

Hoffmann Group Code of Conduct for Suppliers

The **Hoffmann Group** is committed to sustainable and responsible business practices – in the interests of the company, its employees and the general public. Compliance with applicable legislation and regulations in place in the countries in which our suppliers operate form the basis of our partnerships. We also respect the cultural, social, political and legal diversity of societies and nations. Our suppliers are expected to act in line with our principles laid out in this Code of Conduct.

In all business activities within their sphere of influence, suppliers should aim to ensure their business partners and suppliers likewise uphold these principles. This Code of Conduct for Suppliers is based on the principles of the United Nations Global Compact and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. The **Hoffmann Group** will investigate any violations of this Code of Conduct. The aim of investigating violations is to improve the situation and ensure the requirements of this Code of Conduct are met. The **Hoffmann Group** reserves the right to take reasonable action in the event of violations, culminating in the end of the business partnership.

1. Social and human rights

At the **Hoffmann Group**, we expect our suppliers to uphold the principles found in this Code of Conduct and to not commit or engage in any human rights violations.

- **Child labour and forced labour**

We expect our suppliers to observe the minimum working age defined by the International Labour Organization (ILO) and the respective official state work permits. No forms of forced labour, servitude, modern slavery or human trafficking are to be tolerated.

- **Discrimination**

We expect our suppliers to hire employees solely on the basis of their qualifications and skills, and to maintain equal opportunities during the hiring and employment process. In particular, we do not tolerate any discrimination made by our suppliers in their actions on the basis of skin colour, gender, age, nationality, political or religious beliefs, social or ethnic origin, disabilities or sexual orientation. Our suppliers are also required to respect the rights of women and promote gender equality.

- **Pay and working hours**

We expect our suppliers to offer compensation and benefits that are at least equal to the legal minimum wage and to comply with the legal working hours/official regulations on working hours in place in the corresponding country in addition to any applicable legislation and regulations regarding dismissals.

- **Freedom of association**

Our suppliers must respect the fundamental right of every employee to join employee organizations. In addition, we expect our suppliers to observe all pertinent domestic and international legislation in place at the respective place of employment, including the right to strike or the right to collective bargaining, for example. Employees must not be intimidated, harassed or subject to reprisals if they exercise any of the rights mentioned above.

- **Occupational health and safety**

We expect our suppliers to uphold the pertinent national and international occupational health and safety regulations at the workplace. Our suppliers are to likewise strive to constantly improve and enhance workplace conditions.

- **Security forces**

We expect our suppliers to refrain from appointing any private or public security forces to protect their business if their appointment involves violations of human rights, freedom or employment legislation.

- **Rights of local communities and forced eviction**

Our suppliers are required to observe local, domestic, international and traditional land, water and resource rights, and we particularly expect suppliers to uphold, promote and protect the rights of indigenous peoples as well as local communities across the entire supply chain. We expect our suppliers to reject any form of unlawful eviction and expropriation in order to purchase, develop or otherwise use land, forests or bodies of water.

- **Fair treatment**

Beyond the ban on discrimination, our business partners must provide a work environment that does not tolerate or involve any form of cruelty or inhumane treatment, or the threat thereof, including sexual abuse, corporal punishment, verbal abuse, and exposure to psychological or physical coercion under any circumstances.

- **Disciplinary measures**

Physical punishment and torture, mental and psychological coercion, verbal abuse and the mere threat of any of the above acts must not be employed under any circumstances.

- **Other human rights**

Our suppliers agree to respect and support compliance with all other pertinent domestic and international human rights applicable at the place of employment.

2. Environmental protection

We expect our suppliers to comply with the applicable environmental legislation, standards and other regulations. Environmental impacts and hazards are to be minimized and environmental protection in daily business operations is to be enhanced on an ongoing basis.

- **Water quality and consumption**

Wastewater produced by business operations, manufacturing processes and sanitary facilities must be identified, monitored, reviewed and, where necessary, treated prior to discharge or disposal in compliance with the applicable regulatory requirements. Action should also be taken to minimize the amount of wastewater produced.

- **Soil and air quality**

Our suppliers must monitor and control any impacts of their operations on soil quality to avoid soil erosion, nutrient decomposition, subsidence and contaminations. General emissions from operations (air and noise emissions) and greenhouse gas emissions must be identified, routinely monitored, reviewed and, where necessary, treated prior to their release into the environment in line with the pertinent regulatory requirements.

- **Decarbonisation**

We expect our suppliers to provide transparency with regard to direct and indirect CO₂e emissions, to set reduction targets and take corresponding action to reduce greenhouse gas emissions. These include, for example, the use of green energy and secondary or biomaterials.

- **Sustainable resource management and waste reduction**

We expect all waste produced and reusable materials to be sorted and, where possible, recycled if such waste is unavoidable. Ideally, production waste should be recycled in house.

- **Protecting biodiversity**

We require our suppliers to support biodiversity and, as such, not to contribute to the alteration, deforestation and damage of natural forests and other natural ecosystems.

3. Handling information

Our suppliers are expected to protect sensitive information. Confidentiality must be observed in each case.

4. Fair trade practices

- **Commitment to integrity**

The **Hoffmann Group** is firmly committed to conducting business with the utmost integrity. Ethical and sustainable actions form the cornerstone of successful relationships with our external partners. **Hoffmann Group** suppliers and contractors are required to uphold all pertinent statutory legislation regarding their actions and business environment along with **Hoffmann Group** obligations based on international conventions.

- **Prohibition of corruption and bribery**

We expect our suppliers to neither tolerate nor engage in any form of corruption, extortion or bribery, whether direct or indirect, and to not offer, grant or promise benefits to government officials or private sector parties to influence official actions or gain an unfair advantage.

- **Fair competition, antitrust law and intellectual property rights and plagiarism**

Our suppliers act in accordance with national and international competition laws and do not engage in any price fixing, market sharing or customer allocation, market collusion or bid rigging. We expect our suppliers to respect the intellectual property rights of others and employ effective methods to detect plagiarism.

- **Conflicts of interest**

We expect our suppliers to avoid all conflicts of interest that may have an adverse effect on business relationships, to disclose corresponding conflicts of interest to the **Hoffmann Group** and to avoid their occurrence in the first place.

- **Money laundering and terrorism financing**

None of our suppliers are permitted to directly or indirectly facilitate money laundering or terrorism financing.

- **Data protection**

Our suppliers process personal data in a confidential and responsible manner, respecting the privacy of all and ensuring that personal data is effectively safeguarded as well as only used for legitimate purposes.

- **Export control and customs regulations**

We expect our suppliers to comply with the pertinent export control and customs regulations.

- **Lawful conduct**

We require our suppliers to comply with all laws and other regulations in Germany and abroad. They are aware that legal and social standards change over time. As a result, they review their actions on a continuous bases and adapt them accordingly. In addition, our suppliers must observe all international economic sanctions (including embargoes) and all sanctions imposed by the European Union.

5. Responsible handling of chemicals, raw materials and conflict minerals

- **Chemicals, raw materials and conflict materials**

Our suppliers are required to make reasonable efforts to avoid the use of raw materials sourced from conflict or high-risk areas in their products, or the use raw materials that contribute to human rights abuses, corruption, funding militias or similar adverse implications. Chemical or other substances that pose a risk when released into the environment must be identified and handled in a manner that ensures safety when handling, transporting, storing, using, recycling or reusing and disposing of the corresponding materials. In particular, products containing the chemicals laid out in Article 3(1), lit. a and Annex A to the Stockholm Convention on Persistent Organic Pollutants adopted on 23 May 2001 may not be supplied to us.

- **Mercury**

We do not accept products manufactured using mercury or mercury compounds from our suppliers. Any mercury waste must be properly treated (Minamata Convention on Mercury).

6. Implementation of the Code of Conduct

- **Whistleblowing and protection against retaliatory measures**

We expect our suppliers to permit their employees to raise legal and ethical issues or concerns without any fear of retaliation. Our suppliers are also expected to take steps to prevent, expose and remedy any retaliatory measures taken. Any person who submits a report in good faith must not suffer any disadvantage as a result.

- **Risk management**

We expect our suppliers to identify any human rights or environmental risks in their supply chains and, where necessary, introduce suitable measures immediately.

7. Compliance with the **Hoffmann Group** Code of Conduct for Suppliers

The expectations outlined above are to be viewed as the basis for successful relationships between us and our partners. In order to satisfy their due diligence obligations across the supply chain, **Hoffmann Group** suppliers must provide complete and truthful information on compliance with their obligations arising from this Code of Conduct on request. In addition, we expect our partners to meet their financial obligations, to conduct all business transactions transparently and to portray them accordingly in their company records.

Our suppliers must pass the principles and requirements set out in this Code of Conduct onto their subcontractors and their suppliers. Any violations of the listed requirements on the part of a supplier or subcontractor may be reported to the **Hoffmann Group** at any time. Information can be shared using our **Whistleblower system** (<https://hoffmann-group.integrityline.app>). Our suppliers agree to report any violations of this Code of Conduct or suspicions that a violation may have occurred to our Compliance Dept. (<mailto:compliance@hoffmann-group.com>) without undue delay.

Our suppliers may be asked to provide suitable evidence to prove compliance with the principles, requirements and recommended actions set out in this Code of Conduct for Suppliers. Furthermore, the **Hoffmann Group** also reserves the right to conduct on-site or remote audits with the involvement of third parties in certain cases in order to assess the measures taken to comply with this Code of Conduct for Suppliers. Every supplier is required by this Code of Conduct to help the **Hoffmann Group** to conduct

corresponding audits by supplying all documents and information required to perform the audit and by granting access to its premises. Audits are generally conducted during normal office hours. The time of the audit is agreed with our suppliers with adequate notice. When performing an audit, we comply with the provisions of data protection legislation and ensure that the confidentiality of our suppliers' business secrets is maintained with the conclusion of dedicated non-disclosure agreements in certain cases.

By signing this document, the supplier agrees to uphold and comply with all principles and regulations stated in the Code of Conduct in addition to other obligations arising from supply contracts.

Place, Date

Signature(s)

Surname(s) (in capitals), Position

Company Stamp

References:
UN Global Compact
www.unglobalcompact.org
International Labour Standards
<http://www.ilo.org/global/lang-en/index.htm>

Compliance Management HSE
V3.0