

## **Code of Conduct for Business Partners of SAXONIA Group**

### **PREAMBLE**

Through our economically, ecologically and socially responsible actions, we want to secure the livelihood of present and future generations and improve people's quality of life. Our responsibility should therefore benefit society and the environment.

SAXONIA is committed to complying with internationally recognized human rights and social standards along the entire value chain. Our business partners are significant to achieve these goals, which is why a shared understanding of ethical values and sustainable action is the basis for our business relationships.

The social and environmental standards and practices standardized in our Code of Conduct are based on the Ten Principles of the United Nations Global Compact, the International Bill of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

The requirements and principles of this Code of Conduct are an integral part of the contractual obligations and cooperation between us and our business partners. Consequently, our business partners undertake to comply with and promote the following principles and to train their employees regularly and appropriately for this purpose. The contents of this Code of Conduct also apply entirely to suppliers and other third parties used by our business partners to fulfil contracts with SAXONIA. Our business partners should therefore include requirements that correspond to the content of this Code of Conduct in their own respective contracts. We expect them to make best efforts to commit their suppliers and other third parties accordingly.

### **SCOPE OF APPLICATION**

The Code of Conduct applies to all companies of SAXONIA Group worldwide.

### **PRINCIPLE OF LEGALITY**

SAXONIA observes the principle of exclusive legality in all activities, measures, contracts and other practices of SAXONIA Group and expects the same of its business partners. This includes the prohibition of corruption and money laundering, compliance with competition and antitrust law, payment of taxes and customs duties, compliance with the state of the art, obtaining all necessary official approvals, compliance with export control regulations and non-impairment of the legal interests of third parties as well as laws protecting social and environmental standards.

### **SOCIAL STANDARDS**

#### **Human rights**

Our business partners are committed to consistently respecting and actively protecting internationally recognized human rights. This is based on the United Nations Guiding Principles on Business and Human Rights. Furthermore, the protection of local communities, indigenous peoples and human rights defenders is included.

### **Child labor**

We expect our business partners not to tolerate any form of child labor and only to employ persons who have reached the minimum legal age for employment in the country of employment. ILO Conventions No. 138 on the Minimum Age for Employment and No. 182 on the Elimination of the Worst Forms of Child Labor must be observed. Our business partners also undertake to respect and uphold the dignity and rights of children.

### **Forced labor**

Our business partners are committed to strictly rejecting any form of forced labor. This includes, but is not limited to, human trafficking, torture, slavery or forced labor of any kind. The principle of freely chosen employment must be respected and observed.

### **Freedom of association**

Our business partners respect the fundamental right of workers to freely form and join trade unions. Accordingly, membership in trade unions or workers' representative bodies shall not be a reason for unjustified discrimination. Within the framework of legal provisions and in accordance with ILO Convention No. 98, our business partners grant the right to collective bargaining for the settlement of disputes on working conditions and the right to strike.

### **Equal opportunities and fair treatment**

Our business partners are committed to opposing any form of discrimination, whether based on skin color, ethnic origin, gender, age, nationality, social origin, disability, sexual orientation, religious affiliation, ideology or political and trade union activity. The same applies to any form of harassment. The principle of equal pay for work of equal value, irrespective of gender, applies to comparable requirements and tasks. The ILO conventions must be observed.

### **Fair working conditions**

We expect our business partners to enforce the right to fair working conditions in accordance with applicable ILO conventions, which also include fair wages and social benefits that are at least as high as the rates required by national or regional authorities, legal standards or other labor law agreements. Our business partners undertake to observe the national legal provisions on the minimum wage as well as the applicable regulations on working hours, breaks and holiday entitlements.

### **Occupational health and safety**

Our business partners ensure that national standards for safety and hygiene in the workplace are met. In this way, healthy working conditions and occupational health and safety requirements are met and ensured. In addition, our business partners who are also manufacturers must consider the introduction and further development of an occupational health and safety management system in accordance with ISO 45001 or an industry-standard occupational health and safety management system and take appropriate measures to achieve its objectives.

## **ENVIRONMENTAL STANDARDS**

### **Environmental protection**

We expect our business partners to make every effort to protect the natural resources that form the basis for food production and to minimize risks to people and the environment. Accordingly, all processes, operating sites and means of production of our business partners must comply with the applicable legal requirements and standards of environmental protection. Business partners who are also manufacturers undertake to introduce and further develop an environmental management system (EMS) in accordance with ISO 14001 or an environmental management system suitable for the industry. The business partners are also obliged to take measures to achieve the goals of ISO 14001 in an appropriate manner.

### **Climate protection**

Our business partners are obliged to actively and sustainably engage in climate protection, e.g. by generating or using energy from renewable sources or increasing energy efficiency. Carbon emissions shall be presented transparently and ambitious carbon reduction targets shall be set.

### **Water consumption and quality**

We expect our business partners to use water carefully. Water withdrawal is to be minimized in regions with water scarcity and access to drinking water as well as sanitary facilities is to be provided. Wastewater quality standards are set and monitored within the framework of applicable legal and regulatory requirements.

### **Air and soil quality**

Our business partners are obliged to comply with the applicable legal regulations and the requirements of the local authorities.

### **Materials and waste disposal**

Our business partners shall ensure they use resources sparingly and minimize the impact of their activities on the environment. As far as possible, materials shall be reused. Regarding waste, we expect our business partners to first avoid waste, then recycle it and only dispose of it as a last resort. As a minimum, compliance with applicable legal provisions and official requirements shall apply.

### **Substances of concern**

We expect our business partners to comply with the legal substance prohibitions, restrictions and declaration obligations and the applicable standards. This includes ban on the production and use of certain chemicals under the Stockholm Convention on Persistent Organic Pollutants and the ban on the export of hazardous waste under the Basel Convention.

## **BUSINESS RELATIONSHIPS**

### **Avoiding conflicts of interest**

Our business partners are obliged to make their decisions based on objective considerations and not to be unduly guided by personal interests. If a business partner becomes aware of a possible conflict of interest, internal measures to solve this conflict must be taken immediately and SAXONIA must be informed.

### **Free competition**

Our business partners observe the rules of fair competition and comply with all applicable legal regulations. They do not form cartels and refrain from concerted practices that accidentally or intentionally aim to circumvent, restrict or distort competition within the meaning of antitrust law or result in the abuse of a dominant position.

### **Corruption**

We expect our business partners to comply with applicable anti-corruption laws, i.e. they shall ensure that their employees, subcontractors or representatives do not offer, promise or grant any advantages to employees of SAXONIA Group to obtain a contract or other preferential treatment in business transactions. The same rules apply to agreements with third parties concluded in connection with a contract with SAXONIA.

### **Money laundering**

Our business partners comply with the laws on the prevention of money laundering and properly fulfil their reporting obligations.

### **Conflict minerals**

Our business partners undertake to refrain from all activities related to precious metals transactions that directly or indirectly contribute to the financing of armed groups. To this end, they comply with the applicable legal provisions on conflict minerals, OECD Due Diligence Guidelines for Promoting Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Countries (OECD DDG).

### **Data protection and data security**

We expect our business partners to enforce the right to informational self-determination, the protection of personal data and the security of all business information and personal data in all business processes in accordance with legal requirements and applicable data protection and information security laws.

### **Customs and export control regulations**

Our business partners comply with international customs and export control regulations and proactively share foreign trade-related information in the interest of a secure supply chain.

## **WHISTLEBLOWER SYSTEM**

We encourage all business partners, their employees and stakeholders to report violations and also suspected violations of this Code of Conduct. This will ensure that the consequences of such violations can be mitigated and future misconduct of this nature can be prevented. Business partners should set up their own whistleblowing systems for this purpose or join an industry-wide system. Reports can be made to SAXONIA by e-mail, by telephone (see below) or via the SAXONIA whistleblowing system. Our business partners inform their employees about this whistleblowing option.

## **COMPLIANCE WITH THE CODE OF CONDUCT**

### **Checks**

To verify compliance with the Code of Conduct, SAXONIA reserves the right to take appropriate measures. We expect our business partners to actively support the necessary controls. SAXONIA will contact the business partner in advance to agree on the scope, time and place of such checks. The business partner undertakes to respond to enquiries and requests for information within a reasonable period of time and in compliance with the formalities laid down in the applicable data protection laws.

### **Remedial measures**

Violations, especially of human rights and environmental obligations, must be remedied without delay. If this is not possible in the foreseeable future, the business partner must immediately set up a plan to end or minimize such violations. Furthermore, this plan must contain a concrete timetable by when the measures are to be implemented. The business partner must document the measures taken and check their effectiveness. If there is a suspected violation, the business partner must immediately investigate and inform SAXONIA of the measures taken to solve the matter.

### **Consequences in case of violations**

If a business partner violates the obligations described in this Code of Conduct, this constitutes a breach of contract vis-à-vis SAXONIA and a substantial impairment of the business relationship. SAXONIA is to be informed of the internal company measures to prevent future violations by the business partner. If the business partner does not fulfil these obligations or if remedial measures are not taken within a reasonable period of time or if there is a serious breach of the Code of Conduct so that the continuation of the business relationship is unreasonable for SAXONIA, SAXONIA reserves the right - without prejudice to other rights - to terminate the business relationship without notice and to withdraw from all related contracts or agreements.

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Report potential violations at: [compliance@saxonia.de](mailto:compliance@saxonia.de) or +49 (0)351 484585190 (whistleblowing hotline).

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