

## CSR-Procurement-Policy

Ethical conduct and sustainability in terms of legal, economic, ecological and social responsibility are important components in the procurement function of Zeppelin Systems and all its subsidiaries (hereinafter known as Zeppelin Systems).

This includes long-term business relationships based on trust and suppliers conducting their business in compliance with the law.

The CSR-Procurement-Policy applies all over the world for all suppliers to Zeppelin Systems as well as for their employees.

The suppliers shall be responsible for promoting and passing on compliance with the principles stated below in the supply chain as best they can. The principles will basically be guided by the principles laid down in the United Nations' Global Compact, to which Zeppelin Systems has acceded.

Zeppelin Systems expects its suppliers to comply with the following principles:

### 1) Business ethics

#### a. Compliance with the law

The supplier shall abide by the national and transnational laws and regulations as well as the relevant international agreements.

#### b. Product safety

The Supplier's products and services must not constitute a hazard to people and the environment and must fulfil the agreed and statutory norms regarding product safety laid down by law. The supplier must pass on information in a suitable format describing how the product is to be used safely.

#### c. Prohibition of corruption and bribery

Zeppelin Systems does not tolerate any form of corruption such as bribery or granting or accepting unlawful advantages, regardless of whether these are offered directly, via third parties to private individuals or to holders of office.

#### d. Fair competition

The supplier shall have to comply with the international and national laws to maintain fair competition. This includes the provisions governing unfair competition and cartel laws. Arrangements with competitors about prices, terms and conditions of sale etc. are strictly forbidden.

#### e. Protection of intellectual property

The suppliers must protect the intellectual property of Zeppelin Systems such as, for example, patents, trade marks, copyrights, design, business secrets, specimens, models as well as expertise and they are to respect intellectual property belong to third parties.

### 2) Observance of Human Rights

#### a. Prohibition of forced labour and child labour

Zeppelin Systems expects its suppliers not to tolerate forced labour and child labour.

**b. Prohibition of discrimination**

Zeppelin Systems expects its suppliers to prohibit every type of discrimination, such as, for example, on the basis of sex, married status, race, skin colour, place of origin, religious denomination, sexual orientation, disability, political views or other personal characteristics, in their organisation.

**c. Prohibition of disciplinary punishments**

Zeppelin Systems expects its suppliers not to subject their employees to any form of physical or mental punishment. This shall apply in particular if employees act in good faith as whistleblowers to draw attention to company practices which are in breach of national, international or internal regulations.

**3) Socially compatible working conditions**

**a. Health and Safety at work**

Health and safety at work must be guaranteed to at least the same level as national regulations. The Supplier should introduce guidelines and directives ensuring safety at work and disclose them to employees, in order to prevent or reduce the incidence of accidents and vocational illnesses.

**b. Payment of a living wage**

Zeppelin Systems expects its suppliers to be aware of their social responsibilities to their employees and that the latter receive fair pay for working reasonable working hours. The supplier should grant his employees the social benefits to which they are entitled by law or employment contract.

**c. Working hours**

Zeppelin Systems expects its suppliers to enable their employees to achieve the right balance of work and leisure time and to comply with the national regulations governing working hours as may from time to time be published.

**4) Compliance with environmental standards**

**a. Environmental legislation**

Zeppelin Systems expects its suppliers to comply with the national environmental laws as may from time to time be published.

**b. Economic and considerate use of resources**

Zeppelin Systems expects its suppliers to reduce their consumption of raw materials in each one of their business activities to a minimum. In particular the supplier should be economic and considerate in his consumption of power and water. Preference should be given to renewable resources, if this is possible.

**c. Avoidance and reduction of environmental contamination**

Zeppelin Systems expects its suppliers to reduce all emissions to a minimum as possible by applying state of the art technology. Suppliers should monitor pollution emissions and treat them prior to release into the environment. Waste is to be avoided or recycled as far as possible by the supplier.

The materials used should be reused if it is possible to do so. The supplier should develop processes regulating the storage as well as safe and environmentally-friendly treatment and disposal of waste.

**d. Avoidance of hazardous substances**

Substances constituting a hazard to man and environment as a result of being released are to be avoided if at all possible. The supplier should, moreover, introduce a hazardous substances management system ensuring that such substances are safe for use and transport as well as storage, reprocessing, reuse and disposal.

**e. Environmentally-friendly products**

The supplier should pay attention when developing products and services that their use is economical in terms of power and natural resources. The products should, moreover, be capable of being reused, recycled or being disposed of safely.

**f. Responsible procurement of raw materials**

The supplier should support activities ensuring the responsible procurement of raw materials. The procurement and use of raw materials acquired unlawfully or as a result of ethically reprehensible or unacceptable measures is to be avoided.

Non-compliance with, or breaches against, one or more of these principles shall entitle Zeppelin Systems to terminate a business relationship with a supplier.