



ROTKÄPPCHEN-MUMM

Code of Conduct for Suppliers

CONTENTS, PURPOSE AND SCOPE OF THE SUPPLIER CODE

This Code of Conduct for Suppliers ("Code") summarizes the expectations that Rotkäppchen-Mumm (RM) and its affiliated companies has of its suppliers. This Code defines the minimum standards that each supplier – including its affiliates and subcontractors – must adhere to when collaborating with RM. In particular, RM bases the requirements towards its suppliers on the Act on Corporate Due Diligence Obligations for the Prevention of Human Rights Violations in Supply Chains (Lieferkettensorgfaltspflichtengesetz), Supply Chain Act (LkSG) for short. RM's demands for compliance with human rights, prohibition of child labor, fair wages as well as sustainability and protection of the environment, which have existed since the introduction of the Code of Conduct for suppliers at RM, are now given a formal framework.

By accepting an order from RM that contains a reference to this Code, the supplier undertakes to ensure that its processes comply with the provisions of this Code. The standards of this Code serve as a supplement to the legal agreements and/or contracts entered into between RM and the supplier.

BUSINESS INTEGRITY

COMPLIANCE WITH LAWS AND REGULATIONS (COMPLIANCE)

The supplier undertakes to comply with all applicable laws and regulations. The supplier is responsible for disseminating this Code to its employees and agents, and is also responsible for its implementation and their compliance with this Code. Insofar as national legislation requires higher standards than defined in this Code, compliance with these standards is to be given precedence.

RM reserves the right to review the implementation of and the compliance with this Code and thus also the compliance with the requirements of the Supply Chain Act by taking internal and/or external measures and, in particular, audits and to terminate the contracts with its suppliers if they seriously or repeatedly violate this Code.

PREVENTION OF BRIBERY AND CORRUPTION

The supplier is prohibited from offering personal or improper benefits, either directly or indirectly through third parties, or to make or accept such benefits in order to influence transactions with or on behalf of RM or to elicit commitments and dependencies. Any form of bribery in the form of money, value in kind or valuables is prohibited.

Gifts, entertainment and other favors offered by the supplier must be reasonable and shall not be suitable for influencing a business decision made by the recipient or impairing his judgement. Only those services are to be regarded as appropriate that are in accordance with the tenets of courtesy or kindness, and which take the form of standard business practice and are socially acceptable. Generally, an upper limit of approx. 50.00 (fifty) Euro is acceptable.

FREE AND FAIR COMPETITION

The supplier commits to free and undistorted competition and compliance with all national and supranational competition and antitrust laws. The supplier shall maintain a good relationship with other companies, and one that is characterized by fair competition.

CONFLICTS OF INTEREST

The supplier shall immediately disclose to RM any economic or family connections that are likely to create a conflict of interest as soon as they become known.

COMMUNICATION AND DATA PROTECTION

The supplier shall submit all relevant information to RM in a timely and accurate manner, and in accordance with the legal requirements. The supplier shall make suitable arrangements to treat information pertaining to the business relationship with RM confidentially and shall only disclose such information to third parties after the prior, express consent of RM.

ETHICAL BEHAVIOUR AND WORKING CONDITIONS

The supplier is committed to respecting and complying with human rights. In particular, he will comply with the following principles:

GENERAL PROHIBITION ON DISCRIMINATION

The supplier shall treat all people equally and accept their differences. Specifically, the supplier shall not tolerate any discrimination based on ethnicity, skin color, language, religion or belief, political or trade union affiliation, gender, sexual orientation, age or disability.

The employment, promotion and remuneration of supplier's employees and the award of contracts to sub-contractors shall take place solely on the basis of objective and performance-related criteria.

PROTECTION AGAINST WORKPLACE MISCONDUCT AND RESPECT FOR PRIVACY

The supplier guarantees that no mental, physical or sexual coercion, or other disparaging treatment, punishment, verbal abuse or threats of such behavior by managers, other employees or third parties takes place in the workplace.

The supplier shall respect the privacy of its employees.

PROHIBITION OF FORCED AND CHILD LABOUR

The supplier shall neither use forced labor nor benefit from it. Forced labor includes all forms of debt bondage, corporal punishment, arrest, surveillance measures and withholding of identification documents and passports as well as threats of such behavior.

The supplier shall neither use child labor nor benefit from it. In particular, the supplier undertakes to comply with ILO Convention*) 138 on the Minimum Age for Admission to Employment and ILO Convention 182 on the elimination of the Worst Forms of Child Labor. Child labor includes, in particular, those activities that thwart the mental, physical or social development of children.

FREEDOM OF ASSOCIATION AND EMPLOYEE MATTERS

The supplier shall safeguard the right to education and the membership of workers' associations in accordance with applicable law.

Employees have the right to openly voice their concerns to their managers and/or the employer without the threat of reprisal, intimidation or harassment.

HEALTH AND SAFETY

The supplier shall provide a safe and healthy working environment for its employees, including compliance with the required safety standards and the necessary access to sanitary facilities and drinking water. The supplier shall protect its employees against hazardous substances, keep information on hazards available and ensure the provision of emergency medical care. The supplier ensures that its employees are protected from fatigue by means of a suitable work organization with regard to working hours and breaks.

WAGES AND OVERTIME

The supplier shall compensate all of its employees in accordance with the applicable wage laws and the prescribed minimum wages. The supplier shall comply with the regulations on maximum working hours and pay the statutory social benefits.

ENVIRONMENT, SUSTAINABILITY AND ANIMAL WELFARE

The supplier shall organize its business in accordance with applicable environmental regulations and has all the necessary environmental permits and licenses. In particular, the supplier ensures that it complies with the legal requirements regarding the production, use or treatment of waste.

The supplier is committed to operating its business in a sustainable manner and is actively committed to minimizing adverse environmental impact and continuously improving the environmental performance of its operation and manufactured products, including their packaging.

The supplier shall comply with the special regulations on animal welfare.

QUALITY AND INNOVATION

The supplier shall manufacture high-quality products and shall ensure that an efficient recall system is in place. The supplier shall immediately inform RM of any emerging problems in quality and delivery delays.

The supplier shall deploy innovative products and services in an appropriate manner to steadily increase the quality and efficiency of the deliveries to RM.

(November 2022)

*International Labor Organization