LITHIUM BATTERY COMPANY | SUPPLY CHAIN INTEGRITY

Supplier Code of Conduct

The minimum standard for every company that sells cells, components, materials, or services into an LBC program.

EFFECTIVE	APPLIES TO	COMPANY
November 2026	Suppliers, subcontractors, agents, brokers, production partners & sub-tiers	Lithium Battery Company (LBC)

Lithium Battery Company designs and builds custom LFP and NMC battery packs for North American OEMs, industrial and AGV programs, medical equipment, marine platforms, and defense and government customers. Our customers audit the chain. So do we.

This Code is not wallpaper. It is a **minimum operating standard**. Where local law is stricter, follow the stricter rule. Where this Code is stricter than local law, follow this Code — provided doing so does not force an illegal act. If you cannot meet a requirement, tell us in writing **before** you ship, quote, or start work. Silence is not compliance.

We select suppliers, renew contracts, and end programs based on whether you live these standards — not whether you can paste a policy on a slide.

1. Zero-Tolerance Ethics & Anti-Corruption

We do business on merit, engineering, price, quality, and delivery — nothing else.

You will:

- Run a **zero-tolerance** ban on bribery, kickbacks, facilitation payments, bid-rigging, embezzlement, extortion, and any other corrupt act — direct or through a third party.
- Never offer, promise, authorize, or accept anything of value to win, keep, or steer LBC business, influence an LBC employee or customer decision, or gain an improper advantage. That includes cash, gifts, travel, entertainment, hiring favors, charitable “donations,” and personal perks.
- Never solicit or provide off-book personal favors, side deals, preferential personal pricing, or non-business perks involving any LBC employee, contractor, or customer representative.
- Keep complete, accurate books and records. No off-book accounts. No falsified certificates, test reports, country-of-origin documents, or quality records.
- Comply with all applicable anti-corruption, antitrust, customs, sanctions, export-control, and trade laws (including U.S. FCPA, applicable UK Bribery Act principles where relevant, OFAC / EAR / ITAR where triggered, and customs valuation and classification rules).

- Disclose conflicts of interest — including ownership ties, family relationships with LBC personnel, or dual roles that could bias sourcing — before they become a problem.

Gifts: Token promotional items of nominal value may be acceptable when rare, transparent, and lawful. Cash, gift cards, lavish entertainment, and anything timed around an RFQ, award, audit, or CAPA decision are not. When in doubt, do not send it.

2. Human Rights, Labor & Zero Forced Labor (UFLPA)

Every worker in your supply chain is entitled to dignity, lawful pay, and free choice. LBC will not buy forced labor — full stop.

You will:

- Use only **voluntary** labor. Ban forced, bonded, indentured, trafficked, and involuntary or exploitative prison labor at your sites and at every sub-tier supplier you use for LBC material.
- Comply with the **Uyghur Forced Labor Prevention Act (UFLPA)** and all applicable forced-labor import bans. Maintain chain-of-custody evidence sufficient to rebut a forced-labor presumption when LBC or U.S. Customs asks.
- Never withhold, destroy, or deny workers access to identity or immigration documents, except where law requires temporary holding — and even then, workers must retain immediate access.
- Never charge workers recruitment fees or related hiring costs. If fees are discovered, repay them promptly and in full.
- Provide written employment terms in a language the worker understands before work begins (and before migrant workers leave their country of origin).
- Ban child labor. “Child” means anyone under 15, under the local minimum employment age, or under the age for completing compulsory education — whichever is highest. Workers under 18 must not perform hazardous work, night shifts, or overtime that jeopardizes health or safety.
- Cap working hours at local law, and in any case keep a normal workweek at or below **60 hours including overtime**, except true emergencies. Overtime is voluntary. Provide at least one rest day (24 consecutive hours) every seven days.
- Pay lawful wages and overtime. No disciplinary wage deductions. Issue clear wage statements.
- Maintain a workplace free of violence, harassment, and unlawful discrimination in hiring, pay, promotion, and training.
- Respect lawful freedom of association and collective bargaining, and the right to refrain from those activities, consistent with applicable law.
- Give workers a safe channel to raise concerns without retaliation.

3. Health, Safety & Lithium-Ion Hazard Controls

Battery work is energy work. Treat cells, electrolytes, BMS boards, packs, and test equipment with the respect high-energy systems demand.

You will:

- Identify, assess, and control workplace hazards using the hierarchy of controls: eliminate, substitute, engineer, administer, then PPE.
- Maintain machine guarding, lockout/tagout, electrical safety, fire detection/suppression, and clear egress. Run emergency drills at least annually (or more often if law requires).
- Train every exposed worker — in a language they understand — before they handle lithium cells, modules, packs, electrolytes, solvents, welding/joining equipment, formation/test gear, or high-voltage fixtures.
- Implement **lithium-ion-specific** controls: thermal-event response plans, safe charge/discharge and storage limits, segregation of damaged or suspect cells, electrolyte spill containment, ESD controls for BMS/PCBA work, and PPE matched to the task.
- Prevent, track, investigate, and correct occupational injuries and illnesses. Encourage reporting. No retaliation for raising a safety concern.
- Keep sanitation, drinking water, and — if you provide housing — safe, clean lodging with egress and reasonable privacy.
- Notify LBC immediately of any serious injury, fire, thermal event, chemical release, or regulatory shutdown tied to product or material destined for LBC.

4. Battery Material Traceability, Conflict Minerals (3TG) & Critical Minerals

LBC packs feed OEM and defense programs that demand origin transparency. “We don’t know” is not an answer.

You will:

- Exercise OECD Due Diligence Guidance-aligned due diligence on tin, tantalum, tungsten, and gold (**3TG**) and on **cobalt**, and extend equivalent scrutiny to **lithium, nickel, graphite, copper**, and other critical battery minerals as LBC or program requirements specify.
- Provide complete, accurate **CMRT** and **EMRT** (or successor) disclosures on request, including smelter/refiner identity to the extent reasonably available through your chain.
- Map and document sub-tier sources for cells, cathode/anode materials, electrolyte, separators, copper, aluminum, and electronics as required by the program.
- Support **Foreign Entity of Concern (FEOC)**, NDAA, DoD, and other government supply-chain disclosure requirements when a program demands it — with truthful country-of-origin, ownership, and processing data.
- Never conceal, swap, or “wash” origin documents. Misrepresentation is grounds for immediate disqualification and referral where law requires.

5. Cell, BMS & Component Quality, Counterfeit Prevention & Lot Traceability

Counterfeit, remarked, re-wrapped, recovered, or B-grade cells sold as Grade-A are a hard stop. One bad lot can kill a fleet program — and people.

You will:

- Supply only authentic, conforming cells, electronics, and materials from LBC-approved sources and BOMs. No silent substitutions.
- Ban counterfeit, diverted, remarked, re-labeled, salvaged, recovered, or out-of-spec cells and components. Maintain anti-counterfeit controls from receiving through shipment.
- Preserve **full lot / date-code / chemistry / manufacturer traceability** from cell inbound through any process you run for LBC, and retain records for at least the period required by contract or seven (7) years, whichever is longer.
- Protect the integrity of **UN 38.3**, UL, IEC, and other safety/transport qualifications tied to the approved design. If a change would invalidate a test report, say so **before** you change anything.
- Issue a written **Engineering Change Notification (ECN)** and obtain LBC written approval **before** any change to cell model, chemistry, separator, electrolyte, BMS firmware, MOSFET/controller, PCB revision, critical adhesive/insulation, or sub-supplier for LBC-bound product.
- Flow LBC quality requirements to your sub-tiers. Contain, quarantine, and disclose any nonconformance, quality escape, or field-risk issue affecting LBC material immediately — not after the next shipment.
- Support first-article, PPAP/FAI-style evidence, incoming inspection data, and corrective action (8D / CAPA) on the timelines LBC sets for the program.

6. Environmental Stewardship & Responsible Battery Lifecycle

Battery materials are regulated for a reason. Handle them like it matters — because it does.

You will:

- Hold and keep current all required environmental permits and meet their reporting conditions.
- Identify, label, contain, and dispose of hazardous substances — including electrolytes, solvents, and process chemicals — lawfully and safely.
- Control air emissions, wastewater, and solid waste. Prevent uncontrolled releases.
- Comply with applicable **RoHS**, **REACH**, **TSCA**, and customer substance-restriction requirements; provide declarations and evidence on request.
- Manage scrap cells, failed packs, and production waste through safe discharge, authorized recyclers, or lawful disposal. No landfill dumping of untreated lithium cells where prohibited.
- Pursue practical reductions in waste, energy use, and emissions where you can measure them — and share data LBC reasonably requests for customer or regulatory reporting.

7. Intellectual Property, Confidentiality & Cybersecurity

LBC and LBC-customer designs are the product. Protect them the way you protect your own crown jewels — or better.

You will:

- Protect all LBC and LBC-customer confidential information: CAD, drawings, pack architectures, BMS schematics and firmware, test data, pricing, forecasts, BOMs, and customer identities.

- Use LBC data only for the authorized program. No side projects. No training models on our files without written permission. No marketing use of LBC or customer names without written approval.
- Honor NDAs and contract IP terms. Return or securely destroy LBC data when the work ends, on request.
- Never tool, dual-source, or subcontract LBC work to a shadow shop or unauthorized sub-tier. No unauthorized copy tooling.
- Maintain reasonable cybersecurity and access controls for systems that store or transmit LBC data: least-privilege access, patching, phishing defenses, and incident response.
- Notify LBC promptly of any actual or reasonably suspected data breach, ransomware event, or unauthorized disclosure involving LBC information.

8. Audit Rights, Flow-Down & Reporting

Trust is verified.

You will:

- Flow this Code (or an equal-or-stricter standard) down to every sub-tier supplier that touches LBC material or data, and monitor that flow-down.
- Keep verifiable records proving compliance with this Code and applicable law, and produce them promptly on LBC request.
- Permit LBC, LBC customers, and designated third-party auditors to assess your compliance — including document review and, where warranted, on-site assessment of supplier production sites and related premises — with reasonable notice, or shorter notice when risk justifies it.
- Complete corrective actions on agreed timelines. Chronic failure or refusal to remediate is grounds for suspension or termination.
- Report actual or suspected violations of this Code, safety escapes, forced-labor red flags, counterfeit risk, or export/sanctions issues to LBC **immediately**, without waiting for perfect proof.
- Maintain a non-retaliation stance toward anyone who reports concerns in good faith.

How to report: Submit compliance questions, mineral or UFLPA disclosures, or good-faith violation reports through the Lithium Battery Company contact form at **www.lithiumbatterycompany.com/contact** with the subject **Supplier Compliance**. All good-faith reports are reviewed confidentially and without retaliation.

Acknowledgment

By quoting, contracting, shipping, or continuing to supply Lithium Battery Company, you acknowledge that you have read this Supplier Code of Conduct, that you will comply with it, and that you will hold your supply chain to the same bar. LBC may update this Code; the version posted on **www.lithiumbatterycompany.com** controls unless a signed contract sets a higher standard.

Non-compliance may result in removal from approved-source lists, cancellation of open orders, contract termination, reporting to customers or authorities where required, and recovery of losses caused by your breach.

Contact: Website contact form → www.lithiumbatterycompany.com/contact | Mark the message **Supplier Compliance**.

Lithium Battery Company · Tampa, Florida, U.S.A. · www.lithiumbatterycompany.com

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