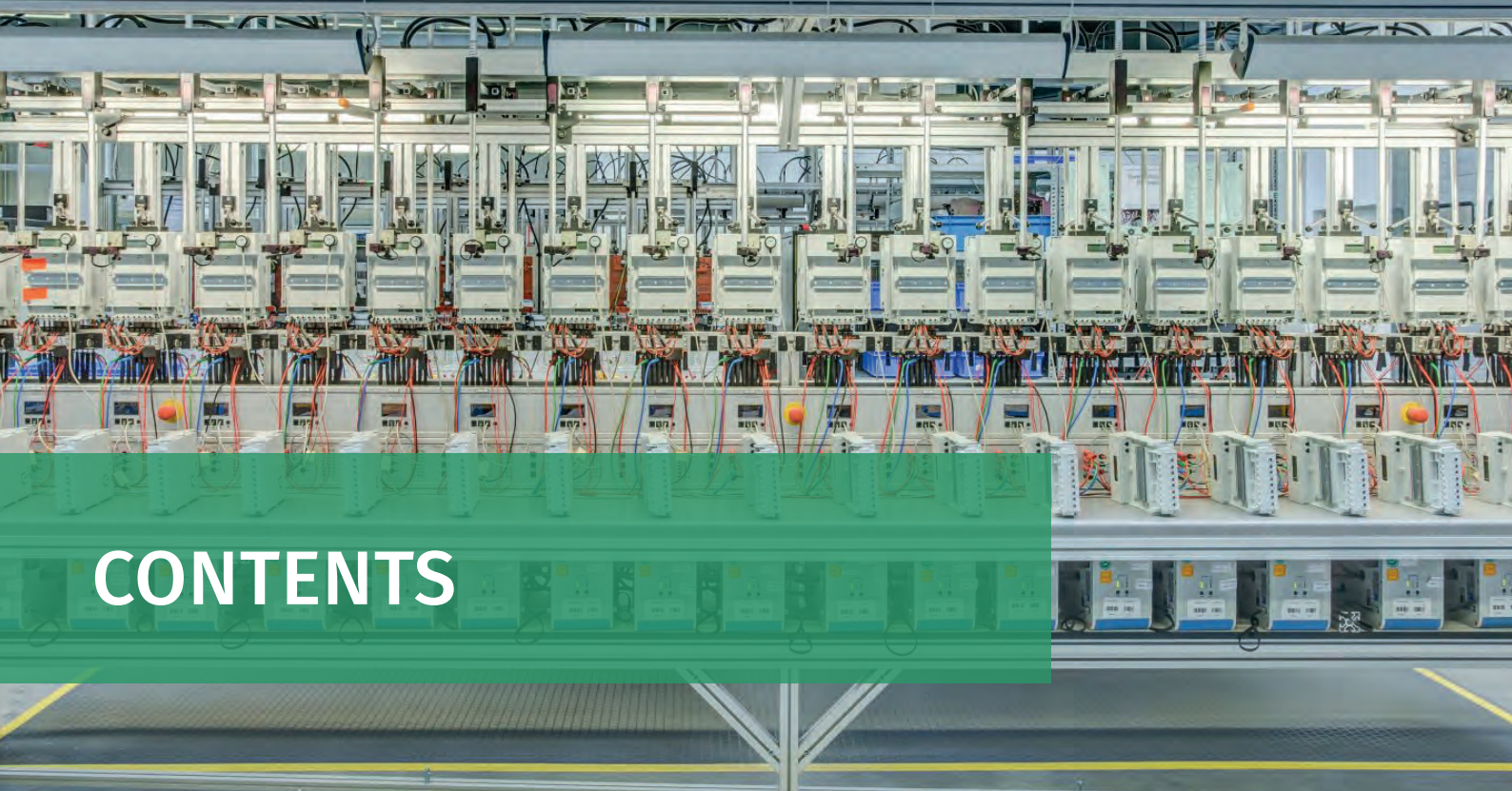


EMH SUPPLIER CODE OF CONDUCT



FOR SUPPLIERS AND BUSINESS PARTNERS OF EMH



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EMH SUPPLIER CODE OF CONDUCT

Our Supplier Code is not static, but subject to constant development and adaptation to the continuously changing legal and economic conditions. Therefore, EMH reserves the right to modify the requirements of this Code and to notify all suppliers of such changes in writing.

Corruption, anti-trust law and other ethical principles

Corruption, blackmail, breaches of trust and embezzlement in any form are strictly prohibited. The acceptance of bribes and other such payments is also prohibited as is the acceptance of gifts for the recipient's own benefit. This ban also applies to sub-suppliers of the supplier. Suppliers are not permitted to offer travel, cash or similar inducements to EMH employees. Compliance with the principles of non-discrimination in supplier selection and in dealings with suppliers is mandatory. Fair competition, fair contract arrangements with business partners and the recognition of anti-trust laws are mandatory.

Sources: BME III 1a; BME III 1b; UN P100

Conflict minerals

Suppliers must take reasonable steps to ensure that the tantalum, tin, tungsten and gold used in the products they manufacture do not finance or support, directly or indirectly, armed groups guilty of serious human rights violations in the Democratic Republic of Congo or neighbouring countries.

The neighbouring countries in question are Angola, Burundi, Central African Republic, Republic of the Congo, Rwanda, Sudan, Tanzania, Uganda and Zambia. Suppliers are expected to exercise due diligence on the source and chain of custody of these minerals and make their due diligence measures available to EMH upon request.

Sources: U.S. Public Law 111-203 (21 July, 2010), REGULATION (EU) 2017/821 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 17 May 2017



WORKING STANDARDS AND RIGHTS OF EMPLOYEES

Ban on child labour

All employed persons must be at least 15 years old. The basis for this minimum age for employment is formed by several conventions of the International Labor Organization (ILO). These conventions govern the internationally applicable age limits. If a higher minimum age of employment applies in the country in which the supplier concerned operates, this age limit must be observed. In countries that are classified as „developing countries“, the minimum age may be reduced to 14 years. Furthermore, the supplier is required not to assign hazardous work to employees under 18 years of age.

Sources: ILO no. 138,182; UN P55

Ban on forced labour and mistreatment

Forced labour – in all forms – is prohibited. Suppliers are expected to treat their employees fairly, without sexual harassment, sexual abuse, physical punishment or torture, mental or physical coercion or verbal abuse, and without the threat of such treatment.

Sources: ILO no. 29, 105; UN P4; BME III 1c

Ban on discrimination

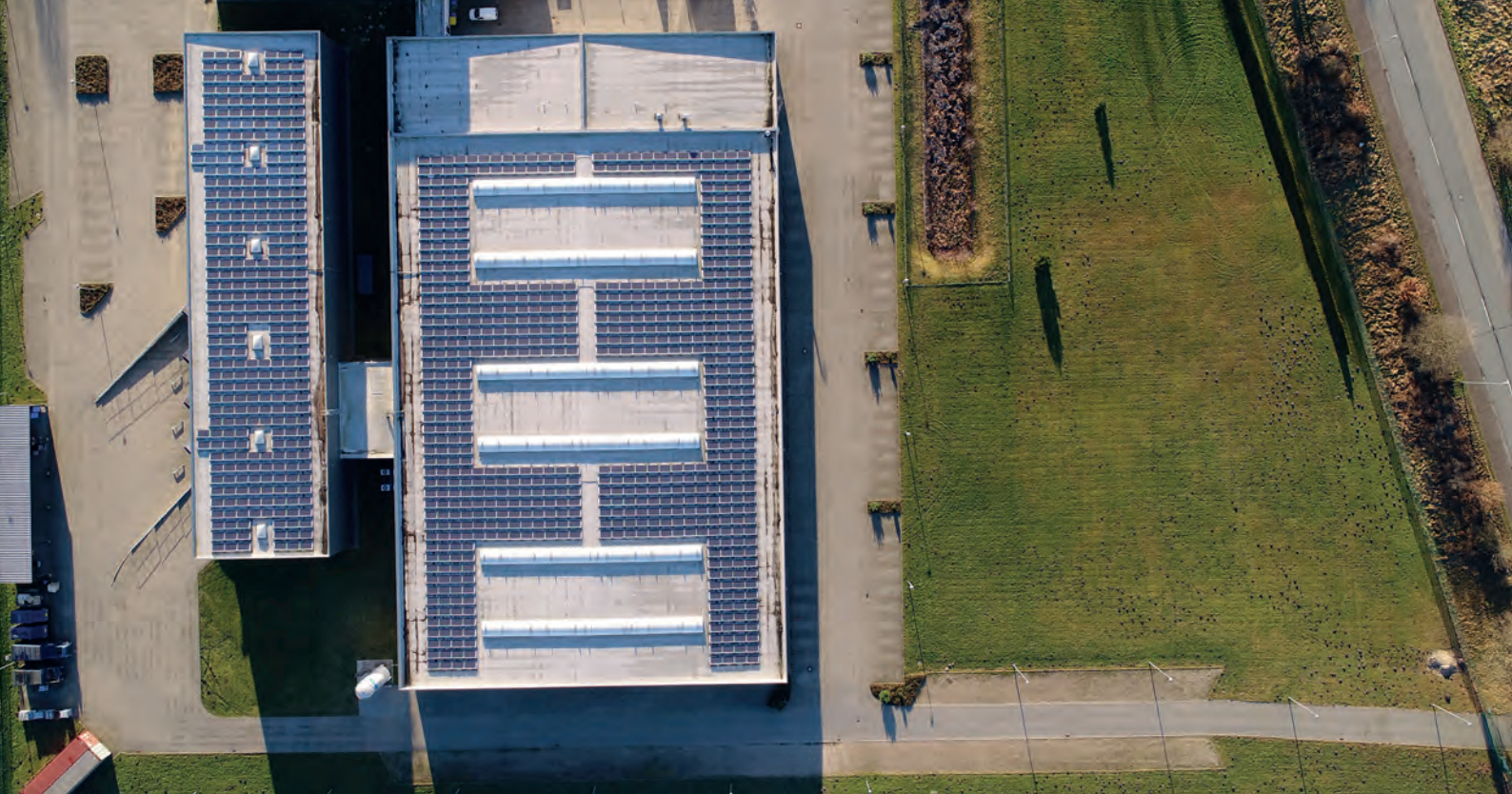
It is inadmissible for workers to be disadvantaged, favoured or marginalised in recruitment, training and / or promotion on the grounds of race, colour, sex, age, religion, political opinion, national or social background, disability / health condition, etc. The supplier must ensure that the employees are not discriminated in relation to the above points.

Sources: ILO no. 111, UN P6, BME III 2b

Working hours, pay and other social benefits

The minimum wage and social benefits applicable to the country in question must be paid to the employees. The supplier is expected to pay its employees regularly and punctually. No illegal or unauthorised deductions may be made nor deductions from wages as a punishment. In cases where statutory minimum wages or minimum industrial standards do not cover the basic cost of living, the supplier is required to pay its employees reasonable remuneration that covers these basic needs. Likewise, the statutory working hours and maximum periods including statutory breaks must be observed. Each employee is entitled to at least one day off after six consecutive working days. The supplier is expected to provide its employees with appropriate training and development opportunities.

Sources: ILO 1, 14, 26, 131



Guarantee of the freedom of association and protection of the right of association

In accordance with legal requirements, employees are entitled to associate freely, to join labour unions, to form works councils, to elect workers' representatives, to engage in collective bargaining etc. Employees involved in such activities must not be disadvantaged by the supplier.

Sources: ILO no. 87,98; BME III 2d

Health protection and occupational safety

Occupational safety and health at the workplace must be ensured in compliance with statutory regulations. This means that protection against any chemical, physical and mechanical hazards in the workplace and any equipment provided is required. This also includes appropriate controls, safe working practices, preventive maintenance and protection, and precautionary measures (e.g. instructions, guidelines, training, contingency plans, including notification procedures) against accidents and occupational diseases. If such hazards cannot be adequately controlled and prevented by the above measures, the supplier is obliged to provide its employees with suitable personal protective equipment. It must also be ensured that all employees are informed and trained on this topic.

Source: BME III 2c

Environmental protection

Compliance with the environmental laws and regulations required in each country is mandatory. This means that all required certificates, approvals and related requirements must be in place and implemented. It is also expected that any environmental impacts will be minimised and environmental protection measures continuously improved. The supplier is obliged to establish systems that ensure safety during the handling, transport, storage, etc. of waste, waste gases and waste water. Impacts that adversely affect human health and/or the environment and the climate must be managed, measured and controlled in an appropriate manner and minimised or eliminated at source by a variety of procedures. Natural resources (e.g. water, raw materials) must be conserved. Suppliers are required to promote the development of climate-friendly products, processes and procedures in their own companies.

Sources: BME III 2e, UN P7-9



Quality and product safety

Compliance with the generally accepted or contractually agreed quality requirements for the products is mandatory. The supplier is expected to employ programmes to manage and maintain work processes in accordance with safety standards and, where appropriate, implement risk analyses and preventive measures. The supplier is obliged to present product safety sheets with all safety-relevant information to EMH upon request.

Responsibilities

All laws, regulations, contractual agreements and agreed standards must be accepted and adhered to. Non-compliance shall have consequences. The supplier shall initiate and/or implement processes for identifying, determining and monitoring risks that are referred to in this code of conduct, laws and regulations, contractual agreements and standards. Thus it is required that communication channels be established so employees can report unlawful behaviour or actions. Confidential treatment of such information and a follow-up investigation based thereon are mandatory. The supplier is expected to continuously improve its own sustainability performance (based on this code of conduct) through appropriate measures.

Communication, information and documentation

The supplier is expected to operate an open and constructive communication policy with its employees and business partners. The supplier is obliged to make its employees aware of existing legal provisions, agreements and standards, thereby avoiding infringements. It is also expected that the principles above will be communicated to the employees. Suitable training measures and information media must be used to ensure this awareness and communication. The supplier is requested to communicate the principles in this code of conduct to other companies further down the supply chain. The protection of confidential information and data is mandatory. This also applies to the intellectual property of the supplier's own employees and business partners. The disclosure of such information to third parties is strictly prohibited.

Sources: BME III 2f; IV



AUDIT AND PENALTIES

Audit and penalties

The supplier authorises EMH to verify compliance with these principles or have compliance audited by a third party approved by both parties. EMH reserves the right to take appropriate action in case of violations of the code of conduct. In the event of a violation, a request will initially be issued to remedy and/or resolve the grievances with an appropriate deadline being set depending on the violation. The process must be documented by the supplier and presented to EMH.

If the grievance is not remedied and/or resolved by the deadline set or if a violation of the Supplier Code of Conduct appears repeatedly, the supplier will be blocked and/or the cooperation will be terminated.

Sources

Bundesverband Materialwirtschaft, Einkauf und Logistik e.V. (BME):
www.bme.de

Global Compact of the United Nations:
www.unglobalcompact.org

International Labour Standards (ILO):
www.ilo.org

OECD Guidelines for Multinational Enterprises:
www.oecd.org

REGULATION (EU) 2017/821 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 17 May 2017
<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32017R0821&from=DE>

U.S. Public Law 111-203 (21 July, 2010):
www.gpo.gov