



Supplier Code of Conduct On AG

1. Employment is freely chosen.

No supplier making On products shall use forced labor whether in form of forced prison or bonded labor or otherwise. Workers are not required to lodge 'deposits' or leave their identity papers with the employers and are free to leave after reasonable notice time.

2. Freedom of Association and Collective Bargaining Agreement are respected

Supplier recognizes the employees' right to freedom of association and collective bargaining agreements. Workers representatives are not discriminated against and are not hindered to carry out their representative functions in the workplace.

3. No Discrimination and Harassment is practiced

No person shall be subject to any discrimination in employment, including during hiring process, and every employee shall be treated with respect and dignity and afforded equality of opportunity and treatment regardless of gender, race, social or ethnic origin, sexual orientation, age, disability, religion, pregnancy, political opinion, trade union membership, nationality, social origin or other distinguishing characteristics.

Employees must not be subjected to physical, verbal, physical or sexual harassment or any other forms of intimidation.

4. Child Labor shall not be used

There shall be no use of the labor of any person less than sixteen years of age or of any person not yet past the national legal age of compulsory schooling or minimum working age, whichever is higher. Any person under the age of 18 shall not be employed at night or in hazardous conditions.

5. Wages and Benefit

Supplier acknowledges that every employee has the right to get compensation for a regular work week that is sufficient to meet employees' basic needs and provide some discretionary income. Supplier's employees are payed timely at least minimum wage required by country law or prevailing wage, whichever is higher. Employees shall be provided with legally mandated benefits, including holidays and leaves and full statutory severance payments once the employment ends. Deductions from wages must not be made for disciplinary purposes. The supplier is responsible that composition of wages and benefits are clear to employees and informs all employees immediately in case of amendments.

6. Working Hours are not excessive

Hours of work shall not exceed the regular and overtime hours allowed by the local law. A standard working week should not exceed 48 hours. Except for extraordinary circumstances the regular and overtime hours shall not exceed 60 hours per week. Overtime must be consensual, and employees have to be fully compensated according to local law. Employees shall be entitled to at least one day off (24 consecutive hours) in every seven-day period.

7. Disciplinary Practices



Disciplinary procedures shall comply with applicable laws and clearly be stated in the employment policies. Employees should never be exposed to physical punishment, mental or physical coercion or verbal abuse.

8. Regular Employment is provided

To every extent work performed must be on the basis of recognized employment relationship established through national law and practice. Obligations to employees under labor and social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labor-only contracting, sub-contracting or home-working arrangements or apprenticeship schemes without real intent to impart skills or provide regular employment.

9. Grievance systems are provided

The supplier has to provide effective grievance systems that are accessible to all employees.

10. Working Conditions are safe & hygienic

The factory building is constructed according to manufacturing country laws and complies with civil engineering standards. Multi-use constructions are not permitted. A safe and hygienic working environment shall be provided, preventing any potential hazards and complying with local health & safety regulations. Adequate steps shall be taken to prevent occupational accidents and injuries. Reasonable measures shall be taken to prevent any negative impacts on the environment caused by manufacturing and other practices. Employees shall receive regularly recorded health & safety trainings. Access to clean toilets and potable water shall be provided.

11. Unauthorized Subcontracting

The supplier must not engage subcontractors to do any work on On products or components without prior written approval by On AG.

Local Law

The supplier has to comply with all local applicable laws and regulations (i.e. Vietnam laws and regulations) on labor (e.g. wages, rest, overtime hours, treatment) environment, health, safety, chemical management and other matters and regularly update policies and procedures accordingly.

The Purchaser expects its supplier to continuously strive for manufacturing excellence and provide working environment beyond basic compliance. The standards of production may be amended, supplemented or otherwise revised by a mutual agreement between the parties.

As of June 2019.