

Supplier Policy

Leica Geosystems buys a wide variety of indirect materials, semi-finished products and finished goods from its suppliers. The supplier policy outlines what Leica Geosystems expects from its suppliers.

The purchased materials are mainly high precision mechanical and optical parts, sub-assemblies, plastic moulding parts, printed circuit board assemblies and electronic systems, laser components, display and keyboard modules, communication products, cables, software, accessories, auxiliary material, and numerous other goods.

All supplied goods must comply with the rigid specifications established by our own engineers and the high quality standards defined by Leica Geosystems as well as with international and national standards.

Principles:

Compliance with the supplier policy is considered in the supplier evaluation and selection process.

Leica Geosystems maintains close and ongoing contacts with its main suppliers to ensure quality, continuing optimization and sound business practices. A mutual good and professional cooperation is significant for the success and excellence of both.

As Leica Geosystems is committed to strict adherence to law, uncompromising ethical standards and continuous attention to customer satisfaction it expects the same from its suppliers. Mutually observed values enhance the relationship and help to create value to our customers, society and our investors.

Leica Geosystems promises its customers excellent quality, reliability and innovation and likewise expects its suppliers

- to provide goods and services of excellent quality and high reliability through the implementation of robust processes and state of the art quality management methods
- to maintain sound and efficient business operations in the long-term and offer at worldwide competitive prices
- to ensure on time delivery and take responsibility for the goods and services supplied to Leica Geosystems
- to be an active part in the Leica Geosystems supply chain by participating in required supply processes and ensure high flexibility
- to proactively inform Leica Geosystems in case of any foreseen problems with regards to the supplied products

- to be innovative in technology and commit to continuous improvement and cost reduction
- to ensure excellent skills and competencies by people training and education
- to minimize environmental pollution and set up an environmental management system according to ISO 14001 or equivalent (see our Environmental Policy)
- to respect human rights and live up to the high standards of integrity as described in our Corporate Social Responsibility Policy
- to practice an active Health and Safety Culture as defined in our Health and Safety Policy
- to treat suppliers non-discriminatingly and to consider this Policy in selecting and promoting their own suppliers

How Leica Geosystems selects suppliers:

When choosing suppliers, the overall competitiveness of the supplier's offering is the most decisive factor. However, particular preference is given to suppliers that are leaders in environmental and social performance and who live up to our policies and goals.

A new potential supplier fills out the "Supplier Self Description" and the "Vendor Master Form". Then Leica Geosystems makes an assessment of the suitable supplier's financial aspects, commercial terms and conditions, and evaluates also its management, competencies and technologies, process management, logistics, investment in continuous improvement and cooperation with Leica Geosystems. On demand a formal audit is carried out before entering a business relationship.

Legal and Standard Requirements:

Amongst others the listed Regulations (and the following) have to be complied with (if applicable):

- Directive 76/769/EEC...relating to restrictions on the marketing and the use of certain dangerous substances and preparations
- Directive 94/62/EC on packaging and packaging waste
- Directive 2001/95/EC on general product safety
- Directive 2002/95/EC on the restriction of the use of certain hazardous substances in electrical and electronic equipment (RoHS)
- Directive 2002/96/EC on waste electrical and electronic equipment (WEEE)
- Regulation (EC) No 1907/2006 ... concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH)*
- EC Commission Decision 2009/251/EC (products containing the biocide dimethylfumarate are forbidden)
- Order #39 of the Ministry of Information Industry, Management Methods for Controlling Pollution caused by Electronic Information Products (ACPEIP) from the People's Republic of China

* The supplier has to approve that no Substance of Very High Concern of the "Candidate List" exceeds more than 0,1 % of the global weight of the delivered item (without packaging of the item).

PAH and phthalates

Since the toxic polycyclic aromatic hydrocarbons (PAH) are often found in elastomers (plastics and rubber materials), black or dark-coloured polymers and coatings, we expect the PAH in the delivered articles to be reduced to lowest possible level – at least below the following defined limits by the German Committee for Technical Equipment and Consumer Products (AtAV) which also have to be complied with for GS certification:

Parameter limits for materials with foreseen contact with skin	Exposure to the skin < 30 sec	Exposure to the skin > 30 sec
Benzo[a]pyrene mg/kg	20	1
Sum of 16 PAHs (EPA) mg/kg	200	10

Also phthalates are used as plasticizers and pose a risk to health. For this reason the concentration of phthalates in toys sold in the EC market is not allowed to exceed 1 mg/kg. Since it is expected that these limitations will be adopted for electrical tools, we require the compliance with these set limits.

The following substances are defined as phthalates:

- Diisononyl phthalate
- Bis(2-ethylhexyl)phthalate
- Di-n-octyl phthalate
- Diisodecyl phthalate
- Butyl benzyl phthalate
- Bis(n-butyl)phthalate

We expect our suppliers to use safer plasticizers with better biodegradability and less biochemical effects. Exceptions are to be agreed separately.

Links:

- Hexagon [Responsible Sourcing Policy](#)
- Leica Geosystems [Environmental Policy and Goals](#)
- Leica Geosystems [Corporate Social Responsibility](#) with “Corporate Social Responsibility Policy”
- Leica Geosystems [Health and Safety](#) with “Health and Safety Policy”
- Leica Geosystems [Environmentally friendly design of products](#)
- Leica Geosystems [REACH compliance](#)