

## **SUPPLIER TRAINING**

**EXPECTATIONS IN TERMS OF HUMAN AND ENVIRONMENTAL RIGHTS WHEN WORKING WITH THE HOFFMANN GROUP**

# INTRODUCTION

We, the **Hoffmann Group**, are continuously working to further develop ourselves in the areas of **the environment, social affairs and corporate governance**, to **set ourselves ambitious goals** for the future - and to achieve them.

In cooperation with our **business partners**, we also want to **strengthen respect for human rights along our value chains**. For this reason, we have created the following training materials for you.



# OBJECTIVES

The training is intended to ensure that ...

... you as a business partner know in which **sustainability topics** we need and **expect your cooperation**

... you are informed in particular about the **risks & expectations** associated with the German Supply Chain Act (LkSG)

... you know who to **report** to in the event of **violations & suspicions**



# SUSTAINABILITY AT HOFFMANN



# OUR DEFINITION OF SUSTAINABILITY

## Sustainability as a natural element of Hoffmann culture

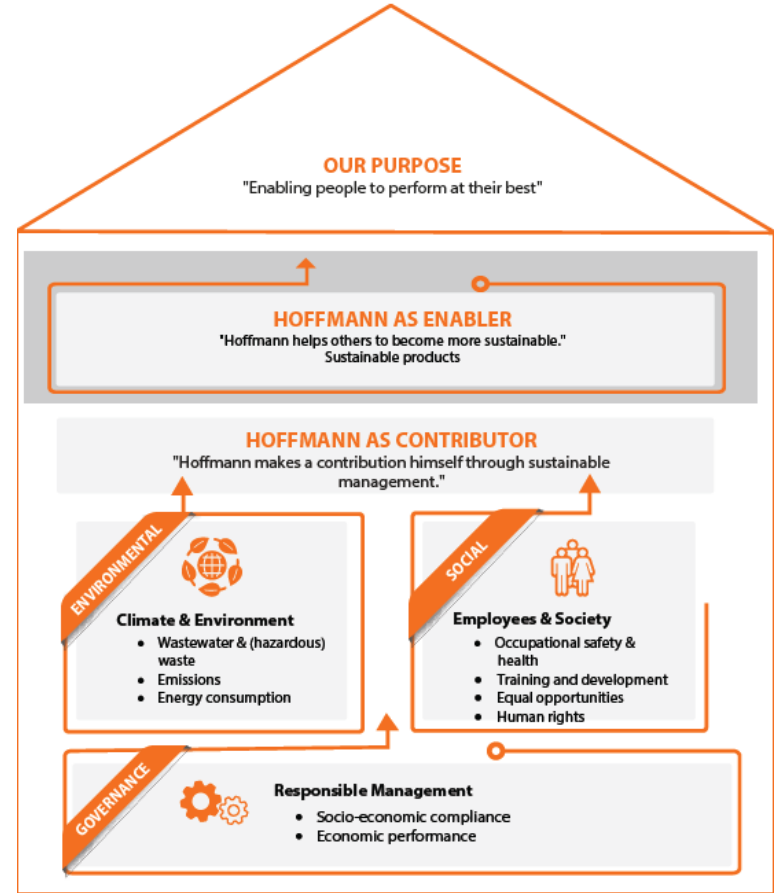
- Taking **responsibility** is not a duty for us, but our attitude.
- As Europe's leading system partner for quality tools, sustainable action is one of our basic principles.
- Hoffmann has been committed to the environment, social concerns, and good corporate governance for decades.
- By holistically integrating various ESG criteria (Environmental, Social, Governance) into our business activities, we generate sustainable added value for our stakeholders



# OUR SUSTAINABILITY STRATEGY
















## Systematic sustainability approach

- Sustainability for Hoffmann means considering economic, ecological, and social aspects equally in our business activities to create lasting value.
- Hoffmann as an Enabler: Through innovative product offerings and solutions, we support our customers in becoming more sustainable and successful.
- Hoffmann as a Contributor: Together with our employees and through our strong, long-term partnerships with our suppliers and customers, we ensure sustainability in our actions.



# KEY SUSTAINABILITY TOPICS AT HOFFMANN

Your support in achieving the objectives

Sustainability topic*	Description	Focus in the supply chain		
		Suppliers	Hoffmann	Customers
<b>1</b> Occupational health & safety	It is a priority for Hoffmann to offer its employees and employees of suppliers a <b>safe working environment</b> . We expect our partners to <b>comply with the applicable national and international regulations</b> and to <b>constantly strive to improve and develop working conditions</b> .			
<b>2</b> Emissions	The Hoffmann Group is committed to contributing to climate protection and reducing its CO2 emissions, in particular by optimizing resource consumption and using renewable energies. We expect our partners to <b>set themselves emission reduction targets</b> and communicate these accordingly.			
<b>3</b> Human Rights	For Hoffmann, <b>respect for human rights</b> is indispensable and non-negotiable. This fundamental attitude is also expected from all business partners in our supply chain. Further details on compliance with human rights in the supply chain are provided on the following pages.			
<b>4</b> Sustainable products	We offer sustainable products and solutions and thus support our customers in being sustainable themselves. The proportion of sustainable products and services in our portfolio is set to increase continuously. We also <b>encourage our suppliers to make their products more sustainable</b> .			
<b>5</b> Socio-economic compliance	For all employees of the Hoffmann Group, correct conduct is an expression of partnership in action and a prerequisite for cooperation with our suppliers. The <b>avoidance of compliance violations</b> remains a clear objective for the future.			

\*in alphabetical order

**FOCUS GERMAN SUPPLY  
CHAIN ACT (LKSG)**





# RISKS & EXPECTATIONS

## Child labour risks

(ILO Convention No. [138](#) & [182](#))

### Child labour

Employment of children of compulsory school age by place of employment or **under the age of 15**.

### Most severe forms of child labour (<18 years)

**Slavery or slavery-like practices** (e.g. child trafficking, debt bondage, serfdom, prostitution, drug trafficking).

## Hoffmann specific expectation

We expect our suppliers to **comply with the minimum age defined by the International Labor Organization (ILO)** and to **observe the respective state laws on employment**.

## Forced labour risks

(ILO Convention No. [29](#) & [105](#))

### Forced labour

- Forced or compulsory labour
- **By threat of punishment or lack of voluntariness**

### Slavery

- Slavery, slavery like practices
- Oppression **through extreme economic or sexual exploitations and humiliation**

## Hoffmann specific expectation

We expect our suppliers to **reject any form of forced labor, serfdom, modern slavery or human trafficking**.



# RISKS & EXPECTATIONS

## Risks related to working conditions

(ILO

Übereinkommen Nr. [87 & 98](#); [Section 2 LkSG para. 2. no. 11](#))

### Disregard for freedom of association

Lack of freedom for employees (e.g. founding and joining trade unions; use of the right to strike and collective bargaining)

### Use of private/public security forces with unlawful use of force

Disregard of regulations by security forces (e.g. torture and cruel, inhuman or degrading treatment).

## Hoffmann specific expectation

We expect our suppliers to **recognize the fundamental right of every employee to join labor organizations**. We also expect that all **national and international laws** applicable at the respective place of employment, such as the right to strike or the right to collective bargaining, **are respected**. In addition, we expect that no private or public security forces will be engaged to protect the company if human rights, freedom or labor laws are violated through their use.

## Environmental risks

([Section 2 LkSG para. 2 no. 9](#))

### Reduction in quality of life

e.g. by causing harmful soil change, water pollution, air pollution, harmful noise emission or excessive water consumption

## Hoffmann specific expectation

We expect our suppliers to **comply with the applicable environmental laws, standards and other regulations**. Environmental pollution and hazards must be minimized and environmental protection in daily business operations must be continuously improved.



# RISKS & EXPECTATIONS

## Risks related to discrimination

(ILO convention no. [111](#) & [100](#))

**Unequal treatment (including unequal pay for work of equal value)**  
**Unequal treatment in employment** (e.g. due to nationality, ethnic, origin, religion, gender)

**Withholding of an appropriate wage**  
Withholding of at least the **minimum wage** set for employees at the place of employment.

## Hoffmann specific expectation

We expect our suppliers to **go beyond the prohibition of discrimination and provide a working environment that does not tolerate cruel and inhuman treatment or the threat thereof**, including sexual abuse, corporal punishment, verbal abuse and the use of psychological or physical coercion, under any circumstances.

## Health & Safety risks

([Section 2 LkSG](#)  
[para. 2. no. 5](#))

**Danger of accidents**  
**Inadequate safety standards** and lack of suitable protective measures for chemical, physical or biological substances.

**Work-related health hazards**  
No prevention of **excessive physical and mental fatigue** or **inadequate training and instruction**.

## Hoffmann specific expectation

We expect our suppliers to **comply with the national and international occupational health and safety regulations** applicable at the place of employment. Our suppliers shall also **constantly strive to improve and further develop their working conditions**.



# RISKS & EXPECTATIONS

## Land-enteignung

(Section 2 LkSG  
para. 2 no. 10)

### Forced eviction

Forced eviction and unlawful seizure of land, forest and water.

## Hoffmann specific expectation

We expect our suppliers to **respect applicable local, national, international and traditional land, water and resource rights** and **particularly expect the rights of indigenous peoples and local communities** to be respected, promoted and protected throughout the supply chain. We also expect our suppliers to reject any form of unlawful forced eviction and expropriation for the acquisition, development or other use of land, forests and water.

## Other human rights

(e.g. [ICCPR](#) & [ICESCR](#))

### Other human rights

**Human rights** that are not explicitly mentioned but apply internationally and nationally.

## Hoffmann specific expectation

We expect our suppliers to **respect and support the observance of all other national human rights** applicable at the place of employment as well as **any internationally applicable human rights**.



# RISKS & EXPECTATIONS

## Environmental risks

([Minamata Convention](#);  
[Stockholm Convention](#);  
[Basel Convention](#))

### Mercury

- Use of **mercury or mercury compounds** in product manufacture
- Treatment of **mercury waste** contrary to the Minamata Convention

### Use of chemicals

Use of **hazardous chemicals** in accordance with Article 3(1)(a) and Annex A of the Stockholm Convention.

### Waste disposal

**Non-environmentally sound handling or prohibited import and export** of (hazardous) waste

## Hoffmann specific expectation

We expect our suppliers to **identify and handle chemicals or other materials** that pose a risk if released into the environment and to **ensure safety** when handling, transporting, storing, using, recycling or reusing and disposing these substances. In particular, **no products containing the chemicals listed in Article 3 (1) (a) and Annex A of the Stockholm Convention of May 23, 2001 on persistent organic pollutants are supplied to us**. We also expect our suppliers to ensure that the products they supply are **not manufactured with mercury or mercury compounds** and that **mercury waste is treated properly**.



# EXPECTATIONS TOWARDS OUR SUPPLIERS

## Trustworthy collaboration in the supply chain

For Hoffmann, **social responsibility** and **compliance with ecological aspects** are **fundamental principles** of its actions. For this reason, principles such as **human rights, labor standards, environmental protection and anti-corruption are upheld** and promoted. We also **demand compliance** with these principles **from our business partners**.

We have set out the principles and standards for business relationships between business partners and our company in our [Supplier Code of Conduct](#). We expect our business partners to comply responsibly with the listed standards and regulations and to work towards ensuring that these basic principles are also observed in their supply chain.



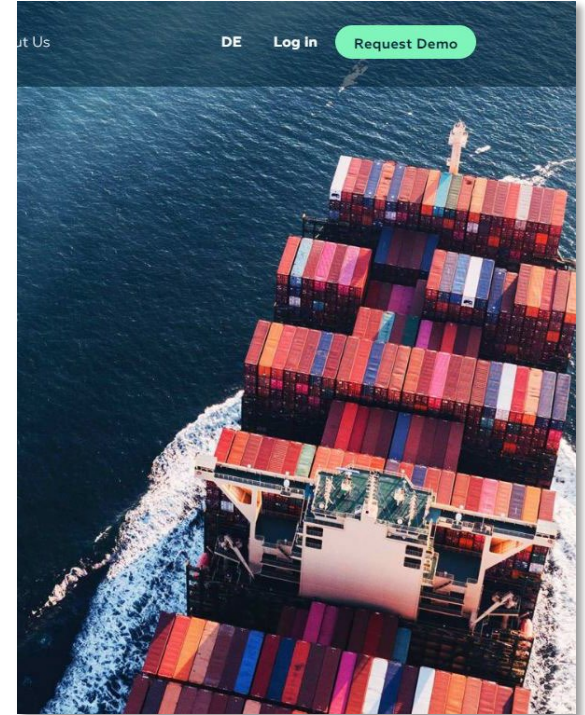
# EXPECTATIONS TOWARDS OUR SUPPLIERS

## Supplier self-assessment via IntegrityNext

Hoffmann uses the [IntegrityNext](#) online platform to evaluate human rights and environmental risks in its **supply chain**.

As a supplier of Hoffmann, you are expected to assist in the **identification** of **human rights** and **environmental risks** within the scope of our business relationship. You are therefore required to register and complete the **supplier self-assessment** when you receive an invitation to do so.

The advantage of the IntegrityNext platform is that once you have completed the self-assessment questionnaire you can **share** it not only **with** Hoffmann, but with **any other customer**. You can update your self-assessment at any time. The entire service is **completely free of charge** for you as a supplier.



**HELPFUL RESOURCES AND  
CONTACT OPTIONS**





# USEFUL INFORMATION AND LINKS

## Background knowledge related to the topic



[Guiding principles on business and human rights](#)

Source: **United Nations**



[OECD due diligence guidance for responsible business conduct](#)

Source: **OECD**



[Background information relating to the LkSG](#)

Source: **Helpdesk Business & Human Rights**



[5 Steps towards managing the human rights impact of your business](#)

Source: **Deutsches Global Compact Network**



[How to Develop a Human Rights Policy](#)

Source: **UN Global Compact**



[Designing Effective Human Rights Training](#)

Source: **UN Global Compact**



[CSR Risk Check](#)

Source: **Agency for Business & Economic Development**



[Decent Work Toolkit](#)

Source: **UN Global Compact**



[Worth listening](#)

Source: **Global Compact Network Germany**

# REPORTING OF RISKS & VIOLATIONS

## Anonymous whistleblower system

**We always act responsibly and expect the same from our suppliers.** Nevertheless, violations can occur along the supply chain.

We have established a [whistleblower system](#) for the legally compliant documentation of these violations, which gives those affected and whistleblowers the opportunity to report grievances, optionally anonymously. This complaints procedure is not limited to our business area, but also covers business partners and third-party companies. **Complaints are treated confidentially.**



# CONTACT US

If you have any questions regarding the training content please do not hesitate to contact us personally.

**E-Mail: [lksg@hoffmann-group.com](mailto:lksg@hoffmann-group.com)**

## Compliance



**Bürger, Tjerk**

Sustainable Compliance Manager

## Supplier Development



**Sander, Sebastian**

Supplier developer

 Hoffmann Group

**THANK YOU!**

