

Hoffmann Group Code of Conduct for Suppliers

Hoffmann Group is committed to conducting business in a sustainable and responsible manner – in the interest of the company, its staff and the general public. Adherence to applicable law and regulations of the respective countries is the basis for cooperation. Furthermore, we respect the cultural, social, political, and legal diversity of societies and nations. We expect from our suppliers that they also act in accordance with our principles, set out in this Code of Conduct.

In all business activities in their own sphere of influence suppliers should work towards ensuring that their business partners and subcontractors also recognize these principles. This Code of Conduct for suppliers is based on the principles of the United Nations Global Compact (UN Global Compact) and the declaration of the International Labour Organization (ILO) concerning basic principles and rights at work. **Hoffmann Group** will pursue violations of this Code of Conduct. The aim is a general improvement of the situation in order to fulfil the requirements of this Code of Conduct. In case of violations of this Code of Conduct, **Hoffmann Group** reserves the right to implement suitable measures, up to termination of the business relationship.

1. Social Aspects and Human Rights

Hoffmann Group expects from our suppliers to comply with the principles set out in this Code of Conduct and neither commit nor participate in human rights violations.

- **Ban on Child Labor and Forced Labor**

We expect from our suppliers that they observe the minimum age defined by the International Labour Organization (ILO) Convention 138 and 182 and comply with existing rules concerning the respective national employment permits. Furthermore, we expect that every form of forced labor, serfdom, modern slavery or human trafficking is rejected.

- **No Discrimination**

When recruiting staff, we expect that our suppliers always base their decisions solely on the qualifications and skills of candidates in line with the principle of equal opportunity, as well during employment.

- **Remuneration and Working Times**

We expect from our suppliers that remuneration and benefits at least conform to the statutory minimum wage and adhere to all applicable working-hours regulations of the country concerned and applicable laws and regulations regarding redundancies are complied with.

- **Freedom of Association**

Our suppliers must recognize the basic right of every member of the staff to join employee organizations.

- **Industrial Health and Safety**

We expect our suppliers to emphasize a safe and hygienic working environment. The conditions should always meet at least the national standards of the country concerned.

2. Environmental Protection

We expect our suppliers to comply with all applicable environmental laws, standards, and other regulations. Pollution and risks to the environment should be minimized and environmental protection improved steadily in daily business operations.

- **Water Quality and Consumption**

Wastewater from operations, manufacturing processes, and sanitary facilities should be typed, monitored, inspected, and treated as necessary prior to discharge or disposal. In addition, measures should be introduced to reduce the generation of wastewater.

- **Air Quality**

General emissions from operations (air and noise emissions) and greenhouse gas emissions shall be typed, routinely monitored, verified, and treated as necessary prior to their release. The supplier is also responsible for monitoring its emission control systems and is required to find economical solutions to minimize any emissions.

- **Greenhouse Gas Emissions, Energy Efficiency and Renewable Energies**

We expect greenhouse gas emissions from operations and the value chain to be actively monitored and efforts made to reduce them.

- **Sustainable Resource Management and Waste Reduction**

We expect all waste and recyclable materials to be sorted and, as far as possible, recycled if they cannot be avoided completely. Production scrap is recycled as far as possible in our own production.

3. Handling Information

We expect our suppliers to guarantee the protection of all information that requires protection. Furthermore, the obligation to maintain secrecy must be observed.

4. Fair Operating Practices

- **Commitment to Integrity**

Hoffmann Group is firmly committed to conducting its business with the highest degree of integrity. Ethical and sustainable conduct is an essential prerequisite for a successful business relationship with our external partners. **Hoffmann Group** suppliers and contractors must comply with all applicable legal requirements relating to their actions and business environment, as well as **Hoffmann Group's** commitments to international conventions.

- **Anti-Corruption and Bribery**

We expect our suppliers to tolerate no form of and do not engage directly or indirectly in any form of corruption or bribery and do not grant, offer or promise anything of value to a government official or to a counterparty in the private sector to influence official action or obtain an improper advantage.

- **Fair Competition, Anti-Trust Laws and Intellectual Property Rights**

Our suppliers act in accordance with national and international competition laws and do not participate in price fixing, market or customer allocation, market sharing or bid rigging with competitors, and respect the intellectual property rights of others.

- **Conflict of Interest**

We expect our suppliers to avoid and/or disclose to **Hoffmann Group** all conflicts of interest that may influence business relationships, and to avoid already the appearance thereof.

- **Anti-Money Laundering, Terrorism Financing**

None of our suppliers will directly or indirectly facilitate money laundering or terrorism financing.

- **Data Privacy**

Our suppliers will process personal data confidentially and responsibly, respect everyone's privacy and ensure that personal data is effectively protected and used only for legitimate purposes.

- **Export Control and Customs**

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

5. Responsible Minerals Sourcing

Our suppliers will take reasonable efforts to avoid in its products the use of raw materials which originate from conflict-affected and high-risk areas and contribute to human rights abuses, corruption, the financing of armed groups or similar negative effects. Chemicals or other materials that pose a hazard when released into the environment shall be identified and handled in a manner that ensures safety during their handling, transport, storage, use, recycling or reuse, and disposal.

6. Whistleblowing and Protection against Retaliation

We expect our suppliers to allow their employees to raise legal or ethical issues and concerns without fear of retaliation. In addition, suppliers are expected to take steps to prevent, detect and remedy retaliation. No one shall suffer any detriment as a result of reporting a possible violation in good faith.

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

The aforementioned expectations are regarded as the basis for maintaining successful business relationships with our partners.

In signing this document, the supplier agrees to comply with and recognize all principles and rules of this Code of Conduct, in addition to the obligations contained in supply agreements.

We expect our suppliers to communicate the principles laid out herein to their subcontractors and sub-suppliers and to take these principles into account when selecting subcontractors and sub-suppliers. Our suppliers are expected to encourage their subcontractors and sub-suppliers to comply with the minimum standards of this Code of Conduct for Suppliers regarding the protection of human rights, working conditions, anti-corruption, and environmental protection when fulfilling their contractual obligations.

Place, Date

Signature(s)

Name(s) (in printed letters), Position Company Stamp

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

Compliance Management HSE,
V2.0