

SUSTAINABILITY CODE OF CONDUCT

This Code of Conduct for Suppliers and Contractors of Invest International is a specific clarification of the Invest International business principles and the OECD Guidelines, and acceptance is mandatory when contracting as Supplier or Contractor for Invest International. This set of guidelines for Suppliers and Contractors (hereafter referred to as 'Suppliers') is not exhaustive, but rather serves as a guide for the main focus areas.

One of the important items of the OECD guidelines concerns responsible supply chain management. Therefore, Invest International expects of its Suppliers not only to ensure compliance towards responsible supply chain management within their own organization, but also to safeguard high standards further up- or downstream the supply chain.

In the selection of our Suppliers and outsourcing partners, the level of compliance and adherence to the Code of Conduct will be considered when making our final selection.

Suppliers declare, in the Self-assessment form, that they have not engaged, or will engage, directly or indirectly, in bribery or any other illegal, corrupt, fraudulent, collusive, coercive or obstructive practices in connection with the tendering process or execution or supply of any works, goods or services for the assignment. And, they shall demand from their consortium partners, agents, sub-consultants, sub-contractors, service providers, Suppliers or/and their personnel to equally declare this.

1. LAWS AND LEGISLATION

Suppliers must comply with all applicable international, national and local laws, in particular those concerning hazardous substances, environmental performance, labour conditions and work facilities and must be in possession of all required permits. Suppliers must comply with local industry standards if these are more stringent than local statutory regulations.

2. SUPPLIER RELATIONS AND SUPPLY CHAIN RESPONSIBILITY

Invest International expects its (1st and 2nd tier) Suppliers to adopt a proactive attitude and take an innovative approach, when possible, in improving the social, environmental and ethical aspects regarding the goods or services they provide.

Suppliers expressly take their responsibility for the supply chain and map out sustainability risks. Invest International firmly believes that compliance with International Environmental and Social standards serves both its own interests and those of its Suppliers, as they improve the continuity and success of our business operations in the long term.

Suppliers must declare that during the execution of the contract they shall observe and adhere to:

- (a) [the OECD Guidelines for Multinational Enterprises \(2011 edition\)](#)
- (b) [the IFC Performance Standards on Environmental and Social Sustainability \(2012 edition\)](#)

3. AGENTS, SUB-SUPPLIERS AND SUB-CONTRACTORS

In most cases, agents are likely to work with sub-Suppliers and sub-Contractors; this represents an additional step that renders the link between Invest International and any risks affecting Invest International less manageable. Nevertheless, Invest International holds the view that involving an agent does not affect its own responsibility for risks and regulation, and Suppliers remain accountable for supply chain risks occurring further up and downstream.

4. ESG REQUIREMENTS

4.1 NON-COMPLIANCE

Insofar as Suppliers are not (yet) able to comply with the provisions of this Code of Conduct, Invest International will discuss with them what measures are necessary to ensure compliance in the near future. Invest International strives to work together with its Suppliers in order to raise awareness of their Corporate Responsibility performance. Invest International will point out its Suppliers on methods for sustainable procurement in order to realize the desired sustainability of the supply chain. In the event of one of the following circumstances, Invest International has the right to immediately unilaterally terminate the contract signed by the two parties or/and cancel the unexecuted order or/and refuse to pay or pay other forms of compensation:

1. Suppliers have seriously violated National and local laws or industry standards;
2. Upon request by Invest International, Suppliers refuse to provide Invest International with free, accurate and complete information related to this Code of Conduct;
3. Suppliers or their employees bribe or accept bribes;
4. Suppliers fail to report transactions or relationships that will cause/may lead to conflicts of interest promptly, accurately and completely;
5. Suppliers recruit child labour illegally or other violations of labour laws and regulations;
6. Suppliers illegally discharge pollutants or other acts that violate environmental laws and regulations.

4.2 ETHICAL CONDUCT

It is not permitted to offer or accept bribes in order to secure or grant contracts, services, financial or other benefits. Any attempt at, or opportunity for, bribery must be immediately rejected and reported. It is not permitted to reward employees of Invest International or offer them gifts or entertainment if, in accepting these offerings, they might give the impression of entering into obligations.

Employees of Invest International or people representing Invest International are not allowed to benefit themselves from business opportunities that fall to Invest International.

4.3 CONFLICT OF INTEREST

Suppliers are obliged to report every transaction or relation that reasonably leads/could lead to a conflict of interest. This applies for every violation of policies and procedures that are applicable within Invest International, violation or supposed violation of existing rules and rules or any other possible irregularities. The report can be done to the contact person of Invest International. If this person is part of the irregularity, then to his/her direct manager. Reports will be dealt with immediately and are strictly confidentially.

4.4 WORKING CONDITIONS

Invest International expects all its Suppliers to honour fundamental human rights. Suppliers are required to treat all employees with dignity and respect. Invest International wishes to only conduct business with Suppliers that honour the rights of employees, that are set out in the OECD Guidelines.

4.5 FREEDOM OF EMPLOYMENT/HUMANE TREATMENT

Invest International rejects all forms of forced, bonded and indentured labour, and Suppliers are prohibited from using forced, bonded or indentured labour or involuntary prison labour. Employees may not be required to pay a security deposit or submit their identity documents to their employer, and must have the freedom to leave their employer, provided they give the appropriate notice. Physical or psychological abuse and disciplinary action, threats of physical violence, sexual and other violence, along with verbal abuse and other forms of intimidation are not permitted. All disciplinary measures must be documented.

4.6 CHILD LABOUR

Suppliers shall not recruit minors under 16 years of age. The recruitment of minors under the age of 16 years by cultural, arts, sports and special craft units must perform the examination and approval procedures in accordance with relevant state regulations and guarantee their right to compulsory education.

Underage workers refer to workers who have reached the age of 16 but under the age of 18.

This paragraph can be specifically relevant for Suppliers (1st tier) sub-Suppliers (2nd and 3rd tier) that are based outside of Europe.

4.7 FAIR PAYMENT

The wages and benefits for a standard working week are at least in accordance with the applicable national standard or to the standard agreed for the industry if this is higher. The wages for a standard working week (excluding overtime) should preferably be sufficient to cover employees' basic needs and also guarantee a certain amount in disposable income. Prior to commencing employment, all employees must be provided with comprehensible written information regarding their wages under employment law and must subsequently receive a pay slip for each payment for the period in question. It is not permitted for employers to dock employees' wages as a disciplinary measure, unless this is permitted under national law. Any other deductions not provided for under national law are permitted only with the express consent of the employee concerned.

4.8 WORKING HOURS AND OVERTIME

Working hours must comply with national laws or with general industry standards if these provide more protection. Under no circumstances can employees be required to consistently work more than 48 hours a week, and they must receive at least one day off for each period of an average of seven days. Overtime is performed on a voluntary basis.

4.9 DISCRIMINATION

Suppliers are required to treat their employees equally in their employment and profession and ensure that they all have equal opportunities. Suppliers must pay employees in similar positions equal pay for equal work. No form of intimidation or discrimination is permitted with regard to employment (i.e. hiring, compensation, training opportunities, promotion, termination, retirement, etc.) and profession, including discrimination based on race, caste, national origin or socioeconomic background, skin colour, sex, marital status, age, disability, sexual orientation, union membership, language, religion, political convictions, ownership, birth, pregnancy or otherwise.

4.10 REGULAR EMPLOYMENT AND EMPLOYMENT CONTRACT

All work is performed on the basis of a recognized employment contract drafted in compliance with national laws and practices. Suppliers are not permitted to evade their obligations towards employees in relation to laws and regulations regarding employment and social security arising from the regular employment contract, either by only purchasing external labour or through outsourcing or teleworking contracts or on the basis of learning programs without the actual intention of teaching skills or offering regular employment. Suppliers are likewise not permitted to evade such obligations by relying excessively on fixed-term employment contracts.

5. HEALTH AND SAFETY AT PRODUCTION AND OFFICE SITES

Invest International sets strict requirements for its Suppliers regarding their employee health and safety policy. Suppliers are required to provide their employees with a safe, clean and healthy workplace that complies with all applicable local, national and international laws and regulations, taking into account the relevant expertise within the industry and any specific dangers involved.

6. THE ENVIRONMENT AND HAZARDOUS SUBSTANCES

Invest International expects its Suppliers to comply with the national, provincial and local environmental laws and measures in order to protect the environment in the broadest sense of the term. Suppliers must adopt a proactive attitude and take an innovative approach, when possible, in improving the environmental aspects of the goods or services they provide.

6.1 CO₂-EMISSIONS

Suppliers must make a consistent effort to reduce the consumption of fossil fuels (such as gas, oil, coals, diesel, etc.) reducing electricity consumption and stimulating energy generation based on renewable sources (e.g. biogas, tides, hydropower, wind power, solar energy, etc.) to limit CO₂ emissions to the lowest level that is reasonably achievable.

For transport services (including sub-Contractors driving on behalf of Invest International), Suppliers must opt for the most fuel-efficient and least environmentally damaging mode of transport available, provided this is economically feasible.

6.2 POLLUTION PREVENTION

Suppliers are responsible for ensuring demonstrable and continuous improvement of their environmental performance in a variety of areas, including reducing emissions, noise and waste, plus a reduction of their dependency on natural resources and hazardous substances based on clear targets and an effective improvement program.

6.3 PRODUCT DEVELOPMENT

In close collaboration with the customer, designer and producer, every stage of product development and production the environmental impact (including the waste stage) is taken into account as much as possible (according to the people-planet-profit concept) and is preferably based on of a circular economy or cradle-to-cradle (C2C) design philosophy.

6.4 WASTE

Suppliers maintain a set of procedures for the safe processing, storage, transport, consumption and removal of waste and in particular hazardous waste in accordance with the applicable laws. Provided this is economically feasible, waste collection will be segregated in order to ensure maximum reuse.

6.5 HAZARDOUS AND/OR ENVIRONMENTALLY HARMFUL SUBSTANCES

Suppliers, factories and sub-Contractors must ensure that the delivered goods are manufactured in accordance with all applicable environmental laws and regulations, including tightened and/or different national standards in individual countries where Invest International and its Suppliers, factories and sub-Contractors are present and active.

7. TRANSPARENCY

Invest International expects its Suppliers to be transparent regarding their Corporate Social Responsibility (CSR) policy and activities. Sound reporting on CSR efforts enables stakeholders to enter into a dialogue with the Supplier and allows the Supplier to improve itself through the constructive criticism of its stakeholders.

7.1 INFORMATION AND REPORTS

Suppliers must provide a Self-assessment from the start of the assignment and report on three yearly basis concerning ESG (Environmental, Social, and Governance) performance and ambition. Suppliers must provide Invest International this information free of charge regarding their performance in all areas specified in this Code of Conduct for Suppliers and Contractors (e.g. of the production facilities at which individual orders are fulfilled). Suppliers must guarantee the accuracy and completeness of the provided information.

All documents must be consulted in order to monitor this compliance is available from the Suppliers, including test reports, internal-control reports, inspection reports, and proof of other relevant measures.

Invest International protects information and properties received from third parties, and expects its Suppliers to do the same regarding information and properties they receive from third parties.