

FRAUNHOFER-GESELLSCHAFT

Fraunhofer Principles of Cooperation

Dear Sir or Madam,

We appreciate your interest in working together with Fraunhofer.

The mission, vision and general principles of Fraunhofer are described in our Statute and Guiding Principles. As a publicly funded, non-profit organization, based in Munich, with legally non-independent institutes, it is of utmost importance to us to fulfill our mission in accordance with legal requirements. As a beneficiary of funding that comes primarily from public sources, Fraunhofer is bound by the Federal Budget Code. We are subject to public procurement law, the German Travel Expenses Act (Bundesreisekostengesetz) and the Collective Wage Agreement for Public Services (TVöD).

The guidelines we must observe are laid out in our internal regulations. All employees receive our internal Code of Conduct, which transparently summarizes these regulations and sets out a number of significant principles. To systematically ensure compliance, we operate a Compliance Management System, which was evaluated successfully in terms of adequacy in 2015. Our reporting system (www.bkms-system.com/fraunhofer) is available to Fraunhofer employees as well as external business partners as a secure, anonymous channel for reporting serious wrongdoing.

In the following principles of cooperation with third parties, we aim to proactively and transparently take a stance on a number of topics that are important to us.

We also expect our partners to comply with the applicable regulations and agreements, to raise the awareness of their employees as to lawful and responsible conduct and not to expect or demand any unlawful action from us.

We appreciate the confidence you have shown in us and look forward to a positive and successful partnership.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Neugebauer', with a long horizontal stroke extending to the right.

Prof. Dr.-Ing. Reimund Neugebauer

Respect and fairness in dealing with business partners

We conduct ourselves in a fair and respectful manner toward our business partners and observe all requirements and rules relating to competition. We are independent and maintain our impartiality toward the interests of individuals or groups from the fields of politics, business and society.

Dealing with conflicts of interest

We design our processes in such a way that our employees will not incur conflicts between their private and business interests in the course of their work. We actively provide clarification regarding situations in which conflicts of interest may arise so that they can be recognized and avoided. This applies to relationships with so-called “Fraunhofer-related companies” (spin-offs and companies in which Fraunhofer employees, their dependents or Fraunhofer itself are involved) as well as to insider information. Trading in securities is only permitted within the legal stipulations concerning insider trading. We remain neutral toward interest groups and consistently reject unlawful efforts to exercise influence over our work.

Corruption prevention

All Fraunhofer employees are prohibited from demanding, accepting or offering bonuses, material gifts, free or discounted services or other benefits for the purpose of procuring an advantage. The guidelines of the Federal Government Directive Concerning the Prevention of Corruption in the Federal Administration are implemented accordingly. All employees receive mandatory training in corruption prevention.

Fair competition

We are proud of our scientific quality and excellence, which allow us to prevail in competition with other market players. We consistently adhere to the rules of open competition, both as a contractor and as a client.

Selection of business partners

We choose our business and cooperation partners based on objective and transparent criteria and free from personal interests. We value their integrity and reliability. We conduct the legally required inspections, such as sanction list screening. We expect our business and cooperation partners to comply with the relevant legal requirements and mandatory regulations, to instruct their employees in lawful and responsible actions and not to expect or demand any unlawful action from us..

Donations and sponsorship

We are committed to the economical and efficient use of funds in all our conduct. Consequently, Fraunhofer is not in a position to sponsor or donate to third parties. However, as a non-profit organization, we are entitled to accept donations. Apart from a tax-deductible donation receipt, the donor is not entitled to any service in return. The strategic orientation of our research planning occurs independently and autonomously in all cases.

Respect and fairness in dealing with employees

Our success relies on the knowledge and enthusiasm of our employees for applied research. Fraunhofer offers its staff excellent working conditions paired with a high degree of autonomy.

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Employment

We ensure the adequate remuneration of our employees in accordance with the Collective Wage Agreement for Public Services. We observe the provisions of the Minimum Wage Act, comply with applicable national and international labor law regulations and respect the standards of the International Labor Organization (ILO). We have also joined the UN Global Compact network. We do not tolerate forced labor, child labor or undeclared work, and we recognize the Universal Declaration of Human Rights (UDHR). In order to improve work-life balance for employees, we support modern job structures. The European Commission has awarded Fraunhofer the "HR Excellence in Research" logo for our outstanding integrated human resource management and our exemplary working conditions for researchers. We respect the rights of employees with regard to freedom of association as well as their right to choose their representatives freely and independently, such as in a workers' council. We guarantee that representatives can fulfill their legal mandate and that they are not exposed to any form of discrimination.

Development

We offer our employees attractive possibilities for development, extensive training opportunities and reliable conditions. We provide working conditions in which our employees can thrive, and we consistently encourage and support them. Our offers are geared specifically to individual target groups and needs and foster the qualification and development of employees at different stages of their professional activities.

Diversity

For Fraunhofer, creating conditions of diversity is a key element of our HR policy agenda, and advancing this goal is the responsibility of HR management. Diversity as a strategy opens up competitive advantages and increases success in innovation. Next to gender equality, our definition of diversity also includes age, ethnic background, sexual orientation, religion and disability. We are committed to appreciating, doing justice to and constructively making use of individual differences among Fraunhofer employees. This is also reflected by our membership in the Diversity Charter.

Management

Our executive personnel bear a special responsibility. They are collectively responsible for the success of Fraunhofer, for guiding and managing and leading employees, and for creating and shaping the working environment. At the same time, they also serve as role models. We offer our executives optimal support in the exercising of the responsibilities that have been conferred upon them and offer them opportunities to develop their leadership skills. We outline our shared understanding of leadership and provide leadership orientation in Fraunhofer's Leadership Principles.

Health and safety at work

The protection of our employees' health and safety in the workplace is extremely important to us. For the sake of prevention, we place high demands on occupational safety, workplace quality and personal behavior in everyday work. We comply with the applicable health and safety guidelines. The Fraunhofer-Gesellschaft regularly conducts risk analyses concerning potential hazards and burdens for employees and determines the appropriate safety measures accordingly. We support employees whose health has been impaired, helping them reintegrate into the workplace.

Quality and professionalism in performance and cooperation

We understand our clients and know their challenges of tomorrow. Together we develop integrated solutions for their long-term success.

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Good scientific practice and scientific integrity

In our research, we comply with the principles of good scientific practice and promote scientific integrity and responsibility. We follow precise rules when dealing with scientific misconduct. There are ombudspersons for good scientific practice in place at each institute.

Information security, privacy and confidentiality

Information that we process and compile often requires special protection. This applies to personal data as well as to company data, research methods and research results that are entrusted to us. We ensure that this information is used only within the legal, contractual, operational and data-protection stipulations and that it is protected against unauthorized access by third parties. All employees receive mandatory training in matters of information security.

Protection of intellectual property

Our scientific discoveries and intellectual property are of great value to us. Patents, inventions and other know-how are particularly important to us in order to secure our long-term position as a desirable research partner. We take special care of our intellectual property and we respect the intellectual property of others.

Export control and customs

Export control regulations restrict foreign trade for reasons of security. This includes the exchange of goods and services and the exchange of expertise with third parties across borders.

Customs regulations restrict trade with third countries and serve primarily to protect the economy, to control imports and exports that are subject to authorization or permission, and to enforce prohibitions and restrictions.

We comply with all provisions that apply to the import and export of goods, services and information.

Social responsibility

Through our research, we contribute to sustainable development by promoting an environmentally sound, economically successful and socially balanced world. We are strongly committed to this responsibility. We publicize our sustainability concept as part of regular organization-wide sustainability reporting pursuant to the standards of the Global Reporting Initiative (GRI).

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Scientific responsibility and ethics

We are aware of our responsibility with respect to freedom of research and research risks and therefore promote the responsible handling of research. We participate actively in political and social debates concerning scientific fields in which we operate or to which we can contribute with our expertise. The Fraunhofer Ethics Committee for Security-Relevant Research (KEF) deals with questions in research ethics which have a broad scope and relevance for the Fraunhofer Institutes.

Responsibility for the environment

We adhere to environmental protection regulations and are a member of the UN Global Compact. In addition, we support efforts toward the sustainable shaping of society, the economy and the environment. We contribute to these objectives by means of the responsible implementation of new technologies as well as through research and studies for public contracting authorities.

Non-profit status

We are a non-profit research organization which is committed to the promotion of applied research. While our non-profit status provides Fraunhofer with certain privileges, it also requires us to observe the principles and responsibilities of this status.

Responsibilities with respect to financial resources

As beneficiaries, we are subject to strict financial legal constraints and the prohibition on preferential treatment stipulated in the German "Besserstellungsverbot" law. We observe the requirements concerning the economical and efficient use of funds. We handle our resources carefully and economically.