

Supplier code of conduct

Our supplier code of conduct contains principles that have long been a part of Hypertherm's core values and ethical beliefs. Our key values define who we are as individuals and as a company-to each other, and to our customers, shareholders, suppliers, competitors and communities. These principles are:

Uncompromising integrity – staying true to what we believe. We adhere to honesty, fairness and the doing the right thing without compromise, even when circumstances make it difficult.

Respect for people – we treat everyone with dignity, as we would like to be treated ourselves. This respect applies to every individual we interact with around the world.

Hypertherm expects our suppliers and/or any of its affiliates to conduct business to the highest ethical and legal principles. Suppliers are responsible for ensuring that any employees, affiliates, distributors, subcontractors or agents of the supplier that provide product or services to Hypertherm read, understand and comply with the supplier code of conduct. Hypertherm will not do business with suppliers that violate the law. These laws include local environmental, employment, safety and anti-corruption statutes. Specifically, we expect all Hypertherm suppliers to adhere to the following principles.

Human rights

Labor

Suppliers must comply with local and national minimum working age laws and regulations. All forms of labor are voluntary. The use of forced labor is prohibited, this includes indentured labor, bonded labor or prison labor. The support of any form of human trafficking or involuntary labor through force, threat, fraudulent claim or other coercion is strictly prohibited.

Wages, working hours and benefits

Suppliers will compensate employees with wages and benefits that comply with all applicable local and national laws and regulations. Suppliers will not require employees to work in excess of the maximum hours of daily labor allowed by local laws and regulations. All overtime work is voluntary and paid in accordance to the law.

Freedom of association

Suppliers will recognize employees' rights to freedom of association and collective bargaining in accordance with legal requirements. These rights shall be respected without penalty.

Non-discrimination

Suppliers will not discriminate against any person based on race, color, religion, gender, gender identity, age, disability, health, marital status, sexual orientation or ethnicity in their hiring and employment practices. It is expected that all employees are treated with respect and dignity and free from harassment, including but not limited to, physical, sexual, verbal, and psychological.

Environment

Workplace health and safety

Suppliers will provide employees with a safe and healthy work environment that complies with all applicable environmental, health and safety laws and regulations.

Environmental impact

Suppliers must comply with all applicable environmental laws and regulations in the region in which they operate. In addition, suppliers will make efforts to reduce negative impacts on the environment through energy and land conservation, waste and water reductions, and investing in environmentally friendly technologies.

Hazardous waste

Suppliers must identify, properly manage, and maintain records of chemicals and materials that pose a threat to the environment. This includes the management of safe handling, use, storage and disposal, and/or recycling practices.

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Sourcing responsibly

Suppliers that manufacture components, parts, or products containing tin, tantalum, tungsten, or gold must source those materials from environmentally and socially responsible sources only. Materials, which either directly or indirectly contribute to conflict, are unacceptable. Suppliers are expected to adopt conflict minerals compliance policies and management systems with respect to Section 1502 of the Dodd Frank Act. Suppliers must comply with all applicable laws and regulations in the region in which they operate.

Ethics and integrity

Legal and regulatory compliance

Suppliers must comply with all applicable trade, export, and import laws and regulations. Suppliers must conduct business in compliance with all national and international antitrust regulations. Hypertherm will not conduct business with suppliers that engage in corruption, extortion, or embezzlement in any form. Suppliers must adhere to the anti-corruption laws that govern operations in the countries in which they do business, such as but not limited to, the U.S. Foreign Corrupt Practices Act and U.K. Bribery Act. Suppliers will not engage in the practice of offering bribes, kickbacks or facilitating payments to Hypertherm employees or any agents on the behalf of Hypertherm.

Conflicts of interest

Suppliers are required to avoid conflicts of interest between their obligations to Hypertherm and their personal affairs, business interests and relationships. Any relationship or activity which may influence or appear to influence the performance of one's duties to Hypertherm must be disclosed to Hypertherm for review and resolution.

Gifts

Hypertherm Associates do not accept gifts. Gifts may include courtesies, services, favors, loans, event tickets or other items of value. Exceptions include items of nominal value (less than \$25) such as small promotional items bearing another company's name, or a social event such as picking up a luncheon check. We will not accept anything that could create the appearance that our decisions or judgment for Hypertherm would be compromised as a result.

We hold both our Associates and supplier accountable to these policies.

Intellectual property rights

Suppliers are expected to respect and protect the intellectual property rights of all parties by only utilizing information technology that has been legitimately procured and licensed. Suppliers use of physical and intellectual assets of Hypertherm, including intellectual property, tangible property, supplies, consumable and equipment, should be conducted responsibly and properly protected.

Confidentiality

Suppliers are entrusted to utilize Hypertherm's confidential information only in a manner that is permitted under their contractual agreements with Hypertherm. Suppliers must not misuse or disclose proprietary or confidential information to unauthorized third parties. Suppliers should promptly notify Hypertherm of any unauthorized use of confidential information or data.

Code of conduct compliance

It is Hypertherm's expectation that our suppliers adhere to this supplier code of conduct while conducting business with or on behalf of Hypertherm. Any violation of the Hypertherm supplier code of conduct may result in immediate termination of the supplier's partnership with Hypertherm. While Hypertherm suppliers are expected to self-monitor and self-audit to demonstrate their compliance, Hypertherm may conduct on-site audits to confirm compliance. Any observed potential illegal or unethical behavior believed to violate the supplier code of conduct is expected to be reported to 1-877-874-8416 or submitted via an anonymous online report tool at [Silent Whistle](#).

Revision history

Last reviewed/revise date: October 31, 2019.

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For questions or clarification, please contact:

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Environmental stewardship is one of Hypertherm's core values, and it is critical to our success and our customers' success. We are striving to reduce the environmental impact of everything we do. For more information: www.hypertherm.com/environment.

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