



## Trimble Electronic Industry Supply Chain Code of Conduct

On January 1, 2012, the California Transparency in Supply Chains Act of 2010 (SB 657) went into effect in the State of California. This law was designed to increase the amount of information made available by manufacturers and retailers regarding their efforts (if any) to address the issue of slavery and human trafficking, thereby allowing consumers to make better, more informed choices regarding the products they buy and the companies they choose to support. This webpage is intended to fulfill the disclosure requirements of the California Act as well as to provide a description of our broader supply chain code of conduct standards and processes.

Trimble Inc. ("**Trimble**") has adopted the Electronic Industry Citizenship Coalition® (EICC) Code of Conduct as a guideline for its own supply chain code of conduct related to worker safety and fairness, environmental responsibility and business ethics as described herein. The EICC Code of Conduct ("**EICC Code**") may be viewed at: <http://www.eicc.info/documents/EICCCodeofConductEnglish.pdf>.

In accordance with these standards Trimble believes that workers at supplier facilities have the right to:

- freely choose employment; forced, bonded or indentured labor or involuntary prison labor shall not be used;
- no under-aged child labor;
- remain free of harassment and unlawful discrimination;
- receive humane treatment, no abusive or threats of abusive punishment;
- personal safety in an environment with business policies that protect worker's health and safety from un-safe hazardous duties and un-safe exposure to hazardous chemicals;
- work in an environment of high business integrity, without influence of corruption or bribery;
- receive wage and benefits in compliance with local laws; and
- work in an environment that conforms with the laws of their country and international standards of conduct in regard to employees.

Trimble requires its production suppliers to meet the requirements of, and provide ongoing proof of their compliance with the EICC Code as implemented by Trimble under this Trimble Supply Chain Code of Conduct, to the extent these codes of conduct do not directly conflict with local laws in the country(ies) where the supplier has its business operations and manufacturing facilities. Our efforts to require and verify such supplier compliance include:

- **Risk-based supplier evaluations.** Trimble performs evaluations of potential suppliers according to our *risk-based approach*. This approach includes preliminary risk assessments and supplier assessment questionnaires.
- **Supplier audits.** Our periodic supplier audit program includes an evaluation of our supplier's compliance with the EICC Code. A finding of nonconformance with the EICC Code will result in a corrective action plan and time table to remedy. The corrective action plans outline how a supplier will resolve issues uncovered in audits.
- **Supplier agreements.** Trimble seeks to incorporate requirements of compliance with the EICC Code and the terms of this Trimble Supply Chain Code of Conduct in our purchasing agreements and/or purchase order terms and conditions that are put in place with our direct suppliers and ODM (original design and manufacturing) suppliers.

The following paragraphs explain Trimble's Risk-Based supplier management system:

### **Phase 1: Supplier EICC Risk review**

Trimble considers supplier risk profiles and conducts a formal risk assessment if necessary. The risk factors we use include:

- **Location.** Risk is higher in some locations than others
- **Procurement category.** Risk is higher in some procurement categories, such as a small business manufactured

parts supplier , and lower in others, such as large business or a Western (USA or European) owned company operating in a developing country.

- **Company information.** Insight from previous audits, press articles, incidents, or accidents may affect our assessment of supplier risk

### **Phase 2: Assessment**

If Trimble's risk assessments show a supplier poses high risk, the supplier must complete a self-assessment questionnaire. These help us identify potential risks, and help suppliers understand our expectations for conformance to the EICC Code of Conduct. Trimble reviews and provides feedback on the self-assessment, and suppliers create and implement an improvement plan, if required.

### **Phase 3: Validation and Improvement**

- **Validating conformance:** Trimble periodically audits suppliers for quality control purposes and such audits will include compliance to EICC Code of Conduct requirements.
- **Responding to Non-conformance:** We rank non-conformance to the EICC Code using standard ISO guidelines.
  - **Major non-conformance:** A significant failure in the management system that affects a company's ability to ensure conditions conform to the EICC Code. Suppliers must demonstrate that they have addressed major non-conformances within 180 days, by delivering appropriate documentation or other evidence of resolution. For major non-conformances that require subsequent monitoring, we return to all audited sites within one year.
  - **Minor non-conformance:** Not a systemic problem and typically an isolated finding, such as an overdue corrective action from an internal audit or a procedure that has not been revised to reflect a change in regulations. Suppliers have up to 360 days to address minor non-conformances.
  - **Corrective action plans:** Trimble requires suppliers to provide a detailed corrective action plan addressing all identified non-conformances within 30 days of receipt of the site audit report. We review these plans and may request quarterly reports to allow us to monitor progress and subsequent closure of non-conformances. When progress is inadequate, we will intervene to help create a more effective plan.
  - **New suppliers:** We introduce prospective suppliers to the EICC Code requirements as implemented pursuant to our Trimble supply chain code of conduct in the early stages of evaluation; and a supplier's acceptance of these becomes one of our conditions for engagement with the new supplier.