

CODE OF CONDUCT

Contractor is aware that Company is committed to a Code of Conduct that is based on the UN Global Compact. Contractor declares to also commit to the values set out therein. In relation to Company the following applies:

- A. In particular, Contractor is obliged to:
- a) Refuse to offer, pay or accept bribes (bribes are payments and other benefits made to effect wrongful acts or failures to act);
 - b) Pay remunerations exclusively for legitimate services;
 - c) Permit gifts, hospitality and similar payments only within the limits of generally accepted business practice;
 - d) Demonstrably relate commissions and payments to third parties to legitimate business expenses, linked to the services rendered and to account for them openly;
 - e) To ensure in relation to its employees:
 - a. Equality and non-discrimination when hiring and during the employment
 - b. Adequate living wages
 - c. Right to association and collective bargaining
 - f) Avoid and not to accept child labour or forced labour (see definition F.) in manufacturing its products and delivering of its services;
 - g) Respect human rights in its scope of activities, especially:
 - a. Right to life, physical integrity, liberty and security of person
 - b. Right to privacy and family life
 - c. Right to freedom of opinion and expression
 - d. Right to freedom of assembly and association
 - e. Right to own property
 - h) Assign these obligations to its suppliers/contractors.
- B. In case of non-fulfilment of the foregoing obligations, Company shall be entitled to rescind the contract with immediate effect. In addition, the Contractor shall be obliged to pay per infringement a contractual penalty of 5% of the contract price but Euro 20,000 at a minimum which shall be used by Company for a humanitarian purpose beyond the enterprise of the Company. By payment of the contractual penalty Company shall not be hampered to claim any damage exceeding the contractual penalty.
- C. Company is at all times entitled to verify the compliance with these obligations. Contractor shall be entitled to nominate with binding effect experts of internationally recognized organisations focussed on human rights and child labour (e.g. Amnesty International, UNICEF) for the execution of the verification. This includes access to all relevant information as well as to all persons, locations and documentation concerned. The auditors shall be obligated to confidentiality. If the Contractor refuses or prevents such verifications, Company shall be entitled to rescind the contract with immediate effect.
- D. Company shall only be entitled to rescind the contract according to B. or C. or to impose a penalty after the Contractor has failed to follow a written invitation to discuss the results of the evaluation within a reasonable time (one month after the invitation at most) or if such discussions failed to achieve adequate measures and dates for improvement. Further, Company shall only be entitled to rescind the contract or to impose a penalty if agreed measures were not executed timely or were not executed at all.
- E. If Contractor refuses discussions or agreement on measures according to D. Company shall be entitled to execute the contractual consequences according to B. and C. directly. In case Company exercises the right to rescind the contract,

Company shall merely pay adequate compensation for deliveries or services useful in its discretion.

F. Definitions

Child labour is

- Any work performed by persons under the age of 12 years
- Work performed by persons from 12-15 years which does not constitute light work. Light work is work
 - that is not harmful to health or development and does not prejudice attendance at school or other educational institutions

Work done in schools for educational purposes as well as work of persons of at least 14 years in apprenticeship programs is not prohibited. Work, school and transport must not exceed 10 hours per day, in total.

Prohibited is hazardous work performed by persons under the age of 18 years. Hazardous work is work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children. The types of hazardous work are determined by national law, taking into account the following factors:

- exposure to physical, psychological or sexual abuse
- physical surroundings: work underground, under water, at dangerous heights, in confined spaces
- unhealthy environment: e.g. hazardous substances, agents or processes, temperatures, noise levels, vibrations harmful to health
- particularly difficult conditions: long hours, during night, manual handling and transport of heavy loads, unreasonable confinement to premises of employer
- use of dangerous instruments: machinery, equipment, tools

Prohibited are further:

- Forced or compulsory labour, including forced recruitment for use in armed conflict.
- All forms of slavery or practices similar to slavery, such as the sale and trafficking of children.
- Use for prostitution or for the production of pornography or for pornographic performances.
- Use in illicit activities, e.g. trafficking of drugs.

Forced or compulsory labour is any work or service extracted from any person under the menace of penalty and for which the said person has not offered her/himself voluntarily. For the purposes of this code of conduct, this term includes slavery and practices similar to slavery, such as debt bondage and serfdom.

- G. Company is aware of its specific duties and responsibilities, in particular respecting cultures of the different host countries. Company's advertisements, commercials and publications in general and as well in particular related to sponsor activities must not offend or violate religious or cultural feelings of the people living in the surrounding community and wider society where Company operates. Related to products delivered or services rendered to Company Contractor is also obligated to act accordingly.
- H. Contractor shall be obliged to abide by all laws and regulations concerning the protection of the environment. In case of non-compliance sections B. to E. shall apply accordingly