



Code of Conduct for Suppliers



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The Micro-Epsilon Group is among the worldwide leading manufacturers of precise sensors, measuring systems and electronic components. Micro-Epsilon develops products that increase quality and efficiency, save resources and thus offer added value to our customers and society. Our success is largely based on a trusting and long-term cooperation with our business partners and employees.

We represent quality and innovative technologies. Furthermore, we are aware of our social responsibility. As a responsible industrial company, we operate in a sustainable and environmentally friendly manner, save resources and communicate transparently. Micro-Epsilon acts according to ethical and moral principles. In doing so, we fulfill the society's expectations and our customers' requirements. Micro-Epsilon also expects its suppliers to comply with these principles.

For successful cooperation, compliance with corresponding applicable national and international laws and regulations and fulfillment of the requirements in this Code of Conduct is necessary. This Code of Conduct for Suppliers reflects the principles of the Micro-Epsilon Code of Conduct, which is based on the requirements of the Code of Conduct by the Responsible Business Alliance (RBA)¹⁾. That Code of Conduct sets standards along the electronics supply chain or in industries where electronics is a core component, ensuring that the supply chain is safe, workers are treated with respect and dignity, and business is conducted in an environmentally and ethically responsible manner.

Micro-Epsilon's suppliers and/or contracting companies act according to the following principles:

Ortenburg, April 2023

Managing Directors, MICRO-EPSILON Messtechnik GmbH & Co. KG



Prof. Dr. Martin Sellen

*Managing Director
Production / Development*



Dr. Thomas Wisspeintner

*Managing Director
Sales / Marketing / Finances*



Dr. Alexander Wisspeintner

*Managing Director
IT / Software development*

A Labor and social responsibility

1. Freely Chosen Employment

Any form of forced or compulsory labor is prohibited. No person may be employed against his or her will or be unreasonably restricted in his or her freedom of movement. Employment and its conditions must be specified in a written employment contract that complies at least with the applicable legal provisions at the place of employment.

2. Young Workers

The employment of persons under the age of 15 or, in countries subject to the developing country exception to Convention 138 of the ILO, under the age of 14, is prohibited. Young workers under the age of 18 shall not perform hazardous work that could endanger their health and safety. Apprentices, trainees and students shall be adequately supported and trained in accordance with approved training programs.

3. Remuneration, Working Hours

Remuneration shall be in accordance with the applicable legal provisions, in compliance with the laws on minimum wage, working hours and legally defined social benefits. Working hours may not exceed the maximum number of hours permitted by law and should not exceed 60 hours per week, except in emergencies.

4. Humane Treatment

The personal dignity, privacy and rights of each individual are to be respected. Use of physical, sexual, mental or psychological threats or violence is not permitted. No person shall be harassed or discriminated against on the basis of ethnicity, origin, nationality, color of skin, sexual orientation, religious or political beliefs, disability, pregnancy, or age, sex or marital status.

5. Freedom of Association

The right of employees to form or join unions of their choice, to bargain collectively and to assemble peacefully in accordance with applicable laws shall be respected, as shall the right to refrain from such activities.

B Occupational health and safety

1. Occupational Safety

Employees' work environment must comply with legal regulations and applicable standards on occupational health and safety to promote the health of employees and prevent occupational accidents and diseases. Potential risks shall be regularly assessed and appropriate measures for their prevention shall be initiated, especially with regard to hazards from chemical or biological substances, electric current and other energy sources, as well as machine safety and fire protection. Suitable protective equipment shall be kept up to date. Employees must be provided with suitable personal protective equipment.

2. Emergency Preparedness

Potential emergency situations and events shall be identified and assessed. Their impact shall be minimized by implementing emergency plans and procedures for responding to emergencies. Emergency plans should also include appropriate fire detection systems and firefighting equipment, marking of escape routes, and regular emergency drills.

3. Sanitary Facilities, Supply

Clean sanitary facilities and drinking water are to be made available to employees at all times. An option for preparing, storing and eating meals must be provided.

4. Communications and Training

Employees shall be provided with appropriate occupational health and safety information. Regular training in occupational health and safety shall be provided.

C Environment

1. Environmental Permits and Reporting

Compliance with legal regulations and international standards and norms for environmental protection is required to avoid negative impacts on people and the environment during development, production and use of the products, as well as thereafter. Obtaining necessary approvals, completing required registrations and complying with official requirements are required.

2. Pollution Prevention

To prevent hazards to people and the environment, harmful emissions and discharge of pollutants to air, water or ground are to be avoided, to be reduced through improved facilities or processes or are to be limited already at the source. Hazardous substances or other environmentally hazardous materials, waste, wastewater and air emissions are to be treated, disposed of or recycled in accordance with legal regulations and international standards.

3. Restrictions on Product Ingredients

Compliance with applicable laws, regulations and customer specifications regarding the prohibition or restriction of specific substances in products or during the manufacturing process is required; this includes labeling requirements for recycling and disposal.

4. Resource Consumption

Natural resources such as water, fossil fuels, minerals and products from virgin forests are to be conserved as far as possible and used sustainably through appropriate measures. To reduce greenhouse gas emissions, solutions must be found for improving energy efficiency and minimizing energy consumption and greenhouse gas emissions.

D Ethics

1. Business Integrity

The highest standards of integrity are to be upheld in all business interactions. Compliance with national and international standards and laws is required; in particular, regulations on antitrust and competition law must be observed. All business processes should be transparent and accurately reflected in accounting books and records.

2. No Improper Advantage and Money Laundering

A zero-tolerance policy shall be followed in prohibiting all forms of bribery, corruption, extortion, theft and embezzlement. Bribes or any other means of obtaining an improper or inappropriate advantage shall not be promised, offered, approved, paid for/used or accepted. This prohibition also applies to the promise, offer, approval, provision or acceptance of improper monetary benefits, both directly and indirectly, by third parties for the purpose of obtaining or maintaining business, referring business to a specific person, or otherwise obtaining an improper advantage. Supplier shall avoid any activity or situation that may lead to a conflict between the private interests of an employee of Micro-Epsilon or the Supplier and the business interest of Micro-Epsilon. Suppliers do not engage in money laundering activities and comply with the relevant legal obligations for money laundering prevention.

3. Data Protection, Intellectual Property

Protection of the confidential information of business partners, including suppliers, customers or cooperating partners, as well as personal data shall be ensured. Collection, storage, processing, transmission and transfer of confidential information and personal data shall comply with data protection and information security laws and official regulations. Intellectual property rights shall be respected; technology and knowledge transfers shall be performed in such a way that intellectual property rights and customer and supplier information are protected.

4. Responsible Sourcing of Minerals

Reasonable efforts must be made to ensure that use of "conflict minerals" (including tantalum, tin, tungsten, gold, cobalt) and their procurement along the supply chain back to the source is in accordance with the Organization for Economic Cooperation and Development's (OECD) Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas or equivalent accepted guidelines.

5. Export Control and Embargo

Checking and complying with applicable customs regulations for import and export transactions is required; this applies in particular to country- and person-related sanctions lists, embargo measures and other laws, regulations and directives that control the movement of goods, technologies and payments.

Compliance with the Code of Conduct for Suppliers

The provisions in this Code of Conduct for Suppliers shall be considered an essential prerequisite for a business relationship between Micro-Epsilon and suppliers. Suppliers support Micro-Epsilon in the implementation of legally required and other due diligence processes by participating in related activities (e.g. self-disclosure).

Suppliers shall familiarize themselves with the business practices of their suppliers, subcontractors and their other business partners and work to ensure that their suppliers, subcontractors and business partners comply with this Supplier Code of Conduct or comparable value systems.

Any indications of misconduct or violations of the provisions of this Code of Conduct must be followed up. For this purpose, Micro-Epsilon has set up a reporting channel also for third parties, through which employees of the supplier can report possible violations of this Code of Conduct or violations of rights, laws or guidelines that have come to their attention without fear of sanctions.

For this purpose, the central e-mail address compliance@micro-epsilon.de is available, which is exclusively addressed to the legal department of Micro-Epsilon. All information received via this central e-mail address will be treated strictly confidentially.

Micro-Epsilon reserves the right to appropriately check the suppliers' compliance with the Code of Conduct and to initiate further measures in coordination with the suppliers in case of deviations. All questions regarding this Code of Conduct for Suppliers will be discussed in a trusting and respectful manner.

By accepting an order from Micro-Epsilon, suppliers confirm their compliance with and application of this Code of Conduct for Suppliers.

Micro-Epsilon reserves the right to appropriately check the suppliers' compliance with the Code of Conduct and to initiate further measures in coordination with the suppliers in case of deviations. Questions regarding this Code of Conduct for Suppliers may be directed to the email address mentioned before or to the appropriate purchasing employee, where they will be discussed in a respectful and confidential manner.

Micro-Epsilon will check the actuality of this Code of Conduct in regular intervals and reserves the right to make changes as far as they are necessary and required. The latest version of the Code of Conduct can be downloaded from the homepage under <https://www.micro-epsilon.com/download/legal/Code-of-Conduct-for-Suppliers-en.pdf>