



# Supplier Code of Conduct

Dear IPTE Supplier,

The Supplier Code of Conduct outlines IPTE's expectations regarding workplace standards and business practices. Our Suppliers are required to adhere to this Code as well. The importance of integrity and the concern over the potential misconduct in business practices are beliefs that need to be shared by IPTE and our suppliers. We ask you therefore to please make your employees aware of our Supplier Code of Conduct.

Our Supplier Code of Conduct is available and can be downloaded from our website, [www.ipte.com](http://www.ipte.com).

If you have questions or concerns regarding our Code or these procedures, or a complaint please let us know by sending an email to the following address: [compliance.suppliers@ipte.com](mailto:compliance.suppliers@ipte.com).

In case you want to express your concerns anonymously, please forward it by regular mail to:

IPTE Factory Automation NV  
Attn: Compliance Officer  
Geleenlaan 5  
3600 Genk  
Belgium

Yours truly,

Thierry Sene,  
Group Purchasing Manager



## **1 Definition**

IPTE has issued the Code of Conduct to ensure sustainable conduct, integrity and compliance with legal provisions and ethical standards. The Code is embedded in IPTE's values and we require that our suppliers uphold to these values as well.

The Code of Conduct is primarily based on the principles of the United Nations Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and the Guidelines for Multinational Enterprises of the Organization for Economic Co-operation and Development (OECD). Two further important references for the Code of Conduct are the United Nations Global Compact, which deals with the areas of human rights, labor standards, environmental protection, and anti-corruption, and the conventions of the International Labor Organization (ILO).

## **2 Compliance with Laws**

In the countries where the business relationship is being executed, Supplier shall operate in compliance with applicable laws and regulations.

## **3 Labor**

Supplier shall uphold the human rights of workers and treat them with dignity and mutual respect.

### **3.1 Child labor**

Supplier shall only employ or engage workers who meet the applicable minimum legal age requirement, except that in no event shall Supplier employ any person under the age of 16, even if local Laws permit otherwise. Notwithstanding the foregoing, Supplier may allow individuals aged 15 or older to work as part of a bona fide apprentice program. Such apprentice program must be approved under local Laws and be intended to provide instruction in one or more particular industrial disciplines as part of enrollment in an educational institution.



### **3.2 Forced labor**

Supplier shall not use or engage in any indentured or forced labor, slavery or servitude, human trafficking or compulsory labor.

### **3.3 Fair pay**

Supplier shall set working hours, wages and over-time pay in compliance with all applicable Laws. Workers shall be paid at least the minimum legal wage or a wage that meets local industry standards, whichever is greater.

### **3.4 Equal opportunities/no discrimination or harassment**

Supplier shall employ workers on the basis of their ability to do the job and treat them with dignity and respect and shall not engage in or permit corporal punishment or threatened or actual violence. Supplier shall not engage in any discrimination or harassment, whether based on gender, race, color, religion, ethnicity, social background, age, sexual orientation, national origin, disability, political conviction or any additional legally protected characteristics.

### **3.5 Freedom of Association**

Supplier shall respect employees' right to join or not join any lawful organization, including but not limited to trade unions and works councils, and shall comply with all applicable Laws pertaining to freedom of association and collective bargaining.

## **4 Health & Safety**

IPTE is committed safeguarding the health and safety of employees, officers, directors, agents and contractors ("Personnel").

- a. Supplier shall comply with safety requirement or protocol while on-site at an IPTE location or at an IPTE customer location on behalf of IPTE.
- b. Supplier shall take responsibility for the health and safety of its Personnel.
- c. Supplier shall ensure a safe work environment and minimize physical and chemical hazards through proper design, engineering and administrative controls, preventative maintenance and safe work procedures as well as ongoing safety training.
- d. Supplier provides workers with appropriate personal protective equipment where hazards cannot be adequately controlled by other means.



- e. Supplier provides and properly maintain physical guards, interlocks, and barriers where machinery presents a potential injury hazard to workers.
- f. Supplier will minimize the impact of emergency situations through the implementation of emergency plans and response procedures.
- g. Supplier provides training and ensure that its Personnel are appropriately trained and educated in respect of health and safety matters.

## **5 Environment:**

At IPTÉ, environmental considerations are an integral part of our business practices

- a. Supplier shall maintain all required environmental permits and registrations and follow the operational and reporting requirements of such permits.
- b. Supplier shall comply with regulated substance and product content specifications and with any applicable Laws prohibiting or restricting the use, content or handling of specific substances.

Supplier shall provide IPTÉ any information relative to the foregoing, including, but not limited to, Material Declarations, as applicable.

- c. Supplier shall minimize environmental pollution and make continuous improvements to reduce or eliminate solid waste, wastewater and air emissions by implementing appropriate conservation measures in their production, maintenance, and facility processes.
- d. Supplier shall manage, control, treat and/or dispose of non-hazardous solid waste, wastewater, and/or air emissions generated from operations as required by applicable Laws, before discharge.

## **6 Ethics and Compliance**

Supplier shall commit to the highest standards of ethical conduct when dealing with its Personnel, suppliers, customers and other relevant stakeholders.

- a. Supplier shall accurately record and disclose information regarding its business activities, structure, financial situation, and performance in accordance with applicable Laws as well as prevailing industry business practices.



- b. Supplier shall prohibit any and all forms of fraud, extortion, theft or embezzlement by its Personnel.
- c. Supplier shall respect intellectual property rights and safeguard IPTÉ information. Transfer of technology and know-how shall be done in a manner that protects intellectual property rights.
- d. Supplier shall implement processes and procedures and exercise due diligence to detect and avoid counterfeit parts.
- e. IPTÉ is committed to ensuring that the products it sells do not incorporate “conflict minerals” (minerals which are smelted into tin, tantalum, tungsten and gold) sourced from entities which directly or indirectly finance conflict in the Democratic Republic of Congo or adjoining countries. Supplier shall:
  - (i) Perform sufficient due diligence into Supplier’s supply chains to determine whether products sold or provided to IPTÉ contain tin, tantalum, tungsten or gold, and, if so, whether and to what extent those metals are sourced from conflict-free smelters;
  - (ii) Report to IPTÉ the results of such due diligence to enable IPTÉ to comply with its legal obligations and policy goals; and
  - (iii) Commit to being or becoming “conflict-free”, so that any such metals are sourced only from conflict-free smelters.
- f. Supplier shall implement processes to address the confidentiality and protection of an employee who in good faith raises a concern, makes a report, or assists with an investigation related to potential ethical or criminal violations.

## **7 Conflict of Interest**

Suppliers are transparent and do not take advantage of any family, social or political connections to gain advantage within business dealings. Suppliers will thus avoid any interaction with an IPTE employee that may conflict, or appear to conflict, with that employee acting in the best interests of IPTE.

## **8 Anti-Corruption**

IPTE is committed to complying with all anti-corruption Laws that prohibit bribes, kickbacks, or other corrupt actions to obtain or retain business or obtain any improper advantage.

a. No Bribes or Kickbacks. Supplier shall not directly or indirectly solicit, receive or offer any form of bribe, kickback, or other corrupt payment, to or from any person or organization, including but not limited to government agencies or officials, companies or Personnel of those companies.

b. Gifts and Entertainment. When doing business with or conducting business on behalf of IPTE, Supplier may, for legitimate business purposes:

(i) Offer gifts or entertainment to suppliers, customers or other business associates; or

(ii) Accept gifts or entertainment offered by suppliers, customers or other business associates; provided, however, that in each instance the gift or entertainment:

- is unsolicited;
- is not illegal or in violation of this Code;
- is not a bribe, kickback or other illicit payment;
- is not given in exchange for any consideration;
- would not embarrass IPTE if disclosed publicly; and
- does not create the appearance (or an actual or implied obligation) that the gift giver is entitled to preferential treatment, an award of business, better prices or improved terms of sale.



## **9 Compliance Monitoring**

Supplier shall allow IPTE and/or any of its representatives or agents access to Supplier's facilities and all relevant records associated with the products and services provided to IPTE. Supplier and IPTE shall establish a mutually agreeable date and time for access. However, risks to IPTE's business may require immediate access to the products, services and associated records and Supplier shall accommodate IPTE's reasonable access as required. Supplier also agrees to cooperate with IPTE to investigate any allegations of wrongdoing, misconduct or corruption.

## **10 Application**

Supplier shall contractually require its suppliers and/or subcontractors to conform to standards of conduct equivalent to the provisions of this Code. IPTE reserves the right to audit Supplier's suppliers and/or subcontractors for compliance to this Code and Supplier shall accommodate IPTE's audit as required. Supplier shall also ensure that its Personnel shall comply with this Code when providing goods or services to IPTE.

## **11 Breach**

Supplier shall promptly report to IPTE notice of known breach of this Code and implement a corrective action plan to cure all non-compliance within a specified time period (furnished to IPTE in writing). IPTE reserves the right to terminate the business relationship, including but not limited to suspending placement of future orders and potentially terminating current production. IPTE reserves the right to hold Supplier responsible for reasonable costs of investigating non-compliance.

## 12 Quality

The supplier is encouraged to implement and maintain a quality management system that meets the requirements of ISO 9001:2015 or an equivalent standard. The supplier is also encouraged to have a process in place to identify, prevent, and correct defects in its products and services.

The supplier is welcome to provide the customer with access to its quality management system documentation and records upon request. The supplier is also welcome to cooperate with the customer in any quality audits or assessments.

This section outlines the following expectations for suppliers:

- Implement and maintain a quality management system that meets the requirements of ISO 9001:2015 or an equivalent standard
- Have a process in place to identify, prevent, and correct defects in its products and services
- Provide the customer with access to its quality management system documentation and records upon request
- Cooperate with the customer in any quality audits or assessments

By meeting these expectations, suppliers can help to ensure that the products and services they provide to the customer are of the highest quality.

By accepting our purchase order you confirm that you understand and will abide by IPTE's Supplier Code of Conduct.