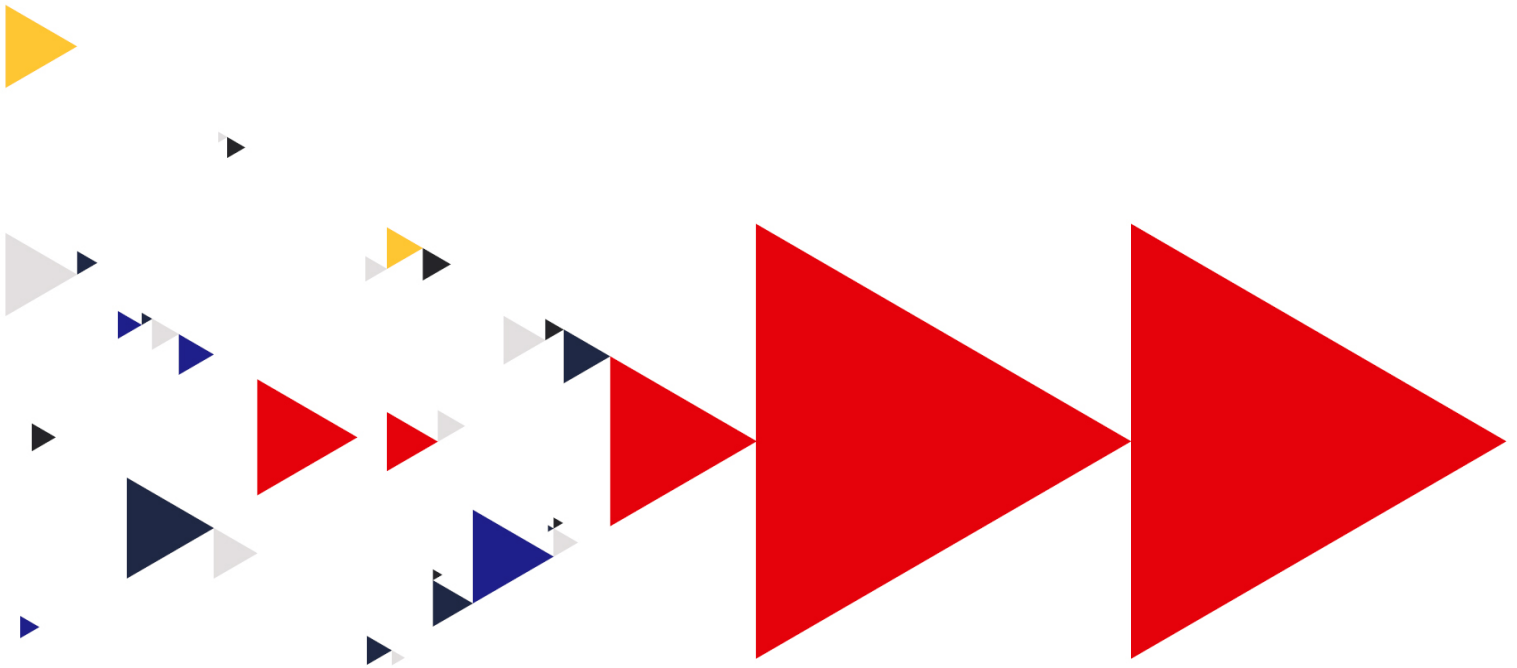




# Supplier Code of Conduct



# Ishida Europe Code of Conduct

## 1. Introduction

As Ishida Europe Ltd. (hereinafter Ishida) continually strives to deliver high performance for our clients, our company and our stakeholders, we remain committed to upholding the highest ethical and professional standards consistent with our Governing Principles and our Code of Conduct.

The relationship between Ishida and its suppliers is an important component to achieving high performance in our business.

Our Supplier Code of Conduct sets forth the standards and practices that apply to all suppliers of Ishida, including each of their facilities, regardless of location. Ishida suppliers must therefore also operate in full compliance with all applicable laws and regulations of the countries in which they operate.

In selecting suppliers, Ishida works hard to choose reputable business partners who are committed to ethical standards and business practices compatible with our own.

This Code formalises Ishida's practices and makes clear that in recognising differences in cultures and legal requirements, we expect our suppliers, whether producing products or delivering services for us, to also adhere to the high standards that underwrite the reputation of Ishida.

All suppliers are required to comply with this Code of Conduct and to maintain practices similar to those of Ishida. Ishida is committed to helping its suppliers comply with these standards. In turn, Ishida expects its suppliers to further apply these standards when working with other businesses in the course of providing goods and services to Ishida.

Ishida strongly encourages suppliers to exceed the requirements of this Code and promote best practices and continuous improvement throughout their operations. If there is no local legal requirement, or if a local legal requirement is not as strict as the requirement included in this Code, Ishida suppliers are required to follow this Code as a prerequisite of doing business with us.

## 2. Fair Treatment and Equal Opportunity

We consider Ishida to be a place of mutual trust and respect, which embraces diversity and values everyone for their merits. Ishida also strives to be a place where people's rights are honoured such that they are treated fairly and consistently.

We expect our suppliers to do the same. Ishida suppliers must ensure that employment, (including hiring, payment, benefits, advancement, termination and retirement) is based on ability and not on beliefs or any other personal characteristics.

This includes discrimination based on sex, race, colour, national or ethnic origin, sexual orientation, gender identity or expression, religion, political beliefs, trade union activity, marital status, caring responsibilities, disability, age or citizenship.

Ishida suppliers should ensure all workers receive equal treatment in all aspects of employment irrespective of gender. Pregnancy tests will not be a condition of employment and pregnancy testing – to the extent provided – will be voluntary and the option of the worker. In addition, workers will not be forced to use contraception.

### **3. Respectful Workplace**

Every Ishida employee has the right to respect and freedom from harassment. Violence at work is unacceptable, regardless of the reason. We will not tolerate harassment or violence against an employee. We equally expect our suppliers to provide the same commitment.

Ishida suppliers must treat all workers with respect and dignity. No work shall be subject to corporal punishment, physical, sexual, psychological or verbal harassment or abuse, nor is there to be the threat of any such treatment. In addition, Ishida suppliers will not use monetary fines as a disciplinary practice.

### **4. Human Rights**

Respect for human rights is a fundamental part of how Ishida functions as a business and it is intrinsic to our Governing Principles. We refuse to do business with any individual, company or organisation that violates the standards and principles of basic human rights, or has links with an oppressive regime that give us cause for concern.

Ishida recognises the United Nations Universal Declaration of Human Rights and labour standards set by the International Labour Organisation. We expect our suppliers to share this commitment and specifically meet the following:

#### **4.1 Child Labour**

Ishida does not use child labour and it expects its suppliers to similarly abstain from employing children in any part of their business. We expect our suppliers to comply with local laws regarding the minimum age of employees. The minimum age for workers shall not be less than the age of completion of compulsory schooling, normally not less than 15 or 14 years, where the local law of the country permits, deferring to the greatest age. In addition, Ishida suppliers must comply with all legal requirements for the work of authorised young workers, particularly those pertaining to hours of work, wages and safe working conditions.

Additionally, all young workers must be protected from performing any work that is likely to be hazardous, to interfere with their education or that may be harmful to their health, physical, mental, social, spiritual or moral development.

We encourage our suppliers to participate in legitimate workplace apprenticeship programmes that comply with applicable laws and regulations.

#### **4.2 Human Trafficked or Forced Labour**

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our Anti-slavery Policy reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains.

In line with our own commitment, Ishida suppliers must not use any type of involuntary or forced labour, including indentured, bonded, slave or human trafficked labour, and never engage in any form of procurement of commercial sex acts.

All employees must be free to terminate their employment in accordance with established laws, regulations, and rules. Ishida suppliers should also not mandate that workers hand over government-issued identification, passports or work permits as a condition of employment.

## **5. Wage and Benefits**

Ishida suppliers must pay workers at least the minimum wage required by local law and provide all legally mandated benefits. In addition to payment for regular hours of work, workers must be paid equally, irrespective of gender and for overtime hours at such premium rate as is legally required, or, in those countries where such laws do not exist, at least equal to their regular hourly payment rate.

## **6. Working Hours**

Ishida suppliers must ensure that on a regularly scheduled basis, except in extraordinary business circumstances, workers are not required to work more than 60 hours a week, including overtime. Suppliers must ensure that all overtime work is voluntary and compensated at the prevailing overtime rates. In addition, except in extraordinary business circumstances, all workers are entitled to at least one day off in every seven day period.

## **7. Freedom of Association and Collective Bargaining**

Ishida recognises the importance of open communication and direct engagement between workers and management and expects its suppliers to do the same. Suppliers are to respect the rights of workers to associate freely and communicate openly with management regarding working conditions without fear of harassment, intimidation, penalty, interference or reprisal.

We also expect our suppliers to recognise and respect any rights of workers to exercise lawful rights of free association, including joining or not joining any association of their choosing. Ishida suppliers also must respect any legal right of workers to bargain collectively.

## **8. Our Business**

Ishida is committed to the highest standards of integrity, honesty, openness and professionalism in all its activities wherever they are undertaken. Ishida respects local laws and does not engage in any form of corrupt practices, including but not limited to extortion, fraud, or bribery.

Ishida supports the aims of global bodies such as the Organisation for Economic Co-operation and Development (OECD) to combat bribery and corruption.

We expect our suppliers to demonstrate a similar commitment by understanding and complying with all applicable laws. Our suppliers should inspire trust by taking responsibility, acting ethically and encouraging honest and open debate.

### **8.1 Bribery, Corruption and Facilitation Payments**

Bribery is considered to have taken place where there is an act of offering, providing or receiving something of value – including cash, gifts, hospitality or entertainment – as an inducement or reward for something improper. Usually, but not always, it takes place in order to obtain or retain business or some other illegitimate advantage. Bribes are against the law and therefore against our code, no matter what the “local custom” may be.

A facilitation payment refers to the practice of paying a small sum of money to (usually) an official as a way of ensuring they perform their duty. UK legislation forbids facilitation payments anywhere in the world.

Corruption involves any of these activities: bribery, extortion, fraud, deception, collusion, cartels, abuse of power, embezzlement and money laundering.

Engaging in bribery and corruption and making facilitation payments can seriously damage our reputation and business relationships.

We never offer, give or receive bribes or improper payments, or participate in any kind of corrupt activity, either directly or through any third party. We expect our suppliers to apply the same stringent principles. Ishida suppliers should not engage in any form of commercial bribery or kick-back scheme. Suppliers acting on behalf of the company must comply with applicable anti-bribery laws as well as all local laws dealing with bribery of government officials.

In connection with any transaction related to the manufacture, distribution or delivery of goods or services to the company or that otherwise involves the company, the supplier must not offer, promise, authorise, give, demand or accept any gift, loan, fee, reward or other advantage to or from any person as an inducement to do something which is dishonest, illegal or a breach of trust; to obtain, retain or direct business; or to secure any other improper advantage.

Under these standards, improper payments include: offers, promises, authorisations or payments of anything of value to expedite routine government actions.

We expect our suppliers to implement appropriate and adequate procedures for their employees to comply with applicable anti-corruption laws, and the standards of Ishida, as set out above.

The help, advice and local knowledge of agents and other consultants or contractors can sometimes be essential. However, we require such agents or consultants to also operate at all times in accordance with our standards, particularly in relation to bribery and corruption.

## **8.2 Gifts and Hospitality**

Ishida develops long-term business relationships based on trust and respect. Exchanging gifts and hospitality can build goodwill, but may, or may appear to create improper influence. Any gift or hospitality we accept or give in connection with business should always be customary and reasonable in terms of value and frequency.

Ishida suppliers should not provide any gift, meal or entertainment to a company employee in any situation which might influence or appear to influence any employee decision in relation to the supplier. In other situations, suppliers may provide modest gifts, meals or entertainment to company employees if they are:

- ▲ not cash or cash equivalent
- ▲ consistent with customary business practice and supplier company policy
- ▲ not frequent or expensive
- ▲ not in violation of any law

Equally, we do not want our suppliers to be influenced or pressurised in turn through the acceptance of inappropriate gifts or hospitality. If our suppliers feel that attempts are being made to influence or pressurise them in any way, we kindly ask to be informed.

## **8.3 Conflicts of Interest**

We consider that conflicts of interest occur when private interests interfere or appear to interfere with the best interests of Ishida. We consider that such conflicts can pose a considerable threat to the integrity and reputation of Ishida. In some cases, they also represent a violation of the law.

Ishida appreciates that there may be instances where conflicts of interest arise, but it is our policy to deal with such instances in a wholly transparent and open manner. We feel that this is the best way to avoid the aforementioned unsatisfactory consequences. Ishida expects its suppliers to respect this policy and to mirror its approach.

Ishida suppliers should avoid any interaction with any Ishida employee that may conflict or appear to conflict with that employee acting in the best interests of Ishida by way of example. Suppliers should not employ or otherwise make payments to any Ishida employee during the course of any transaction between the supplier and Ishida (other than pursuant to the company Contract). If a supplier employee is a family relation to any Ishida employee or if a supplier has any other relationship with an Ishida employee that might represent a conflict of interest, the supplier should disclose this fact to Ishida, or ensure that we are otherwise aware.

Suppliers must also make Ishida aware of any Organisational Conflicts of Interest that could prohibit Ishida from pursuing future work with the same client.

#### **8.4 Competition and Anti-Trust**

Competition and anti-trust laws prohibit a variety of business practices that restrict free and fair competition, such as bid rigging, price fixing, cover pricing or market sharing. Violations of such laws are very serious, and can result in significant fines and other penalties including debarment. Individuals found in violation of the above laws can face prison.

We are committed to free and open competition in our markets. We compete fairly and ethically, and support laws that promote and protect competition. The decisions we make about pricing, customers, bids and markets are free from outside influence.

We expect that when our suppliers are preparing proposals, bids or undertaking contract negotiations for Ishida and our clients, they are certain that all statements, communications and representations are accurate and truthful. Equally, Ishida suppliers who serve us across national borders are required to understand and comply with all applicable export laws and regulations.

Our suppliers will not share with us information they receive from or about our competitors or their bids, or the bids they are making to our competitors.

Anti-competitive behaviour should always be reported to us if witnessed or suspected.

### **9. Our World**

We recognise Ishida's impact on society, the economy and the planet, and aim to make a positive difference. This is embedded into the way we do business. We are committed to maintaining a safe, healthy and sustainable working environment, with a vision of zero harm. Everyone at Ishida is responsible for making this a reality and we look to our suppliers to also help us deliver this commitment.

#### **9.1 Health and Safety**

Our vision is zero harm. Our work is never so urgent that we cannot take time to do it safely.

We therefore require Ishida suppliers to provide all workers with a clean, safe and healthy work environment in compliance with all legally mandated standards for workplace health and safety in the countries in which they operate. This includes any residential facilities an Ishida supplier provides to its workers.

We require everyone who works for or with us to understand the health and safety risks of their activities and implement good health and safety management systems, training and practices at all times. They should also take the necessary precautions to protect everyone on site from workplace injuries and occupational disease.

## 9.2 Environment

We work with our stakeholders to continuously assess and reduce our environmental impact. We aim to prevent environmental damage and minimise our use of energy and resources.

Ishida suppliers must comply with all local environmental laws applicable to the workplace, their products, and their various methods of manufacture. Additionally, Ishida suppliers must not use materials that are considered harmful to the environment, but should encourage the use of processes and materials which support the sustainability of the environment throughout their supply chain.

## 9.3 Community Engagement

Being a good corporate citizen is central to our business. Supporting the community brings real benefits to our customers, our stakeholders and our people.

We support and contribute to the social and economic wellbeing of the communities we work in. We listen to the concerns of local communities and wherever we can, act to mitigate them.

We respect the traditions, cultures and laws of the countries in which we operate and seek to employ local people on our projects wherever possible. Ishida values small firms, voluntary and community organisations, social enterprises and ethnic-minority businesses as important members of our supply chain. We understand how they contribute to local economies and to social cohesion.

We look to our suppliers to hold similar views and expect you to adopt these commitments in working with us.

## 10. Our Assets

Ishida is committed to maintaining a sustainable and reputable business. Our physical and intangible assets (including money, property, time and information) are key to achieving this.

How we use and protect our assets has a strong bearing on how we perform and how well prepared we are for the challenges we will face. Our suppliers can play an important part in this.

### 10.1 Fraud and Deception

Our policies are clear: no employee will engage in any activity that is designed, or can be reasonably construed, to perpetuate a fraud. We expect our suppliers to meet these same standards.

Fraud is a criminal offence in most countries. Whilst its definition varies across these countries, fraud always involves deception and dishonesty. It is considered fraudulent when you deliberately try to deceive someone, act dishonestly, abuse your position to gain any kind of material advantage, or use or involve anyone else to do so. Fraud is usually carried out for profit, or to obtain money, property or services unjustly. It can involve defrauding the company or a third party.

Ishida suppliers will never knowingly seek to gain any advantage of any kind by acting fraudulently, deceiving people or making false claims, or allow anyone else to do so on your or our behalf. This includes defrauding or stealing from the company, a customer or any third party, and any kind of misappropriation of property.

Always act honestly, fairly and openly, carefully; checking or inspecting things that you are responsible for.

## **10.2 Facilitation Payments and Kickbacks**

Ishida will not make or accept facilitation payments or “kickbacks” of any kind. Facilitation payments made to secure or expedite routine government actions will not be paid to government officials.

## **10.3 Confidential Information and Records**

At Ishida, Information is considered confidential if it has value of some kind and is not publicly available. You might also obtain confidential information from our employees, customers, partners and others.

Ishida Europe Ltd employees and suppliers have a responsibility to keep confidential information confidential and to ensure it does not become known by outside or unauthorised parties/individuals. Ishida suppliers should also protect personal privacy and comply with applicable privacy laws.

Ishida suppliers must take all due care in handling, discussing or transmitting sensitive or confidential information that could affect the company, its employees, its companies, the business community or the general public. Disclosure of financial information could influence the actions of others and possibly violate security law. Suppliers’ responsibility to hold the company’s confidential information as confidential is a continuing obligation even after their assignment or contract with Ishida has ended.

If an Ishida supplier believes that it has been given access to the company’s confidential information in error they should immediately notify their contact at Ishida and refrain from further distribution.

To protect the confidential information of others, Ishida suppliers similarly should not disclose to anyone at Ishida any company information related to any other company, if the supplier is under contractual or legal obligation not to share such information.

## **11. Communication, Monitoring and Compliance**

Ishida suppliers should communicate, through its existing ethical operating standards/practices or through this Code that its workers, supervisors and its permitted subcontractors are aware of the requirements detailed in this Code.

Ishida seeks to reserve the right to make announced or unannounced representation at supplier premises and to be granted permission during these visits to consult with supplier employees to ensure compliance with this Code and local laws. Ishida would expect that suppliers maintain at their facilities those documents and records which demonstrate compliance with this Code and that Ishida will be granted access to inspect such documents and records, excluding any confidential or commercial sensitive information.

Ishida suppliers are expected to take necessary corrective actions to promptly remedy any identified non-compliance. Ishida reserves the right to terminate its business relationship with any supplier who is unwilling or unable to comply with this Code when termination is allowed by local laws.

We encourage our suppliers to communicate to us any actions taken to improve business practices and to send us suggestions about how Ishida can best contribute to the implementation of the principles set out in this Supplier Code of Conduct.

Full details of Ishida Europe Ltd Governing Principles, Code of Conduct, Policies and Standards are available on request.

If you have questions about our Supplier Code of Conduct, please contact your Procurement Account Manager at Ishida.



## 12. Raising Concerns

Ishida suppliers who believe that any employee or anyone acting on behalf of Ishida has engaged in an illegal or otherwise improper conduct, is obliged to report the matter immediately.

Ishida suppliers similarly should report any potential violation of this Code. Reports may be made through Ishida Europe Ltd. HR Department, Kettles Wood Drive, Woodgate Business Park, Birmingham, B32 3DB, UK

T +44(0) 121 607 7700

F +44(0) 121 607 7888

e-mail [HR@ishidaeurope.com](mailto:HR@ishidaeurope.com)

A supplier's relationship with the company will not be affected by an honest report of potential misconduct.