

Overview

IEM International, Inc. and its divisions, business units, subsidiaries, and affiliates (collectively "IEM") are committed to the highest standards of integrity, ethics, business conduct, and social responsibility. IEM expects all suppliers supplying products and services to IEM ("Suppliers") to commit similarly. Supplier is an all-inclusive term that may include vendors, sellers, contractors, subcontractors, subconsultants, dealers, fabricators, consultants, manufacturers, distributors, and their lower-tier suppliers.

These IEM Supplier Standards of Conduct ("Standards") describe IEM's expectations of how its Suppliers conduct business. IEM expects Suppliers to act following these Standards and, at a minimum, requires that all Suppliers abide by all applicable laws and regulations within the geographies where they operate and be open and cooperative with regulators enforcing such laws and regulations. In instances where expectations outlined in these Standards differ from applicable laws and regulations, Suppliers must follow these expectations within the bounds of applicable laws and regulations.

Suppliers must ensure that their directors, officers, employees, representatives, and business partners understand and abide by these Standards for work performed on behalf of IEM.

Suppliers must not engage with other third parties on behalf of IEM or represent IEM to other third parties without the express permission of IEM.

Nondiscrimination and No Harassment

Suppliers must abide by all applicable discrimination and equal opportunity laws without regard to any legally protected characteristic. Suppliers must keep a respectful and safe workplace free from physical, psychological, or verbal harassment, intimidation, or other abusive conduct. Suppliers must promote diversity and inclusion in their workforce and supply chains.

Wage and Labor Laws

Suppliers must abide by all applicable wage and labor laws, including minimum wage, overtime pay, benefits, and temporary, dispatch, and outsourced labor. IEM expects Suppliers to provide employees with a wage statement that includes enough information to verify correct compensation for work.

Drug-Free Workplace

Suppliers must keep a workplace free from illegal use, possession, sale, or distribution of controlled substances. Suppliers must ensure that their employees do not conduct work while under the influence of alcohol or drugs, whether prescription or nonprescription.

Slavery, Forced Labor, and Human Trafficking

IEM does not tolerate slavery, forced labor, or human trafficking in any form. Suppliers must abide by all applicable laws relating to slavery, forced labor, bonded labor, indentured labor, involuntary prison labor, and human trafficking.

Child Labor

IEM does not tolerate child labor in any form. Suppliers must abide by all applicable laws relating to minimum working age, including those related to employment, apprenticeships, and internships of youths and students.

Right to Work

Suppliers must verify that employees and prospective employees have the right to work in any country where they supply goods and services. Suppliers must keep copies of all associated documentation provided by the individual and ensure it is genuine, unchanged from the original, and that the individual has permission to undertake the offered work.

Freedom of Association

Suppliers may not unlawfully interfere with the right of employees to choose, or not to choose, to affiliate with any legally sanctioned organization or association.

Bribery and Anticorruption

Suppliers must abide by all applicable bribery and anticorruption laws (e.g., U.S. Foreign Corrupt Practices Act, UK Bribery Act). Suppliers must not pay a bribe in any amount to anyone, anywhere, for any reason whatsoever, whether on their behalf, IEM's behalf, or on behalf of any third party. Suppliers must not offer, promise, authorize, or provide, directly or indirectly, anything of value to induce anyone to forego their duties and provide an unfair business advantage to anyone, including facilitating payments.

Business Courtesies

Suppliers must not offer or accept any business courtesy to obtain improper advantages or influence for the Supplier, IEM (including IEM employees and their family members and associates), or any third party. Business courtesies include gifts, benefits, fees, commissions, dividends, cash, gratuities, services, or inducements. Suppliers must ensure that the offering or receipt of any business courtesy is permitted by law and regulation and that the exchange does not violate the rules and standards of the recipient's organization and is consistent with reasonable marketplace customs and practices.

Reporting and Nonretaliation

Suppliers must provide their employees and business partners with reporting channels to raise legal or ethical issues or concerns. The policy and process must be transparent and understandable. They must protect reporting and participating individuals from retaliation or other adverse action.

Suppliers must let IEM's ethics and compliance officer (ethics@iem.com) know of any misconduct related to IEM business undertaken by any IEM employee, Supplier employee, or Supplier business partner.

Conflicts of Interest

Suppliers must avoid all conflicts of interest or situations giving the appearance of a conflict of interest in their dealings with IEM. Suppliers must report to IEM any instances involving actual or perceived conflicts of interest, whether organizational or personal.

Sensitive Information, Data Privacy, and Intellectual Property

Suppliers must use commercially reasonable methods to manage, store, and secure sensitive information such as confidential, proprietary, or personally identifiable information. Suppliers must not use sensitive information for any other purpose than the specific authorized business purpose.

Suppliers must abide by all applicable laws related to data privacy and the protection of personally identifiable information. In all cases, Suppliers must immediately let IEM know of any actual or suspected data breach, including the measures taken to minimize the effect of the breach and the likelihood of a reoccurrence. Suppliers must abide by all laws governing the use, disclosure, and protection of intellectual property, including patents, copyrights, trademarks, and service marks.

Health and Safety

Suppliers must abide by all applicable health and safety laws and regulations. IEM expects Suppliers to adopt practices to minimize health and safety risks, support accident prevention, and ensure a safe workspace for all workers. Suppliers must make relevant health and safety training, information, and support available to all employees.

When driving on behalf of IEM, all local laws must be followed. Individuals must be licensed and safe to drive the relevant vehicle and provided with legal, safe, fit-for-purpose vehicles maintained following the manufacturer's guidelines.

Suppliers must have suitable emergency plans in place across their operations to minimize the potential effects of any emergency, either because of their operations or because of anyone working on their behalf.

Environment

Suppliers must abide by all applicable environmental laws and regulations and have the correct licenses, permits, and registrations for their operations. IEM expects Suppliers to conduct operations to actively manage risk, conserve natural resources, prevent pollution, safeguard the environment, and minimize waste, emissions, and energy consumption.

Fair Competition and Antitrust

IEM expects the activities of Suppliers to be based on sound business values. Suppliers must conduct their business fairly, consistently, openly, and honestly, allowing competition throughout their suppliers to the same or greater extent that IEM provides to its suppliers.

Suppliers must not engage in any anticompetitive conduct for any reason whatsoever. Suppliers must neither participate in price fixing, bid rigging, or cartel activity nor exchange current, recent, or projected pricing information or other sensitive or nonpublic information with any other party except as authorized by the owner of the information. Suppliers must refrain from abusing their market power by refusing to deal, engaging in predatory or discriminatory pricing practices, conditioning the sale or provision of a particular product or service with that of another product or service, or undertaking similar abusive tactics. Suppliers must not engage in other deceptive or unfair market practices. Suppliers must never misrepresent IEM's products or services, their products or services, or the products or services of others. Similarly, Suppliers must never denigrate IEM's competitors or their competitors, or their products or services.

Registrations and Certifications

Suppliers must obtain any registrations, certifications, insurance, or other formal documentation that formed a material requirement of their appointment. If these requirements lapse or change, Suppliers must inform IEM immediately.

Quality and Counterfeit Parts

Suppliers must design, produce, and deliver products and services, with the paramount consideration being their employees' and clients' safety and health. Suppliers must have quality assurance processes to detect, communicate, and correct defects to ensure delivery of products and services that meet or exceed contractual quality, legal, and regulatory requirements. Suppliers must complete all required inspection and testing operations by appropriately authorized and qualified individuals.

Suppliers must ensure the existence of methods and processes to minimize the risk of introducing counterfeit parts into final products, detect and avoid counterfeit parts and materials, notify recipients of counterfeit products, and remove any counterfeit parts from the final products. Suppliers must hold those in their supply chain accountable for the same obligations for work performed on behalf of IEM.

Supply Chain Security

Suppliers must implement practices and procedures to ensure the security of their supply chain. Suppliers who either ship directly or package goods for shipment must abide by all SAFE Framework of Standards to Secure and Facilitate Global Trade requirements of the destination country.

Records

Suppliers must keep complete and correct records related to their transactions with IEM. Suppliers must never make any entry in their records or alter, conceal, or destroy any document to misrepresent any fact, circumstance, or transaction related to IEM business.

Artificial Intelligence

Suppliers must adhere to the highest standards of responsible and ethical practices throughout the development and use of artificial intelligence ("AI"). Suppliers must be accountable for AI systems throughout the AI systems' lifecycle and ensure that any development or use of AI systems complies with all applicable laws, regulations, and contracts. Without limiting other obligations hereunder, Suppliers must ensure that any AI systems used or developed by the Supplier are robust, secure, and safe throughout their entire lifecycle; develop and use AI systems in a manner that respects human rights and human-centric values, including fairness, equality, inclusivity, diversity, privacy, and data protection, and avoids discrimination and bias; be transparent about AI systems; ensure the explainability, auditability, and traceability of AI systems used or developed by the Supplier; and establish and maintain appropriate governance, policies, and procedures that promote the responsible, accountable, and ethical use of AI systems.

Money Laundering

Suppliers must not use their business relationship with IEM to disguise the sources of illegally obtained funds.

Insider Trading

Suppliers and their directors, officers, employees, representatives, and business partners must not use material or nonpublic information obtained during their business relationship with IEM as the basis for trading or enabling others to trade in the stock or securities of any company.

International Trade

Suppliers must conduct business in strict compliance with all applicable laws, regulations, and directives governing the import, export, re-export, and retransfer of goods, parts, components, technical data, software, and defense items or services, including the requirement to register with the U.S. Department of State's Directorate of Defense Trade Controls if a manufacturer or an exporter of defense articles. Suppliers must abide by all mandated economic sanctions and embargoes. They must not take part in, cooperate with, or otherwise further the cause of any unsanctioned boycott. Suppliers must comply with applicable laws concerning conflict minerals and assist IEM in meeting any obligations under the law.

Compliance and Order of Precedence

IEM evaluates Suppliers' compliance with these Standards during the Suppliers' certification process. Upon request and by giving reasonable notice, Suppliers must provide IEM with evidence of compliance with these Standards, and IEM reserves the right to audit such evidence.

Suppliers must ensure that their suppliers, if any, follow these Standards. Suppliers are fully responsible for violations of their directors, officers, employees, representatives, and business partners. In the event of non-compliance with or violating these Standards, IEM may give the Supplier a reasonable opportunity to respond with proposed corrective actions unless the violation is severe or incurable or there is a violation of law. IEM may suspend or end its relationship with the Supplier or report the matter to the proper authorities if there is a violation of law.

These Standards are not meant to, and do not, supersede any applicable law or any term in any subcontract, purchase order, or other agreement between IEM and the Supplier. In case of any conflict, applicable law or regulation takes precedence, followed by the terms and conditions of any subcontract, purchase order, or other agreement, followed by the terms and conditions of these Standards.

Violations

Suppliers must promptly report legal violations or violations of these Standards or other IEM policies to IEM. Suppliers must promptly forward any subpoenas, regulatory requests, media inquiries, or other third-party requests concerning IEM to IEM if allowed by law. To report an IEM supplier, please email ethics@iem.com. IEM keeps reported information confidential, provided it does not hinder any investigation and can do so by law.