



Code of conduct

A. LABOR

In accordance with the understanding of the international community, participants undertake to uphold the human rights of their workforce and to treat them with dignity and respect. The regulations of international labor organizations must be observed.

During the preparation of this code of conduct, accepted standards have been adhered to.

The labor standards are as follows:

1) Freely chosen employment

No forced labor, bonded labor, compulsory labor or involuntary prison labor is permissible. Likewise, it must be verifiable that materials utilized were not produced using such labor and comply with the respective country's labor laws. All work is voluntary and staff must be able to terminate employment with reasonable notice. Employment should not be conditional upon employees providing a government-issued identification document, passport or work permit to the participant and/or employment agency. Upon employment, however, a work permit must be presented.

2) Avoidance of child labor

The use of child labor is prohibited at any stage of the manufacturing process. The term 'child' refers to persons under the age of 15 (or under the age of 14, depending on the country's law) or persons of compulsory school age or persons who have not yet reached the minimum age for employment applicable in the country. The highest age limit applies. Approved training programs that comply with all laws and regulations are encouraged. Employees under the age of 18 may not perform work that may endanger the health or safety of young workers.

3) Working hours

Business practice studies clearly link worker strain to reduced productivity, increased employee

change, increased injury and illness. Weekly working hours should not exceed the maximum set

by local law. Furthermore, the working week should not exceed 60 hours, including overtime, except in emergencies or exceptional circumstances. Employees must be permitted at least one day off per seven-day week.

4) Wages/salaries and social benefits

Compensation paid to workers shall comply with all applicable laws, including laws on minimum wage, overtime and legally established social benefits. Deductions from wages/salaries as a disciplinary measure are not permitted. The basis on which workers are paid shall be disclosed in a timely manner, in the form of a pay slip or comparable document.



5) Humane Treatment

Disciplinary policies and instructions shall be clearly defined and communicated to employees. Employees shall not be treated with severity or in an inhumane manner, including sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse. This also applies to threats of such treatment.

6) Non-discrimination

Participants should commit to not tolerating harassment or discrimination among their workforce. Companies must not discriminate against workers on the basis of race, color, age, gender, sexual orientation, ethnic origin, disability, pregnancy, religion, political affiliation, union membership or marital status in their hiring and employment practices, such as promotions, performance rewards and access to training. Furthermore, workers or potential workers must not be required to undergo medical tests that could be used in a discriminatory manner.

7) Freedom of association

Open communication and direct dialogue between employees and management is the best way to resolve workplace problems and compensation-related controversies. Participants must respect employees right to freedom of association, to join or not join trade unions, to appeal to labor representatives, to join works councils in accordance with local laws. Workers must be able to communicate openly with management without fear of reprisal, intimidation or harassment.

B. HEALTH AND SAFETY

Participants recognize that minimizing work-related injuries and illnesses and providing a safe and healthy work environment will increase the quality of products and services, the consistency of the production process, and the retention and morale of the workforce. Participants further agree that continuous interaction with and education of the workforce is essential to identifying and resolving health and safety issues. Health and safety laws will be adhered to.

While formulating this code of conduct, recognized management systems such as OHSAS 18001 and the ILO guidelines on safety and health at the workplace were referred to. For further information, please refer to these if required.

Health and safety standards are as follows:

1) Occupational safety

Where workers are exposed to potential safety hazards (e.g. from electrical current, other energy sources, fire, vehicles, and falls), such hazards shall be reduced through appropriate design of work equipment, as well as through administrative control mechanisms, preventative maintenance and safe work procedures (including machine lockout/tagout systems to ensure the completion of maintenance and repair work) as well as safety instructions/signs), and ongoing safety training. If adequate hazard control is not possible through these measures, workers must be provided with appropriate and well-maintained personal protective equipment. Employees shall not be subject to disciplinary action if they raise safety concerns.



2) Emergency Precautions

Emergency situations and events are to be identified and evaluated. Their impact shall be minimized through the implementation of emergency plans and response procedures, notification of emergencies, notification to employees, procedures for evacuation, training and drills, appropriate equipment to detect and fight fires, adequate escape routes and rescue plans.

3) Occupational injury and illness

Procedures and systems must be in place to prevent, reduce, manage, track and report occupational accidents and illnesses. These include the following precautions and measures: a) encouraging workers to report such incidents b) classifying and recording accidents and illnesses c) providing necessary medical care d) investigating incidents and taking action to correct causes and e) facilitating employees return to work.

4) Workplace hygiene

If workers are exposed to chemical, biological or physical hazards, these substances and exposures must be identified, evaluated and monitored. Engineering or administrative measures must be used to control over-exposure. If adequate hazard control cannot be achieved through such measures, employee health must be protected using appropriate personal protective equipment.

5) Physically stressful work

Where workers have to perform physically demanding work, including manual handling of materials and heavy or continuous lifting, long periods of standing work, and assembly work that is repetitive or requires force, this work shall be identified, evaluated and monitored.

6) Machine safety

Production and other machinery must be evaluated for safety hazards. For machines where there may be a risk of injury to employees, physical guards, locks and barriers must be provided and properly maintained.

7) Sanitary facilities, food and accommodation

Employees shall be provided at all times with available clean washrooms and toilets, access to clean drinking water, and sanitary facilities for preparing meals and for storing and eating food. Accommodation provided by the participant or employment agency shall be well-maintained, clean, safe, have adequate emergency exits, hot water for bathing or showering, adequate heating and ventilation systems, provide sufficient personal space for individuals, and have sensible access and exit rights.

C. ENVIRONMENT

Participants recognize that environmental responsibility is an essential aspect of producing world-class products. During manufacturing, negative impacts to people, the environment and natural resources must be minimized. At the same time, the health and safety of the public must be protected. All laws regarding soil protection, emissions, wastewater, hazardous materials, packaging and waste disposal must be observed and complied with.

While formulating this code of conduct, recognized management systems such as ISO 14001 and the Eco Management and Audit System (EMAS) were referred to. For further information, please refer to these if required.



Environmental standards are as follows:

1) Environmental permits and reporting

All necessary environmental permits (e.g. monitoring of discharges), approvals and registrations are to be obtained, carried out, complied with and constantly updated. Furthermore, the respective requirements for implementation and reporting are to be fulfilled. If required, documents must be provided and prove of compliance with rules disclosed.

2) Pollution and prevention and reduction of resources utilized

Any form of waste, including water and energy must be reduced or eliminated, either directly at point of source or through processes and measures such as the modification of production and maintenance processes or company procedures, use of alternative materials, conservation, recycling and reuse of materials.

3) Hazardous materials

Chemicals or other materials that pose a hazard if released into the environment must be identified and handled in a manner that ensures safe processing, transportation, storage, use, recycling, reuse or disposal.

4) Wastewater and solid waste

Wastewater and solid waste from operations, manufacturing processes and sanitary facilities must be categorized, monitored, inspected and subjected to the required treatment prior to discharge or disposal.

5) Air emissions

Emissions of volatile organic chemicals, aerosols, corrosives, particles, ozone-depleting chemicals, or combustion by-products from operations must be categorized, monitored, verified and subjected to required treatment prior to discharge.

6) Product content restrictions

Participants shall comply with all applicable laws, regulations and customer requirements regarding the prohibition or restriction of specific substances. This includes labeling requirements for recycling and disposal.

D. MANAGEMENT SYSTEM

Participants shall implement or adopt an existing management system, the scope of which should be based on this code of conduct. The design of the management system shall ensure that (a) relevant laws, regulations and customer requirements for operations and products of the participant are followed (b) this code of conduct is complied with and (c) operational risks addressed in the code of conduct are identified and mitigated. The management system should also promote continuous improvement.

The management system should include the following elements:

1) Company commitment

Company policy statements on social and environmental responsibility should assert the participant's commitment to compliance and continuous improvement and be confirmed by management.



2) Management accountability and responsibility

Company representatives must be clearly identified by the participant as responsible for the implementation of the management system and related programs. Managers must review the status of the management system on a regular basis.

3) Legal and customer requirements

Identify, monitor and understand applicable laws, regulations and customer requirements.

4) Risk assessment and risk management

Provides a process for identifying risks in the areas of environment, health and safety and in labor practices and ethical issues with respect to the operations of the participant. It must determine the relative importance of each risk and establish appropriate procedures and physical controls to monitor identified risks and ensure compliance with regulatory requirements.

5) Improvement goals

Written performance goals, objectives, and implementation plans to improve the social and environmental performance of participants, including a regular evaluation of the participant's performance in achieving such goals.

6) Training

Training programs for management and employees to implement policies, procedures, and objectives developed by the participant to achieve improvements and comply with applicable laws and regulations.

7) Communication

Procedures for communicating clear and concise information on the participant's policies, business practices, expectations and performance, to the workforce, suppliers and customers.

8) Employee feedback and participation

Continuous processes to assess the workforces understanding of procedures and provisions in the code of conduct and provide feedback to promote continuous improvement.

9) Audits and Evaluations

Regular self-assessment to ensure compliance with legal and regulatory requirements, the content of the code of conduct, and contractual customer requirements with regard to social and environmental responsibility.

10) Procedures for corrective measures

Procedures for the timely introduction of corrective measures to address deficiencies identified through internal or external assessments, investigations or reviews.

11) Documentation

Create and update documents and records that ensure compliance with regulatory requirements and meet business needs. This includes protecting privacy by upholding necessary confidentiality.



E. ETHICS

Participants and their representatives must adhere to the highest ethical standards in order to ensure social obligations and market success. These include:

1) Integrity

All business interactions must be guided by the highest standards of integrity. Participants must prohibit all forms of corruption, extortion and embezzlement. Procedures must be established to monitor and enforce these standards.

2) Prohibition of acceptance of advantages

Bribes or other means of obtaining an improper advantage are not to be offered or accepted. No personal gifts may be accepted or made to employees of suppliers and customers. Exceptions to this are courtesies that serve the entrepreneurial business purpose, e.g. invitations to business dinners. Likewise, situations in which there could be a conflict of interest between the personal interests of the supplier and the interests of the customer are to be avoided.

3) Disclosure of information

Information on the company's activities, structure, financial situation and performance must be disclosed in accordance with the relevant regulations and standard industry practices.

4) Intellectual property

Intellectual property rights must be respected; technology transfer and the disclosure and use of confidential information and know-how must be made in such a way as to protect intellectual property rights and shall only be made with the express permission of the other party.

5) Fair business conduct, advertising and competition

The standards of fair business conduct, fair advertising and fair competition must be observed. Means for the protection of customer information must be available.

6) Identity protection

Programs to ensure supplier and employee confidentiality and informer protection must be in place.

7) Export/Import

Laws and rules regarding sanctions, export and import controls are to be observed and followed. No materials from embargoed countries may be processed and/or sold. If required, the origin of the materials must be proven.