

**ADDENDUM — FOR IMMEDIATE RELEASE**

Issued June 11, 2026 • Effective Immediately • Addendum No. 2026-01

# Supplier Code of Conduct and Sustainability Agreement

Addendum — Ethical Recruiting and Land, Forest, and Water Rights

## Foreword

PennEngineering® has long held that the right way to do business is to treat people fairly, protect our shared environment, and build supply chain partnerships grounded in mutual respect. This Addendum extends those commitments by establishing clear expectations in two areas that are central to both: ethical recruiting and the protection of land, forest, and water rights.

We recognize that many of our supplier partners already share these values and, in many cases, are already living them. This Addendum gives those commitments a common language and a consistent baseline across our entire supply base. We ask that all suppliers — current and prospective — review these guidelines and agree to follow them.

Together, we can ensure that every person who works anywhere in our supply chain is treated with dignity, and that the communities and natural resources our operations touch are respected and protected. The difference we make together will be meaningful and lasting.

## Social

### Ethical Recruiting

Treating people well starts before day one. We ask that our suppliers recruit, hire, and onboard workers in a way that is honest, respectful, and free from any form of coercion or exploitation.

At a minimum, suppliers shall ensure:

- Workers are never charged fees or costs — by the supplier or any labor recruiter or staffing intermediary — related to recruitment, placement, transportation, housing deposits, medical checks, or documentation required for employment. This applies throughout the supply chain, including subcontractors.
- All workers receive clear, complete, and accurate information about the terms of their employment — including job duties, compensation, hours, location, and any employer-provided housing — prior to accepting work, and in a language they fully understand.
- Employment contracts are written, signed voluntarily before work begins, and never altered after a worker has accepted an offer or relocated in reliance on it.
- Workers are free to resign without penalty, financial obligation, or retaliation, subject only to reasonable notice requirements.
- No supplier shall confiscate or retain a worker's personal identity documents, including passports, national identification cards, or work permits. Where a worker voluntarily

requests secure document storage, that request must be in writing and the documents returned upon request at any time.

In no case will PennEngineering work with a supplier who engages in forced labor, compulsory labor, human trafficking, or child labor. This expectation already exists within our Supplier Code of Conduct and is reinforced here: suppliers must extend this vigilance to their own upstream supply chain and labor recruitment channels.

We also ask that suppliers have accessible, confidential mechanisms through which workers can raise concerns about recruiting practices without fear of retaliation. Complaints raised should be documented and investigated.

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## Environmental Commitments

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### Land, Forest, and Water Rights

Access to clean water, healthy forests, and secure land are not just environmental issues — they are human ones. Communities around the world depend on these resources for their livelihoods, health, and culture. PennEngineering takes seriously its responsibility as a steward of the earth, and we ask our suppliers to support us in extending that stewardship to the communities and ecosystems connected to our supply chain.

Suppliers are expected to:

- Respect the land and resource rights of all communities — including Indigenous Peoples and local communities — in the areas where they operate, regardless of whether those rights are formally registered under domestic law.
- Not engage in, commission, or facilitate the forced eviction of individuals or communities from land, housing, or natural resource areas they occupy or depend on. Where any displacement is unavoidable and lawful, suppliers must ensure genuine consultation with affected communities, adequate notice, and fair compensation — including for loss of livelihood and access to resources, not only physical property.
- Obtain the free, prior, and informed consent (FPIC) of affected Indigenous Peoples or traditional communities before commencing any operation that may materially impact their land, territory, or resource rights. Consent must be freely given, sought before activities begin, and based on full and accessible information shared in the community's own language. The absence of formal objection should not be treated as consent.
- Avoid sourcing materials from, or operating in ways that encroach upon, primary forests, high conservation value areas, or peatlands that communities rely on for subsistence, cultural practice, or livelihoods.
- Take care to protect community access to clean water. Suppliers shall not contaminate, divert, or exhaust water sources — including surface water and groundwater — in ways that harm the communities or ecosystems that depend on them. We ask each supplier to reduce their use of water, particularly in water-stressed environments, consistent with the Water Use commitment already set forth in this Agreement.
- Conduct appropriate environmental and social impact assessments when operations may affect land, forests, or water, and share relevant findings with affected communities in a transparent and timely manner.
- Maintain accessible grievance mechanisms through which affected community members can raise land, forest, or water concerns and receive a genuine response.

We are asking our suppliers to help us live up to a simple but important standard: that the work we do together does not come at the expense of the people and places connected to it. We believe that, together, this is a standard we can meet.

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## Supplier Reporting

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Suppliers should report any non-compliance with these guidelines to the PennEngineering Speak Up program. This can be done anonymously by emailing [speakup@pemnet.com](mailto:speakup@pemnet.com) or calling (215) 766-1000. We will work with you discreetly to resolve the issues.

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## Summary

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PennEngineering® is grateful for the partnership of our global supplier community. These additions to our Supplier Code of Conduct reflect values we believe we share: that every person in our supply chain deserves to be treated with dignity, and that the natural resources and communities our operations touch deserve our care and respect.

Thank you for your continued partnership. We look forward to growing a supply chain we can all be proud of.

Thank you,



**Brian G Bentrin, P.E.**

Global VP of Sustainability

PennEngineering®

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