

# Code of Conduct for Suppliers

## Preface

Intelligente Sensordaten Dresden GmbH (i2s) bears entrepreneurial responsibility vis-à-vis its customers, suppliers, employees, competitors and other stakeholders, as well as the environment. For i2s, this entrepreneurial responsibility entails observing valid laws, respecting fundamental ethical values, acting sustainably and combating all forms of corruption at all times and everywhere. We expect our suppliers to comply with the respective valid national laws, the principles of the UN Global Compact<sup>1)</sup> and this i2s Code of Conduct (Code) in their professional conduct.

## Addressees

“Suppliers” as addressees of this Code are natural and legal persons – and companies associated with them – from which i2s receives deliveries or services, for example suppliers, consultants, brokers, agents, contractors and other providers and intermediaries for goods and services.

## Compliance with the Code

Every supplier undertakes to comply with the standards in this Code. The Code is an integral component of every business relationship between i2s and the supplier. Breaches of the Code can lead to termination of the business relationship or further claims. The supplier shall ensure that its contract partners also comply with the regulations in this Code.

### 1. Compliance with laws and legal regulations

Suppliers and business partners of i2s undertake to obey the respective valid laws and other legal regulations of the countries in which they operate.

### 2. Conduct towards employees

#### 2.1 Human rights

Our suppliers must respect, uphold and protect the globally recognized human rights as fundamental and universal guiding principles.

Every supplier must take suitable measures to avoid the use of raw materials in their products that directly finance armed groups that violate human rights.

#### 2.2 Child labor and forced labor

Our suppliers shall ensure that they employ neither forced labor nor child labor, nor benefit in any other way from them.

All suppliers must strictly observe national laws and international agreements stipulating the minimum age for employees. The compensation and working hours of the suppliers’ employees must be within the legal boundaries, fair and appropriate.

#### 2.3 Health and safety in the workplace

The suppliers and business partners of i2s shall observe the respective applicable regulations for health and safety in the workplace. They support the development and improvement of labor conditions.

## **2.4 Employee rights**

Suppliers respect the legal right of their employees to freedom of assembly and association and to collective negotiation, as well as the principles of equal opportunities and free collective bargaining.

In the recruitment and employment policies the suppliers must undertake not to discriminate employees due to their gender or age, their ethnic origin, nationality, skin color, handicaps, sexual orientation, religion, political convictions or similar grounds, or subject them to reprisals. No forms of physical or psychological violence against employees and sexual harassment may be tolerated.

## **2.5 Compensation and working hours**

The compensation and working hours shall be at least equal to the respective national legal requirements and must be fair and appropriate. Where there are no legal or collective bargaining regulations, the pay shall be based on the industry-specific, typical local collective bargaining compensation and benefits sufficient to guarantee an appropriate standard of living for the employees and their families.

## **3. Conduct in the business environment**

### **3.1 Fair competition and preventions of cartels**

Subcontractors and suppliers shall not participate in anti-competitive measures and in particular shall comply with the provisions of the laws against unfair competition and restrictions of competition. Subcontractors and suppliers shall not distort competition in any way, irrespective of whether it is to the disadvantage of i2s, i2s' client or third parties. Unfair price or bid rigging, market-sharing agreements and abuse of a dominant market position are not permitted.

### **3.2 Integrity, prohibition of corruption and prevention of money laundering**

Suppliers must do business transparently and with integrity. i2s expects its suppliers not to tolerate corruption and ensure compliance with the United Nations (UN) and Organization of Economic Cooperation and Development (OECD) conventions to combat corruption and the relevant anti-corruption laws in their companies. In particular, they shall ensure that their employees, subcontractors or representatives do not give any advantages to i2s employees or affiliated third parties with the objective of receiving, offering, promising or granting an order or other preferential treatment in the course of business. The suppliers shall comply with the legal obligations for money laundering prevention and shall not partake in any form of money laundering activities.

### **3.3 Business secrets and intellectual property rights**

Suppliers and subcontractors shall observe the rules for the protection of intellectual property rights and shall not violate intellectual property rights when fulfilling orders for i2s.

### **3.4 Prevention of conflicts of interest**

The suppliers shall ensure that all business decisions are made based on factual criteria and not on the basis of private interests or relationships. Any direct or indirect close relationship between suppliers and employees of i2s, which could impact the business relationship, or comparable circumstances, must be disclosed to i2s.

#### 4. Conflict-free origin of minerals

In their products, suppliers shall ensure that any minerals used are conflict-free in origin in accordance with the OECD Due Diligence Guidelines<sup>2)</sup>. Our suppliers are aware of the potential connection between raw materials production and armed conflict, culminating in gross violations of human rights.

#### 5. Product safety

Only safe products and services that are state of the art may be manufactured and delivered to i2s. i2s' contract partners shall only market such products that meet the nationally and internationally valid product safety regulations under public law, i.e. the Product Safety Act (product responsibility).

#### 6. Sustainability and environmental footprint

Suppliers and subcontractors shall observe the legal environmental requirements and organize their workflows in their contractual relationship with i2s in such a way that hazards for humans and the environment are avoided, the environmental impact is minimized and resources are used efficiently. Suppliers are called upon to support us in promoting, developing and expanding environmentally friendly technologies. i2s expects its service providers and suppliers to strive to establish and implement an appropriate environmental management system (e.g. according to ISO 14001) and actively contribute to avoiding environmental pollution and hazards in their operations.

#### 7. Supply relationships and subcontractors

i2s expects its suppliers to communicate all principles and requirements described here to its subcontractors and sub-suppliers and also to take these principles and requirements into consideration when choosing them. Suppliers shall support their subcontractors and sub-suppliers in complying with the described standards for human rights, labor conditions, corruption prevention and environmental protection as part of their fulfillment of contractual obligations.

Dresden, February 2018

The Management

**Intelligente Sensorsysteme Dresden GmbH**

#### References

<sup>1)</sup> United Nations Global Compact: [<https://www.unglobalcompact.org/>]

<sup>2)</sup> OECD Guidelines:[<http://mneguidelines.oecd.org/>]