

Supplier Code of Conduct

Sustainability is a key value at Hexagon Mining and an integral component of our company strategy.

Foreword

The Hexagon Code of Conduct Business and Ethics defines in its section 3.2 its Conduct with suppliers

“Within its sphere of influence, Hexagon strives to ensure that its suppliers follow the principles set out in this Code. In cases where non-compliance is discovered, Hexagon will engage with its supplier and promptly take appropriate action, which may consist of taking suitable measures to ensure that the issue will not be repeated or changing suppliers.

When choosing suppliers, Hexagon will select suppliers based on an assessment of the overall competitiveness of the offering. This assessment includes a number of factors other than purely financial aspects such as, competency, technology, process, management, logistics, leadership and investments in continuous improvements. Although the competitiveness of the company's offer is the most decisive factor, our aim is to give particular preference to suppliers that are in the forefront of environmental focus and work and that live up to the goals and values expressed in the United Nations Global Compact's ten principles in the areas of human rights, labour rights, environment and anti-corruption. Hexagon may work collaboratively with suppliers on implementation of these principles, which may include audits to assess performance.

Hexagon will not purchase from suppliers that procure products for Hexagon from countries subject to trade sanctions or if the supplier or its sources are listed in connection with a trade sanctions programme or other list of proscribed individuals or entities in violation of applicable law.

Prior to release of goods, software, technology or services to a supplier, Hexagon confirms that the release does not constitute an unlawful export.”

The Hexagon Code of Conduct Business and Ethics (the “Code”) forms the cornerstone of Hexagon's Compliance Programme and guides interactions with customers and suppliers; it extends well beyond just legal compliance and reflects Hexagon's responsibility as a market leader to uphold the highest standards of ethics and compliance. Hexagon continuously reviews and improves its Code to reflect evolving industry standards and changes to legislation. Though Hexagon's compliance efforts address all principles contained in the Code, Hexagon targets six areas of business ethics compliance with additional policies and procedures. These six “pillars” of business ethics compliance include anti-corruption, antitrust, customs, data privacy, export controls, and government procurement.

As part of Hexagon Group, Hexagon Mining undertakes adherence to the Code, compliance with applicable laws, respect for human rights and ethical social standards, and to protect the environment. Further, Hexagon Mining considers the ten principles defined by the United Nations when developing applicable policies and practices.

The **ten principles of the Global Compact**¹ state:

1. *Businesses shall support and respect the protection of internationally proclaimed human rights.*
2. *Businesses shall make sure that they are not complicit in human rights abuses.*
3. *Businesses shall uphold the freedom of association and the effective recognition of the right to collective bargaining.*
4. *Businesses shall uphold the elimination of all forms of forced and compulsory labour.*
5. *Businesses shall uphold the effective abolition of child labour.*
6. *Businesses shall uphold the elimination of discrimination in respect of employment and occupation.*
7. *Businesses shall support a precautionary approach to environmental challenges.*
8. *Businesses shall undertake initiatives to promote greater environmental responsibility.*
9. *Businesses shall encourage the development and diffusion of environmentally friendly technologies.*
10. *Businesses shall work against corruption in all its forms, including extortion and bribery.*

Together with the Code, these principles form the basis of this supplier code of conduct (the “Supplier Code of Conduct), **through** which Hexagon Mining strives to assume responsibility for the implementation of social, ecological and ethical standards in companies and to put in place the principles of sustainable development for in-house daily work life and for suppliers.

Hexagon Mining **expects** its suppliers and partners to share this commitment and to **agree** with the Supplier Code of Conduct, meaning acting with the highest standards of ethics and in compliance with all regulatory and legal requirements and recommended practices.

In addition, suppliers shall comply with all applicable laws, regulations, contractual agreements and generally recognised standards.

The verification of the Supplier Code of Conduct is also part of Hexagon Mining’s **supplier selection and approval process**. In addition, we do not just expect our suppliers to implement these standards in their own company, but to also implement and verify them in their supply chains.

¹ <https://www.unglobalcompact.org/what-is-gc/mission/principles>

1. Ethics

In order to be socially responsible, suppliers and partners are **expected** to act ethically and with integrity.

These requirements include:

Competitive fairness

Suppliers and partners are expected to act fairly in competition and to respect current anti-trust or competition laws.

Integrity in business transactions

Suppliers are expected to prohibit, not practice or condone any form of corruption, extortion, disloyalty or embezzlement. Suppliers are expected not to offer or accept bribes or any other unlawful payments. In addition, suppliers are expected not to offer Hexagon Mining's employees gifts or other gratuities for personal gain.

Conflict minerals

Suppliers and partners are expected to ensure that products supplied to Hexagon Mining do not contain metals derived from minerals or their derivatives originated from conflict regions that directly or indirectly finance or benefit armed groups.

Creating channels for unlawful behaviour to be reported

Suppliers are expected to establish channels of communication for their employees to report any suspected unlawful behaviour. Every report should be treated confidentially. Suppliers are expected to carry out an investigation based on the report and, where required, take action.

Protect confidential information & intellectual property rights

Suppliers are expected to use confidential information in an appropriate way and protect it. Suppliers should ensure that sensitive data and the valid intellectual property rights of their own employees and their business partners are appropriately secured.

2. Treatment of employees

Suppliers and partners are **expected** to respect human rights within their companies and treat their employees fairly and with respect.

This includes the following aspects:

Working hours, wages and other benefits

Suppliers are expected to adhere to current regulations concerning working hours. It is also expected that suppliers' employees will receive remuneration that is in line with applicable laws and that ensures an appropriate standard of living. Suppliers are expected to provide their employees with a remuneration and other benefits that are fair and competitive. Suppliers are expected to pay their employees in a timely manner. It is recommended that suppliers offer their employees appropriate further training opportunities.

Diversity and inclusion

It is expected that the equal treatment of all employees is a basic principle of suppliers' company policies. Leica Geosystems encourages suppliers to create an inclusive and supportive work environment and to respect diversity when selecting their employees and subcontractors.

→ Leica Geosystems [company ethics](#)

Fair treatment

Suppliers are expected to treat their employees fairly, free from sexual harassment, sexual abuse, corporal punishment or torture, mental or physical coercion and verbal abuse, and from the threat of such treatment. It is also expected that suppliers will not terminate employment contracts without good reason and that where employment contracts are terminated due to the performance of an employee for lawful reasons, this will not be done without providing evidence.

Freedom of choice in employment

We do not condone any form of slavery, servitude or forced labour, or any human trafficking in our supply chain.

Prevention of child labour

We are opposed to child labour in our supply chain. Suppliers are expected to avoid any form of child labour in their companies. The definition of child labour is as per the principles of the United Nations Global Compact.

3. Health protection, safety, environmental protection and quality

Suppliers and partners are **expected** to provide a safe and healthy work environment in their companies. Furthermore, it is expected that they act in an environmentally conscious and resource conserving manner. Suppliers should ensure quality in their business processes.

This includes the following aspects:

Waste and emissions

Suppliers are expected to establish processes and systems that prevent unnecessary waste. In addition, the safety of rubbish, exhaust emissions and waste water during handling, transport, storage and recycling should be absolutely guaranteed. Any of the activities that could have a negative impact on human health or on the environment should be handled, measured and controlled in an appropriate way prior to the release of any substance into the environment.

Health and safety in the workplace

Suppliers are expected to protect their employees from any chemical, biological and physical hazards and physically demanding tasks in the workplace, as well as from risks associated with any infrastructures used by their employees. Suppliers should provide appropriate controls, safe work procedures, preventative maintenance, and necessary technical protective measures to mitigate health and safety risks in the workplace.

Health, safety, environmental and quality regulations

Suppliers are expected to comply with all applicable quality, health, safety and environmental regulations. All required permits, licences and registrations should be obtained and kept up-to-date. Suppliers should fulfil their operational and reporting requirements.

Emergency planning, risk information and training

Suppliers are expected to make safety information on identified workplace risks available and to train their employees correspondingly to ensure they are adequately protected. Suppliers should identify and assess likely and potential emergency situations in the workplace. The impact of these situations should be minimised by implementing emergency plans and response procedures.

Product safety

Material safety data sheets containing all necessary safety-relevant information should be made available by suppliers for all hazardous substances and should be provided to Leica Geosystems and other parties in case of a legitimate need.

Process safety

Suppliers are expected to have safety programs in place for managing and maintaining all their production processes in accordance with the applicable safety standards. For hazardous installations the supplier should conduct specific risk analyses and implement measures that prevent the occurrence of incidents such as, for example, chemical releases and/or explosions.

Quality- and Compliance requirements

Suppliers are expected to meet generally recognised or contractually agreed quality requirements in order to provide goods and services that consistently meet Leica Geosystems' needs, provide the services guaranteed and are safe for their intended use.

The supplier guaranteed, that the products supplied to Leica Geosystems do not contain any substances prohibited by law, in particular in accordance with the RoHS Directive (2011/65 / EU) and the REACH Regulation (No. 1907/2006). In addition, the delivered products were manufactured in accordance with the other legally relevant regulations. Furthermore, the supplier agrees to the information obligation in accordance with article 33 of the REACH Regulation if a product it supplies contains substances of very high concern (SVHC substances) of more than 0.1% (w / w). This requires prior approval in written form by Leica Geosystems.

Resource and climate protection

Suppliers are expected to use natural resources (e.g. water, sources of energy, raw materials) sparingly. Negative impacts on the environment and climate should be minimised or eliminated at their source or by practices such as the modification of production processes, material substitution, conservation and recycling. Suppliers should engage in the development and use of climate-friendly products and processes to reduce power consumption and greenhouse gas emissions.

Security precautions

Suppliers are expected to have good security practices across their supply chains. Suppliers should maintain processes and standards that are designed to assure the integrity of each shipment to Leica Geosystems from its origin through to its destination and all points in between.

Suppliers are expected to implement the necessary and appropriate measures in their area of responsibility to ensure that Hexagon Mining's products, their workable components or raw materials as well as the corresponding know-how do not end up in the hands of counterfeiters or third parties and do not leave the legal supply chain.

4. Supplier Management systems

Suppliers are **expected** to implement management systems to facilitate compliance with all applicable laws within their companies and to promote continuous improvement with respect to the **expectations** set forth in this Supplier Code of Conduct.

This includes the following aspects:

Documentation

Suppliers are expected to develop adequate documentation to demonstrate that they share the principles and values expressed in this Supplier Code of Conduct. This documentation may be reviewed by Hexagon Mining upon mutual agreement.

Continuous improvement

Suppliers are expected to continuously improve their sustainability performance by implementing appropriate measures.

Communication of sustainability criteria throughout the supply chain

Suppliers should communicate the principles set forth in this Supplier Code of Conduct to their supply chain.

Legal and other requirements

Suppliers should comply with all applicable laws, regulations, contractual agreements and generally recognised standards.

Risk management

Suppliers are expected to implement processes to identify, determine and manage risks in all areas addressed by this Supplier Code of Conduct and with respect to all applicable legal requirements.

Training

Suppliers should establish appropriate training measures to allow their managers and employees to gain an appropriate level of knowledge and understanding of the contents of this Supplier Code of Conduct, the applicable laws and regulations and generally recognised standards.

Commitment and accountability

Suppliers are encouraged to fulfil the expectations set forth in this Supplier Code of Conduct by allocating appropriate resources within their companies.

5. Contact

In case of any questions regarding this Code or Hexagon policy, or to report a suspected violation, please contact:

Hexagon Mining Legal and Compliance

Phone: +1 (520) 495-3891

legal.min@hexagonmining.com

6. Links

- Leica Geosystems [Company Ethics](#)
- Leica Geosystems [Compliance and Standards](#)
- Leica Geosystems [Quality Management](#)
- Leica Geosystems [Core Values](#)
- Leica Geosystems [Privacy Policy](#)
- Hexagon [Code of Business Conduct and Ethics](#)
- Hexagon [Sustainability Report](#)