

ViGEM GmbH

## CODE OF CONDUCT

**Values, principles and rules of behavior for our corporate activities**

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## Preface

ViGEM GmbH sees the basis of its previous and future success as being its employees' innovative capacity, the assurance of the highest quality and a fair, ethical business behavior.

The rules in this code of conduct serve to ensure that we, i.e. everyone working at ViGEM, always act in accordance with prevailing laws, policies and ViGEM's principles.

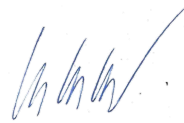
Compliance with this code of conduct is seen as a duty of employment. Anyone working at ViGEM who violates this code of conduct or prevailing laws must expect sanctions up to and including a caution or dismissal.

Karlsruhe, 13 January 2021



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Markus Trauth, CEO



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Karl-Georg Esser, CTO



## Table of content

<b>1. Employment conditions and human rights</b> .....	<b>4</b>
1.1 Child labor and young workers .....	5
1.2 Remuneration and social security benefits .....	5
1.3 Working hours .....	5
1.4 Forced labor .....	5
1.5 Health and safety .....	6
1.6 Harassment .....	6
1.7 Diversity and equal opportunity .....	6
1.8 Non-Discrimination .....	6
1.9 Freedom of assembly and association .....	7
1.10 Other .....	7
<b>2. Corporate ethics</b> .....	<b>8</b>
2.1 Responsible procurement of materials .....	8
2.2 Condemnation of corruption .....	8
2.3 Confidentiality and data protection .....	8
2.4 Correct business documents .....	9
2.5 Disclosure of information .....	9
2.6 Interaction with competitors .....	9
2.7 Dealing with conflicts of interest .....	9
2.8 Avoidance of counterfeit parts .....	10
2.9 Compliance with import and export regulations .....	10
2.10 Protection of informants .....	10
<b>3. Corporate social responsibility (CSR)</b> .....	<b>10</b>
<b>4. Ecological sustainability and environmental protection</b> .....	<b>11</b>
4.1 Energy consumption .....	11
4.2 Avoidance of waste and natural resources .....	11
4.3 Chemicals, water and air quality .....	11
<b>5. Working together with suppliers</b> .....	<b>12</b>
<b>6. Appendix: Management systems</b> .....	<b>12</b>
6.1 Occupational health and safety management system .....	12
6.2 Environment management system according to ISO 14001 .....	12
6.3 Management system for social sustainability .....	12
6.4 Management system for corporate management and compliance .....	13



## 1. Employment conditions and human rights

ViGEM, on principle, always adheres to all local statutory rules and regulations. In addition, ViGEM is committed to the protection of universally valid human rights. These are set forth, for example, in declarations by the UN (United Nations) and the ILO (International Labour Organization):

- UN Charter on Human Rights / General Declaration of Human Rights
- ILO Core Labor Conventions
  - Convention 87: Freedom of association and protection of the right to organize
  - Convention 98: Right to organize and collective bargaining
  - Convention 29: Elimination of all forms of forced or compulsory labor
  - Convention 105: Abolition of forced labor
  - Convention 100: Equal pay
  - Convention 111: Discrimination in respect of employment and occupation
  - Convention 138: Minimum age for admission to employment
  - Convention 182: Prohibition and immediate action for the elimination of the worst forms of child labor
- Declaration by the ILO on the fundamental principles and rights at work
  - Prohibition of forced and child labor
  - Freedom of association
  - Freedom to form trade unions and engage in collective bargaining
  - Equal pay for equal work by men and women
  - Elimination of discrimination at work
- Article 32 of the UN Convention on the Right of the Child
  - The right of the child to be protected from economic exploitation and from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral or social development.
- Ten principles of the UN Global Compact
  - Businesses should support and respect the protection of internationally proclaimed human rights.
  - Businesses should make sure that they are not complicit in human rights abuses.
  - Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
  - Businesses should uphold the elimination of all forms of forced and compulsory labor.
  - Businesses should uphold the effective abolition of child labor.
  - Businesses should uphold the elimination of discrimination in respect of employment and occupation.
  - Businesses should support a precautionary approach to environmental challenges.
  - Businesses should undertake initiatives to promote greater environmental responsibility.
  - Businesses should encourage the development and diffusion of environmentally friendly technologies.
  - Businesses should work against corruption in all its forms, including extortion and bribery.



The listed principles are part of the ViGEM corporate principles and guide us throughout our entire business operations, even when these go beyond statutory requirements. Management systems, process descriptions and operating instructions support us in acting in accordance with these principles.

We are working on reducing the risk of potential human rights violations in the context of our business operations by identifying risks and undertaking appropriate countermeasures.

ViGEM endeavors to ensure that good working conditions should apply to all employees: To fulltime and part-time employees, permanent employees and temporary workers, student workers, school pupils and all other forms of employees.

## 1.1 Child labor and young workers

ViGEM supports school pupils in finding their careers and gaining vocational training through work experience and apprenticeships. The employment of school pupils and apprentices is always carried out under consideration of all applicable statutory regulations.

These young employees are especially safeguarded. They are not allowed to work night shifts or over-time. They do not work on activities which could damage their health or their physical, mental, spiritual, moral or social development. When considering which work a young employee should carry out, the well-being of the young employee has utmost priority.

Documents concerning young employees and student workers will be created and maintained with which it will be ensured that the rights of young employees are guaranteed in accordance with prevailing laws and regulations.

## 1.2 Remuneration and social security benefits

As a socially responsible company, ViGEM always takes care to offer its employees exceptionally fair and lucrative wages and social security benefits. This also applies to fixed-term contracts as well as contracts with temporary workers and external workers and always under consideration of all statutory regulations.

All monthly wage statements contain itemized information with which salaries can be clearly understood.

ViGEM promotes pay equality and fundamentally endeavors to remunerate equal or equivalent work with the same pay.

## 1.3 Working hours

ViGEM supports its employees in the reconciliation of working life and private life by allowing ViGEM employees to flexibly organize their working hours within certain conditions. Here the stipulation applies that working hours and break times as well as the number of successive working days must fulfill statutory regulations.

In general, no work is carried out at the weekends. In exceptional cases, work may be carried out voluntarily on Saturdays.

## 1.4 Forced labor

The identity papers of ViGEM employees remain in their possession. ViGEM does not charge admission fees for employees. All employees receive a written working contract in clear and comprehensible language. We firmly reject forced labor and human trafficking.



## 1.5 Health and safety

Safety has priority for ViGEM. Economical aspects never lead to compromises in the safety of production or the health of employees. ViGEM GmbH rigorously takes care to adhere to all prevailing laws and regulations on health and safety in its business operations.

All employees are provided with workplaces that meet health, safety and ergonomic requirements. This includes, but is not limited to, the following measures:

- Ergonomic workstations and personal protective equipment are provided.
- Work equipment is maintained in accordance with regulations.
- Substitution testing of chemicals is carried out regularly and chemicals are replaced if necessary.
- Measures are taken to prevent occupational accidents and fires, including regular safety training for employees.
- An accident and incident management system is implemented.

Everyone working at ViGEM is responsible for avoiding hazards in their own working area in order to protect and preserve our own health and that of our business partners. Our occupational health and safety management system supports us in continuously maintaining occupational and product safety (see Chapter 6 "Appendix: Management systems", Section 6.1 "Occupational health and safety management system").

## 1.6 Harassment

ViGEM forbids physical and verbal violence at the workplace, including verbal attacks, sexual harassment, threats, every expression of animosity, intimidation, aggression or harassment. In the case of a violation, the strictest disciplinary measures such as, for example, a formal warning, transfer, relocation or dismissal can be expected.

## 1.7 Diversity and equal opportunity

We appreciate the diversity of everyone working at ViGEM in terms of background, culture, gender, age and ideas as this provides an engine for innovative power and the opportunity for corporate success. At the same time, we see the promotion of every form of diversity and equal opportunity at the workplace as a part of our social responsibility.

Diversity and equal opportunity are promoted at ViGEM through the following objectives and measures:

- Qualification and performance as key criteria in the employment, assignment of work, training, promotion and pay.
- Flexible working hours and part-time work for the development and contribution of professional skills, for example to balance career with family or the role of carer.
- Employment of severely disabled persons in the case of equal suitability.

## 1.8 Non-Discrimination

We treat each other with trust, openness and fairness. Each individual has the right to a fair, polite and respectful treatment by superiors, colleagues and lower-ranking employees. The dignity, private lives and personal rights of everyone working at ViGEM must be unconditionally respected. We will not tolerate any kind of discrimination, preferential treatment or harassment at the workplace, whether due to ethnic background, skin color, gender, religion, disability, age, appearance, sexual identity or other characteristics



which are legally protected; and neither in the application process nor during employment at ViGEM. In the case of a violation, the strictest disciplinary measures can be expected.

The results of medical checkups are received solely by the employee being examined. They will not be used for discriminatory purposes. Further medical tests or physical examinations are not carried out.

## 1.9 Freedom of assembly and association

The management respects the rights of the employees to the freedom of assembly, involvement in trade unions, employee representation as well as to form and join a workers' council. The management will not accept any disciplinary measures or discriminatory actions against employees who exercise the right to freedom of assembly and association or the right to non-organization.

Employees can talk openly to the management about working conditions without being disadvantaged.

## 1.10 Other

ViGEM is involved in environmental protection: See chapter 4 "Ecological sustainability and environmental protection" and chapter 6.2 "Environment management system according to ISO 14001".

In addition, ViGEM demonstrates commitment to the fight against corruption: See chapter 2 "Corporate ethics", section 2.2 "Condemnation of corruption".



## 2. Corporate ethics

### 2.1 Responsible procurement of materials

Tin, tantalum, tungsten and gold are essential in the production of electronic devices. These raw materials are described as conflict minerals if the profits gained from extracting them and trading with them finances and supports groups which commit human rights violations. This is the case in the east of the Democratic Republic of Congo as well as in its neighboring countries.

By applying due diligence measures, ViGEM GmbH supports the goal of the US American Dodd-Frank Act to prevent profits from and trading with conflict minerals. ViGEM requests annual declarations from suppliers and subcontractors on the origin of the raw materials tin, tantalum, tungsten and gold and evaluates these. Wherever possible and reasonable when awarding contracts, ViGEM favors suppliers and subcontractors who can trace back their supply chains to the smelters of their installed raw materials tin, tantalum, tungsten and gold and are able to disclose that the contained 3TG minerals (tin, tantalum, tungsten and gold) originate from validated conflict-free smelting works.

### 2.2 Condemnation of corruption

ViGEM clearly distances itself from all forms and all types of corruption and always acts in accordance with laws on the fight against corruption.

Under no circumstances may ViGEM employees promise, offer, authorize, present or accept items of value in order to realize fraudulent business opportunities or prohibited advantages.

In particular bribes, payoffs, kickback payments or other illegal payments, incentives, gifts, courtesies or advantages or contributions of value for the realization of business opportunities or in any connection with business activities are strictly forbidden.

Gifts, invitations or other contributions may only be accepted or presented if the nominal value does not exceed the symbolic value and they put neither ourselves nor the recipient in a position of binding dependency.

ViGEM employees must not engage in any activity based on fraud, extortion, theft, embezzlement or any other deliberate harm to the assets of our customers or third parties.

### 2.3 Confidentiality and data protection

ViGEM respects and protects the privacy of its employees and business partners. ViGEM complies with the relevant laws and regulations on data protection and on information security as well as, where relevant, further contractual obligations to this effect. We relay these principles and contractual obligations to our subcontractors and suppliers.

We maintain the confidentiality of sensitive data and protect it from loss and unauthorized access by third parties. Confidential information is all non-public information about ViGEM and ViGEM's business partners, the publicity of which could be detrimental for this company or could provide somebody with an unjustified corporate or personal advantage. Confidential information is, for example:

- Information on research and development activities as well as current projects
- Negotiated supplier prices, costs, return forecasts
- Employee data, e.g. master data, wage and salary documents
- Project-specific data





- The personal data of potential and existing business partners and employees. In order to protect personal data we rely on the consulting services of an external data protection officer.
- Intellectual property

We use personal data solely for purposes of business agreements and do not forward these without the permission of the affected persons.

## 2.4 Correct business documents

Business documents are carefully created, maintained and, if necessary, reported in accordance with the prevailing laws and the generally recognized principles of bookkeeping and accounting. These include, for example, financial accounts, expense reports and, if necessary, submissions to customers or supervisory authorities.

All transactions by ViGEM GmbH are precisely identified in our books and accounts. Under no circumstances may misleading statements be entered in business documents.

## 2.5 Disclosure of information

We disclose our financial and non-financial information in agreement with prevailing statutory regulations and standard industry practices. In such cases, we provide information on our working conditions, aspects relevant to health, safety and the environment, business operations and perceivable risks.

## 2.6 Interaction with competitors

Open competition is a fundamental element of our social system and promotes efficiency, innovation and economic growth. ViGEM supports fair, open competition and complies with all applicable monopolies and competition laws. This includes, for example, that we do not make any forbidden agreements with competitors in terms of offers, prices or market sharing. We do not exchange sensitive business data with competitors, and we respect the rights of the intellectual property of our competitors and other third parties.

## 2.7 Dealing with conflicts of interest

Business decisions must be made impartially in the best interests of ViGEM. Personal interests may not play any role in decision-making.

The development of conflicts of interests must be avoided. For this reason, it is forbidden for everyone working at ViGEM to, for example,

- Maintain private relationships to business partners and competitors if these could result in conflicts of interests,
- Accept gifts and other contributions from business partners and competitors if these exceed a symbolic value,
- Engage in an activity with a company that is in competition with ViGEM or
- Contribute financially to competitors, customers or suppliers to any extent which enables an influence on the executive body of the respective company.

If the impression arises that decisions could be made against the interests of ViGEM, this employee may not make this decision. Potential conflicts of interest must always be communicated to superiors.



## 2.8 Avoidance of counterfeit parts

ViGEM undertakes efforts to minimize the risk that counterfeit materials or components are installed in our products. If counterfeits are identified, ViGEM will keep these under lock and key and will inform the OEM customer or the competent law enforcement authorities. When selling to non-OEM customers, it is important that all applicable laws are always complied with.

## 2.9 Compliance with import and export regulations

We behave in conformity with all applicable statutory trade restrictions such as import and export control laws and trade sanctions. To do this, we make use of the support of qualified external consultants. Our contracts contain stipulations to ensure that our business partners also comply with the prevailing laws and regulations.

ViGEM does not enter into any business relationships with persons or companies which are subject to trade restrictions. Should relevant trade restrictions be imposed on an existing business partner, ViGEM will terminate this business relationship.

## 2.10 Protection of informants

Employees and business partners are called upon to report violations of the law or this code of conduct. ViGEM guarantees informants' anonymity and protection from dismissal and will do everything within its power to keep any other disadvantages from the informants. Anyone who attempts to take retaliatory measures against the informant must expect the strictest disciplinary measures.

## 3. Corporate social responsibility (CSR)

ViGEM is aware of its corporate social responsibility and willingly makes a contribution towards solving social problems in the company's regional area.

For example, we financially supported a team in the "24h Lauf für Kinderrechte" (24-hour run for children's rights). This event supports various projects to strengthen the rights of children and young people ([www.24hlauf-karlsruhe.de](http://www.24hlauf-karlsruhe.de)).



## 4. Ecological sustainability and environmental protection

ViGEM GmbH is very much aware of the importance of a healthy environment as the basis of all life and is committed to ecological responsibility. We comply with all prevailing laws and standards on environmental protection and are continually working on reducing our ecological footprint to a minimum.

It is our goal in the development, production, sale, use and the recycling of all our products, to minimize our consumption of raw materials and energy, to optimize the use of natural resources and to reduce the amount of waste being produced.

Everyone working at ViGEM is motivated and supported in continuing to improve ecological efficiency through internal corporate guidelines, working instructions and regular training programs.

For this purpose, we have created and implemented an environmental management system certified to ISO 14001. Our environmental management system is explained in chapter 6.2 "Environment management system according to ISO 14001".

### 4.1 Energy consumption

ViGEM provides energy-efficient work equipment and supports its employees in ensuring that their activities have the least possible negative impact on the environment. We document our electricity consumption and are continually looking for methods to reduce our energy consumption and to continue to increase the share of renewable energies.

### 4.2 Avoidance of waste and natural resources

Our waste policy is based on the principle of a waste hierarchy. Avoiding waste is the utmost priority. This is followed by the reduction of waste, reutilization and then recycling. The last in the list is waste disposal. Waste which ultimately has to be disposed of is reduced to a minimum.

Wherever possible and still ecologically justifiable, we use sustainable, renewable natural resources so that waste and residues which occur in the process of product life cycles are as harmless as possible for humans and the environment.

The quantities of waste are disposed of in such a way that both the safety of employees as well as the environment is protected.

### 4.3 Chemicals, water and air quality

We identify and manage hazardous materials in order to guarantee that they are handled, stored, used, recycled and reutilized or disposed of in a safe manner. For example, we maintain a directory of hazardous materials, create and maintain operating instructions and regularly train the employees concerned.

ViGEM regularly carries out substitution tests of hazardous substances in production, in order to avoid not only the use of substances hazardous to health, but also of substances hazardous to water and substances with greenhouse gases as far as possible.



## 5. Working together with suppliers

We expect from our suppliers that they always act in accordance with all applicable laws as well as with the same or similar principles which are defined in our code of conduct. In addition, we expect that this set of values is also adhered to in their supply chain. When selecting our suppliers, we also consider ecological criteria.

## 6. Appendix: Management systems

Management systems support us in implementing our code of conduct.

### 6.1 Occupational health and safety management system

An employee is designated and responsible for regularly researching laws and standards on the subject of health and safety. Regular exchanges take place between this employee and the management.

We carry out risk analyses according to norm EN ISO 12100 in order to identify hazards caused by our products and to define and implement protective measures. Residual risks are warned of in the operating manuals.

ViGEM provides ergonomic workstations and offers regular medical checkups. All employees are regularly trained on the dangers, prevention and correct behavior in the case of an industrial accident or fire. The respective documentation is written in clearly comprehensible language and can be viewed by all employees at any time. Personal protective equipment is made available free of charge and is easily accessible.

ViGEM ensures that all required authorizations, licenses, maintenance reports and inspection reports are available and up to date according to statutory requirements.

ViGEM ensures that emergency exits, smoke alarms as well as reporting and fire-extinguishing equipment are available and operational at all times. All fire prevention and evacuation exercises required by law are properly carried out. A sufficient number of fully trained safety officers, fire protection assistants and company first-aiders are always available. A sufficient amount of first-aid equipment is available.

ViGEM promotes healthy nutrition, for example by providing drinks, fruit and vegetables free of charge.

### 6.2 Environment management system according to ISO 14001

A manager is designated with overall responsibility for ecological sustainability. A manager's employee has the task of gathering aspects which have an effect on the environment as well as developing measures to continue to optimize ecological efficiency and to implement these in consultation with the management. The environmental management of ViGEM GmbH is certified according to ISO 14001.

### 6.3 Management system for social sustainability

A manager is designated with overall responsibility for social sustainability. A manager's employee is responsible for sponsoring. In addition, this employee acts as contact partner for social concerns and, if required, mediates between those working at ViGEM.

The management promotes open communication. Managers' doors are always open to employees. Every year, summer parties and Christmas parties are organized for everyone working at ViGEM.



## 6.4 Management system for corporate management and compliance

A manager is designated with overall responsibility for corporate management and compliance. A manager's employee has the task of ensuring that ViGEM complies with all prevailing national laws and can fulfill the contractual legal.

