce excess packaging and to use recycled and non-toxic material whenever possible. Suppliers should take steps to minimize the negative impact their business might have on the environment particularly concerning material selection and the handling and disposal of hazardous material and other waste. Suppliers shall in all respects comply with local environmental laws and regulations.

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## 4. TRADE SECURITY

Tennant and its Suppliers will follow the laws of the United States, other nations, and international organizations concerning foreign trade.

It is Tennant's policy to support U.S. Customs and Border Protection ("CBP") mandatory supply chain security requirements by requiring that its Suppliers adhere to all applicable laws governing trade security in the United States and in all jurisdictions where the Suppliers do business. In addition, Tennant encourages its Suppliers to participate in CBP's Customs-Trade Partnership Against Terrorism ("C-TPAT") program, or comparable programs established by the customs authorities of other nations.

The C-TPAT program recognizes the complexity of international supply chains and endorses the implementation of security measures based upon risk analysis. CBP has published general recommendations that should be followed on a case-by-case basis depending on the Supplier's size and structure. The CBP-specified "Business Partner Requirements" within the C-TPAT Import Security Criteria are located on the CPB website:

[www.cbp.gov/xp/cgov/trade/cargo\\_security/ctpat/ctpat\\_application\\_material/ctpat\\_security\\_guidelines/importers/](http://www.cbp.gov/xp/cgov/trade/cargo_security/ctpat/ctpat_application_material/ctpat_security_guidelines/importers/)

## 5. ANTI-CORRUPTION LAW

Suppliers must ensure that their employees, officers, directors, agents, suppliers, and service providers comply with all potentially applicable anti-corruption and anti-bribery laws, such as the U.S. Foreign Corrupt Practices Act and the UK Anti-Bribery Act, regardless of whether such laws would otherwise apply to the Suppliers. Suppliers may not give, offer, or promise any advantage or anything of value to influence the performance of official functions or gain a business advantage. Suppliers may not promise or make such payments to public officials acting on behalf of a government, agency, department, or state-owned business, to political parties or candidates for political office, or to their agents, employees, or representatives. These payments are prohibited whether made directly or through a third party, or whether made with company or personal assets.

## 6. REPORTING REQUIREMENTS

Tennant is a U.S. publicly traded company and is therefore subject to certain government and private securities exchange reporting and compliance obligations. Such reporting obligations include and are not limited to Section 1502 of the Dodd Frank Act which requires that Tennant collect certain information from Supplier. Tennant will advise Supplier regarding these information requirements and Supplier shall keep accurate and separate records and accounts including information from Supplier's upstream suppliers, in accordance with good accountancy practices, sufficient to enable Tennant to rely on such reports for purposes of complying with its reporting requirements. Supplier shall provide Tennant and its representatives, upon reasonable notice, access to its records, accountants and premises for the purpose of performing audits to verify Supplier's reports.

## 7. UPDATES

These Supplier Compliance Standards may be updated from time to time by Tennant. A copy of these Standards in the local language shall be posted in a location visible to all employees at all facilities that manufacture products for Tennant.

Violations of these Standards can be anonymously reported by contacting Tennant's Ethics Hotline at 1.877.774.6504.