

SUPPLIER CODE OF CONDUCT

MANAGEMENT STATEMENT

Hobré Instruments is a leading manufacturing company in the field of on-line analyzing equipment, for Oil and Gas-, Energy and Steel industry, but also in the Food and powder industry and a variety of other industries.

Mission Statement

We are key partner in optimizing the quality and efficiency of our customers' worldwide industrial processes. We create on-line sampling, measurement, and control instruments, and integrate these into turnkey systems that maintain excellent performance throughout their lifetimes. These solutions are developed by a continuously evolving team that is fully supported to deliver the highest quality service.

Our values

We will serve the interest of all our Stakeholders and in doing so we are guided by our core values being Safe, Reliable, Efficient, Sustainable, Customer-oriented and Pro-active.

Our responsibility

It is our responsibility to ensure that our products and services are delivered in a value chain, compliant to international standards. We work with partners who share our values and maintain similar standards. Our expectations regarding our suppliers are summarized in this Code of conduct. We expect all our partners and suppliers (and their suppliers) to comply with these standards. Were local regulations being stricter than this code of conduct, these shall, of course, prevail over this Code of conduct.

Together we will work towards achieving a successful and responsible value chain. This Code of conduct will support us reaching that objective. Compliance with this Code of conduct is regarded essential for business relations with Hobré Instruments B.V.

Purmerend, 1 January 2016



Marc de Leeuw
CEO

HOBRE INSTRUMENTS SUPPLIER CODE OF CONDUCT

A. LABOUR

Every participant in the Supply Chain for Hobré Instruments should be aware of differences in cultural values. Our values are professionalism, accuracy, integrity and respect. We are therefore committed to uphold the human rights of workers and treat them with dignity and respect as commonly expected within the international community.

The labour standards are:

1. **Freely Chosen Employment**

Forced, bonded or indentured labour or involuntary prison labour shall not be used. All work will be voluntary and workers shall be free to leave upon reasonable notice.

2. **Child labour Avoidance**

Child labour is not to be used in any stage of manufacturing. The term “child” refers to any person under the age of 15 (or 14 where the law of the country permits), or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest. The use of legitimate workplace apprenticeship programs, which comply with all laws and regulations, is supported. Workers under the age of 18 shall not perform work that is likely to jeopardize the health or safety of young workers.

3. **Working hours**

Studies of business practices clearly link worker strain to reduced productivity, increased worker turnover and increased injury and illness. Working weeks are not to exceed the maximum set by local law. Furthermore, a working week shall not exceed 60 hours, including overtime, except in emergency or unusual situations. Workers shall be allowed at least one day off per 7 day week.

4. **Wages and Benefits**

Compensation paid to workers shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. In compliance with local laws, workers shall be paid for overtime at pay rates greater than regular hourly rates. Deductions from wages as a disciplinary measure shall not be permitted. The basis on which workers are being paid it to be provided in a timely manner via pay slips or similar documentation.

5. **Humane Treatment**

Participants will support and respect the protection of internationally proclaimed human rights and will operate in the spirit of the Charter of the United Nations. The Participant’s disciplinary policies and procedures shall be clearly defined and communicated to workers. There is to be no harsh and inhumane treatment, including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers, nor is there to be the threat of any such treatment.

6. Non-Discrimination

Participants should be committed to a workforce free of harassment and unlawful discrimination. Companies shall not engage in discrimination based on race, color, age, gender, sexual orientation, ethnicity, disability, pregnancy, religion, political affiliation, union membership or marital status when recruiting and employment practices such as promotions, rewards and access to training. In addition, workers or potential workers should not be subjected to medical test that could be used in a discriminatory way.

7. Freedom of Association

Open communication and direct engagement between workers and management are the most effective ways to resolve workplace and compensation issues. Participants are to respect the rights of workers to associate freely, join or not join labour unions, seek representation and join workers' councils in accordance with local laws. Workers shall be able to communicate openly with management regarding working conditions without fear of reprisal, intimidation or harassment.

B. HEALTH AND SAFETY

Safety, persona health and the environment are high priorities for Hobré Instruments BV. Everyone in our supply chain must comply with our strict safety standards and must work as safely as possible while doing so. Unsafe situations will not be tolerated. A safe and healthy working environment enhances the quality of products and services, consistency of production and working retention and morale.

The Health and Safety standards are:

1. Occupational Safety

Working exposure to potential safety hazards (e.g. electrical and other energy sources, fire, vehicles and fall hazards) are to be controlled through proper design, engineering and administrative controls preventive maintenance and safe working procedures (including lockout / tag out) and ongoing safety training. Where hazards cannot be adequately controlled by these means, workers are to be provided with appropriate, well maintained, personal safety equipment. Workers shall not be disciplined for raising safety concerns.

2. Emergency Preparedness

Emergency situations and events are to be identified and assessed, and their impact minimized by implementing emergency plans and response procedures including: emergency reporting, employee notification and evacuation procedures, working training and drills, appropriate fire-detection and fire-fighting equipment, adequate escape facilities and recovery plans.

3. Occupational injury and illness

Procedures and systems are to be in place to prevent, manage, track and report occupational injury and illness, including provisions to: a) encourage working reporting, b) classify and record injury and illness cases, c) provide necessary medical treatment, d) investigate cases and implement corrective actions to eliminate their causes, and e) facilitate return of workers to work.

4. Industrial Hygiene

Worker exposure to chemical, biological and physical agents is to be identified, evaluated and controlled. Engineering or administrative controls must be used to control overexposures. When hazards cannot be adequately controlled by such means, worker health is to be protected by appropriate personal safety equipment programs.

5. Physically Demanding Work

Worker exposure to the hazards of physically demanding tasks, including manual material handling and heavy or repetitive lifting, prolonged standing and highly repetitive or forceful assembly tasks is to be identified, evaluated and controlled.

6. Machine Safeguarding

Production and other machinery are to be evaluated for safety hazards. Physical guards, interlocks and barriers are to be provided and promptly maintained where machinery presents an injury hazard to workers.

7. Sanitation, Food and Housing

Workers are to be provided with ready access to clean toilet facilities, potable water and sanitary food preparation, storage and eating facilities.

8. Smoking, drugs and alcohol

Smoking on Hobré premises is only permitted in designated areas. Drugs and alcohol usage or being under influence of either on Hobré premises is strictly forbidden. Everyone in the Supply Chain is to discourage smoking and the use of alcohol as much as possible, within the limits of local legislation.

C. ENVIRONMENTAL

Hobré executes all of its activities in an environmentally responsible way. Our energy consumption is efficient and we limit the emission of harmful substances. We reduce the amount of waste and encourage recycling.

Everyone in our Supply Chain should recognize that environmental responsibility is integral to producing world-class products. In manufacturing operations, adverse effects on the community, the environment and the natural resources are to be minimized, whilst safeguarding the health and safety of the public.

The environmental standards are:

1. Environmental Permits and Reporting

All required environmental permits, approvals and registrations are to be obtained, maintained and kept current and their operational and reporting requirements to be followed.

2. Pollution Prevention and Resource Reduction

Waste of all types, including water and energy, are to be reduced or eliminated at source or by practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials.

3. Hazardous Substances

Chemical and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, use, recycling or reuse and disposal.

4. Wastewater and Solid Waste

Wastewater and solid waste generated from operations, industrial processes and sanitation facilities are to be classified, monitored, controlled and treated as required prior to discharge or disposal.

5. Air Emissions

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone-depleting chemicals and combustion by-products generated from operations are to be classified, monitored, controlled and treated as required prior to discharge.

6. Product Content Restrictions

Participants are to adhere to all applicable laws, regulations and customer requirements regarding prohibition or restriction of specific substances, including labelling for recycling and disposal.

D. MANAGEMENT SYSTEM

Hobré suppliers are encouraged to adopt or establish a management system whose scope is related to the content of the Hobré Supplier Code of Conduct. The management system shall be designed to ensure:

- Compliance with applicable laws, regulations and customer requirements related to the participant's operations and products;
- Compliance with the Hobré Code of Conduct; and
- Identification and mitigation of operational risks related to the Hobré Code of Conduct. It should also facilitate continuous improvement.

The management system should cover the following topics:

1. Company commitment
2. Management Accountability and Responsibility
3. Legal and Customer requirements
4. Risk Assessment and Risk Management
5. Improvement Objectives
6. Training
7. Communication
8. Worker Feedback and Participation
9. Audits and Assessments
10. Corrective Action Process
11. Documentation and Records

E. ETHICS

We abide by the prevailing statutory provisions. Our good reputation as a reliable and honest company is of immeasurable value to our company. We expect everyone within our Supply Chain to behave with integrity and to stay within the confines of the authority invested in them. We comply with EU and national competition rules in the performance of our work.

An established reputation of fair trade is of crucial importance to our company. To meet social responsibilities and to achieve success in the marketplace, everyone in the Supply Chain is to uphold the highest standards of ethics including:

1. Business Integrity

The highest standards of integrity are to be expected in all business interactions. Participants shall prohibit any and all forms of corruption, extortion and embezzlement. Monitoring and enforcement procedures shall be implemented to ensure compliance.

2. No Improper Advantage

Bribes or other means of obtaining undue or improper advantage are not to be offered or accepted. Gifts or personal favors from or to third parties may not in principle be accepted or offered unless they are incidental and do not exceed the maximum permitted value of USD 50,00. Gifts or personal favors exceeding this amount must be notified and acted upon.

3. Disclosure of Information

Information regarding business activities, structure, financial situation and performance is to be disclosed in accordance with applicable regulations and prevailing industry practices.

4. Intellectual property

Intellectual property rights are to be respected; transfer of technology and know-how is to be undertaken in a manner that protects intellectual property rights.

5. Fair Business, Advertising and Competition

Standards of fair business, advertising and competition are to be upheld. Appropriate means to safeguard customer information must be available.

6. Protection of Identity

Programs that ensure the confidentiality and protection of supplier and employee whistleblowers, i.e. any person who makes a disclosure about improper conduct by an employee or officer of a company, or by a public official or official body, are to be maintained.

REFERENCES

The following standards were used in preparing this Code of Conduct and may be a useful source of additional information.

Electronic Industry Code of Conduct (EICC), Version 3.0 dated September 2009.
www.iecc.com

ILO Code of Practice in Safety and Health
www.ilo.org/public/english/protection/safework/cops/english/download/e00013.pdf

National Fire Protection Agency
www.nfpa.org/catalog/home/aboutNFPA/index.asp

ILO International Labor Standards
www.ilo.org/public/english/standards/norm/whatare/fundam/index/htm

United Nations Convention against Corruption
www.unodc.org/unodc/en/crime_convention_corruption.html

ISO 9001:2008
http://www.iso.org/iso/iso_9000

Metalektro Collective Labour Agreement (English version available on following site):
<https://www.cnvvakmensen.nl/caos/metalektro/cao-metalektro>

FME Ondernemersorganisatie voor de technologische industrie
www.fme.nl

FHI Federatie het Instrument
<http://federatie.fhi.nl/>