



# **Cardo Systems Supplier Code of Conduct**



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## Introduction

Cardo Systems LTD. is committed to conducting its business responsibly. Cardo's ethical standards and principles of transparency, integrity, diversity and inclusion, safety, service, excellence and more are reflected in the company's Code of Conduct. Cardo's Code of Conduct is published on our website.

At Cardo, we strongly believe that our responsibility to society and the environment extends along the entire supply chain. Therefore, we aim to enhance the same business ethical values and standards with our suppliers, by establishing and implementing this Supplier Code of Ethics. The code outlines the principles of Cardo and its expectations for its suppliers regarding labor ethics, working conditions, health and safety and the environment. Accordingly, we favor engaging with suppliers that act responsibly and implement good social and environmental practices. We closely evaluate the practices and policies of potential suppliers before conducting business. Cardo may also preform evaluation of existing suppliers to check that the Code of Conduct practices are being maintained and may make suggestions for improvements to achieve optimal ethical practices.

In order to establish a mutually ethical relationship Cardo is also happy to provide suppliers who are interested with Cardo's internal 'Code of Conduct' evaluation or ESG evaluation. Additionally, we encourage suppliers to share feedback on how Cardo can improve its own conduct with our suppliers.

## Scope

This Suppliers Code of Conduct applies to any organization that contracts with Cardo to supply goods or services.

## Ethical Business and Fair Competition

Suppliers are expected to conduct their business ethically and responsibly, following all applicable laws and regulations. Standards of integrity should be applied to issues including corruption and bribery, money laundering, fair competition, fair payment, conflict of interest, and product safety.

Suppliers are expected not to engage in behavior that violates anti-trust provision or limits competition.

## Human Rights

Cardo is committed to supporting human rights within its business and the communities where we operate. We hold our partners throughout the supply chain to the same standard meaning and expect our Suppliers to share this commitment and to respect and uphold the

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human rights of all persons, especially in Supplier's workforces, its supply chain and the communities in which it operates. Supplier will identify and avoid as far as possible any adverse human rights impacts caused or contributed by their operations or activities.

Suppliers are expected to abide by all internationally recognized human rights. Similarly, they should avoid being complicit through violations in their supply chain and business partners.

#### Prohibiting Forced Labor

Suppliers are expected not to use forced, bonded, or involuntary prison labor or any other coercive labor practices. Terms of employment cannot require the surrendering of passport or other official identity documents and holding these as leverage against employees is unacceptable. All employees of suppliers should be free to leave the work place and terminate their employment.

#### Prohibiting Child Labor

Suppliers are expected not to use child labor within their operations, or benefit indirectly from child labor within their own supply chain. All relevant standards from the UN's International Labor Organization (ILO) should be followed. Suppliers must implement practices that ensure fair employment in accordance with all law requirements and standards.

#### Freedom of Association and Collective Bargaining

Employees 'Freedom of Association' should be respected by employers in accordance with local laws. Where local law permits employees should be allowed to join unions or other work councils without retaliation or discrimination. Where unions are restricted by local laws, employees should not be restricted from working collectively to protect their rights.

#### Health and Safety Working Conditions

All suppliers' operations are expected to maintain a safe, healthy, hygienic, and non-hazards work environment in compliance with applicable regulations. Appropriate steps should be taken to avoid workplace accidents and injuries to health (that drive from/are connected to/occur during working hours) by reducing risk causes in the working environment, including sufficient and re-occurring training, providing adequate Personal Protective Equipment (PPE). Supplier should provide clean toilet facilities and clean drinking water, and if applicable sanitary place for employees to store food. If accommodations are provided by the supplier they shall be dignified, clean, safe, and meet all the employee's basic needs.

#### Fair Wages

Wages paid by suppliers are expected to meet the basic needs of employees and their families and provide some degree of discretionary income. Deduction from wages as a form of disciplinary measure is not permitted. Wages and benefits should meet all local laws and comply with ILO standards.

Suppliers must provide all workers with clear written information on their payment terms prior to hiring and a salary slip, which contains details on the payment for every pay period.

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### Reasonable Working Hours

On average, work hours per week should not exceed the defined limited weekly working hours per local labor law and at least one day off should be given for every 7-day period. Overtime shall always be voluntary, paid at a premium rate and not exceed defined hours per week. All local laws and industry standards regarding work hours should be followed.

### Discrimination and Harassment Prevention

Suppliers must treat all employees fair, equally, with respect and dignity, therefore avoid any form of discrimination that is based on race, caste, national origin, religious beliefs, age, disability, gender, sexual orientation, political affiliation in all workplace practices, including recruitment, promotion, bonuses, and termination. Where possible supplier policy procedures should strive to promote a diverse and equal workspace.

### Employee Treatment

Physical and verbal abuse, punishment, or intimidation, as well as the threat of physical or sexual harassment, is not allowed. Workplace violence including physical abuse, corporal punishment, intimidation, coercion and bullying shall not be tolerated and can result in the suspension or termination of suppliers' assignment.

### Formal Hiring and Employment Practices

Suppliers are expected to have a formal employer-employee relationship with clear conditions set through an employment contract. It is expected that all local laws and regulations surrounding social security or other benefits are followed. Formal employment and benefits should not be avoided through the use of sub-contracting, home-working arrangements, apprenticeship, fixed-contracts or other methods.

### Employee training

Suppliers will encourage employee training programs to ensure that they perform their work in a professional, correct and effective way.

### Environmental Protection

The supplier shall strive to avoid, minimize, or mitigate their environmental impact and comply with [Cardo's Environmental Policy](#) and all other applicable environmental protection laws. Suppliers should weigh sustainability in their business decision making process and work to improve their operational use of the resource, energy, water and waste in the short and long term.

Suppliers should fully comply with all applicable local and international environmental laws and regulations, including having all necessary environmental permits and licensing requirements. Suppliers should also follow any reporting requirements that are in place.

Suppliers should identify, assess and effectively manage their environmental risk and impacts. Suppliers should develop and apply strategies to reduce and manage their waste stream including reuse, recycling and responsible disposal of hazardous and nonhazardous waste.

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Further, suppliers have a responsibility for the health of their local operation environment and should work to prevent unauthorized chemical discharge and spills.

#### Computer Security and Data Protection

Suppliers should follow all local data protection and privacy laws and work to maintain the security of their data systems. Suppliers should not transfer any Cardo data or proprietary information to third party unless approval has been authorized by the Cardo team. Additionally, suppliers should notify Cardo of any cases of data breaches where Cardo's data may have been compromised.

#### Violations and Grievance Procedures

There should be an easy and accessible way for workers to communicate violations of workplace conditions, grievances, or situations of misconduct and no retaliation should be taken against workers who chose to do so. Management is expected to do their best to address issues that arise promptly.

*For questions regarding the 'Suppliers Code of Conduct' or to report violations please contact: Cardo's VP of Operations & Engineering - [adrianf@cardosystems.com](mailto:adrianf@cardosystems.com)*

Last Updated: Dec 8, 2023

This is to certify that we, the undersigned Supplier, have read and understood the above Supplier's Code of Conduct and comply and shall continue to comply with its principles and requirements.

Signed by the duly authorized signatory of the Supplier:

\_\_\_\_\_  
Name of Supplier

Signed By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

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