

Code of Conduct

Code of Conduct for Christ Group suppliers



The Christ Group is committed to following environmentally and socially responsible business practices. We expect the same commitment from all our suppliers. Our employees are also required to observe the principles of proper environmental, social and ethical conduct and ensure that these principles are embedded in our corporate culture. We are also committed to continuously optimising our business activities and our products or services in respect of sustainability, and we ask our suppliers to play their part here as we strive to follow a holistic approach.

Our contractual partners agree that the following provisions for a mutual Code of Conduct will apply to future collaboration. This agreement will serve as the basis for all future deliveries. The contractual partners undertake to comply with and support the principles and requirements set out in the Code of Conduct. Suppliers undertake to provide their subcontractors with this Code of Conduct and to make every effort to contractually bind their subcontractors to compliance with the standards and provisions set out in the Code of Conduct. This agreement will form the basis of all deliveries/services and will enter into force when the first services are provided. Any violation of this Code of Conduct may ultimately constitute a reason and cause for us to terminate the business relationships, including all associated supply contracts.

The Code of Conduct is based on national legislation and regulations to which we are bound, such as the Act on Corporate Due Diligence Obligations in Supply Chains (*Lieferkettensorgfaltspflichtengesetz; LkSG*), and on international conventions such as the UN Civil Pact and the UN Social Pact, guidelines on the rights of children and corporate policy, the United Nations Guiding Principles on Business and Human Rights, the UN Guidelines on Business and Human Rights, the international labour standards of the International Labour Organization (ILO) and the United Nations Global Compact.

1.0 Social responsibility

1.1 Exclusion of forced labour

Forced labour, slave labour and similar work are prohibited. All work must be carried out of the workers' free will and without fear of penalty. Employees must be able to terminate their work or their employment relationship at any time. Unacceptable treatment of workers, such as psychological abuse, sexual harassment and degradation, is also prohibited. The commissioning or use of security personnel is not permitted where this involves people being treated inhumanely or in a degrading manner or where freedom of association is restricted.

1.2 Ban on child labour

Child labour must not be used during any phase of production. Suppliers are required to comply with the recommendations of the ILO conventions on the minimum age for the employment of children. According to these recommendations, the minimum age for employment must not be younger than the age at which compulsory education ends according to the law in the country in question, and under no circumstances younger than 15. If children are found to be employed, the supplier must document the measures to be taken to remedy the situation and allow the children to attend a school. Young workers under the age of 18 must not be used for work that is harmful to the health, safety or morality of children. Special protective regulations must be observed.

1.3 Fair pay

The remuneration for regular working hours and overtime hours must be in line with the national statutory minimum wage or industry minimum standards, whichever is higher. The remuneration for overtime must in any case exceed the remuneration for regular hours. If the remuneration is not sufficient to cover ordinary costs of living and allow minimal savings, suppliers will be obligated to increase the remuneration accordingly. Employees must be provided with all statutory benefits. Wage garnishments as a punitive measure are not permitted. Suppliers must ensure that employees receive clear, detailed and regular written information about the composition of their remuneration.

1.4 Fair working hours

Working hours must comply with applicable legislation or industry standards. Overtime is permitted only if it is performed on a voluntary basis and does not exceed 12 hours per week, and employees must be granted at least one day off following six consecutive working days. Working hours must not regularly exceed 48 hours per week.

1.5 Freedom of association

The right of workers to establish and join organisations of their choice, to engage in collective bargaining and to participate in strikes must be respected. In cases in which freedom of association and the right to collective bargaining are restricted by law, alternative options must be provided for the independent and free association of workers for the purpose of collective bargaining. Workers' representatives must be protected against discrimination. Employees must not be discriminated against on the basis of the establishment of, accession to or membership of such an organisation.

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Workers' representatives must be given free access to the workplaces of their colleagues in order to ensure that they can exercise their rights in a lawful and peaceful manner.

1.6 Ban on discrimination

Discrimination and unequal treatment of employees in any form are not permitted unless based on the requirements of the employment. This includes, for example, disadvantaging employees based on sex, race, caste or national, ethnic or social origin, skin colour, disability, health status, political beliefs, ancestry, philosophical beliefs, religion, age, pregnancy or sexual orientation. The personal dignity, privacy and personal rights of each individual must be respected.

1.7 Health and safety in the workplace

Suppliers are responsible for providing a safe and healthy working environment. Setting up and applying appropriate work safety systems ensures that the necessary precautions are taken to safeguard against accidents and harm to health that may arise in connection with the work activity. Appropriate measures must be taken to prevent excessive physical or mental fatigue. In addition, employees must receive regular information and training about applicable health and safety standards and measures. Employees must have access to sufficient quantities of drinking water and to clean sanitation facilities.

1.8 Preservation of natural resources

Suppliers must not, in violation of legitimate rights, deprive people of land, forested areas or bodies of water that support their livelihood. They must refrain from causing harmful changes to soil, polluting waterways or causing air pollution, creating noise emissions or engaging in excessive water consumption, where the former are harmful to health, significantly impair the natural basis for the production of food or prevent people from having access to safe drinking water or sanitation facilities.

1.9 Complaint procedures

Suppliers must share with their employees any information received from Christ Group companies regarding the existence of a complaints procedure and the responsibility for and implementation of the complaints procedure. The complaints procedure must be available to employees and must keep the identify of employees confidential and effectively protect them against any disadvantage in connection with making a complaint. Unless otherwise specified, suppliers are responsible at operational level for establishing an effective complaint procedure for individuals and communities that may be affected by adverse effects.

1.10 Handling conflict minerals

The company will establish processes in accordance with the principles of the Organisation for Economic Co-operation and Development (OECD) for handling the conflict minerals tin, tungsten, tantalum and gold, plus other raw materials such as cobalt, in a way that fulfils the duty of care in respect of promoting responsible supply chains for minerals from conflict and high-risk areas, and the company requires the same of its suppliers. Smelting and refining without appropriate, audited due diligence processes should be avoided.

2.0 Environmental responsibility

2.1 Treatment and discharge of industrial waste water

Waste water from operations, production processes and sanitation facilities must be typed, monitored, checked and treated as required before discharge or disposal. In addition, measures should be introduced to reduce the production of waste water.

2.2 Handling air emissions

General emissions from operations (air and noise emissions) and greenhouse gas emissions must be typed, routinely monitored, checked and treated as required before release. Suppliers are also responsible for monitoring their exhaust gas purification systems and are encouraged to find economic solutions to minimise any emissions.

2.3 Handling waste and hazardous substances

Suppliers must follow a systematic approach to identifying, managing, reducing and responsibly disposing of or recycling solid waste. The export bans for hazardous waste as set out in the Basel Convention of 22 March 1989, as amended, must be observed. Chemicals or other materials that pose a hazard when released into the environment must be identified and managed in such a way as to ensure safety when handling, transporting, storing, using, recycling or re-using, and disposing of such substances. Mercury must be used in accordance with the bans set out in the Minimata Convention of 10 October 2013 and persistent organic pollutants must be used in accordance with the Stockholm Convention of 23 May 2001, as amended.

2.4 Reducing consumption of raw materials and natural resources

The use and consumption of resources during production and the production of waste of any kind, including water and energy, must be reduced or avoided. This is done either directly at the place of origin or by means of procedures and measures, e.g. by changing production and maintenance processes or operations within the company, by using alternative materials, through savings, through recycling or through re-use of materials.

2.5 Handling energy consumption/efficiency

Energy consumption must be monitored and documented. Economic solutions must be found to improve energy efficiency and minimise energy consumption.

3.0 Ethical business conduct

3.1 Fair competition

The standards of fair business activity, fair advertising and fair competition must be observed. In addition, applicable anti-trust legislation must be applied. This prohibits, in particular, agreements and other activities that influence prices or conditions when dealing with competitors. Furthermore, these regulations prohibit agreements between customers and suppliers that restrict the freedom of customers to determine their prices and other conditions autonomously when reselling.

3.2 Confidentiality/data protection

Suppliers undertake to meet the reasonable expectations of their orderers, subcontractors, customers, consumers and employees with regard to the protection of personal information. When collecting, storing, processing, transferring and passing on personal information, suppliers must comply with data protection and information security legislation and official regulations.

3.3 Intellectual property

Intellectual property rights must be respected; technology transfer and knowledge sharing must happen in such a way that intellectual property rights and customer information are protected.

3.4 Integrity/bribery, advantage

The highest-possible standards of integrity must be applied in all business activities. Suppliers must pursue a zero-tolerance policy to prohibiting all forms of bribery, corruption, extortion and embezzlement. Procedures for monitoring and enforcing standards must be applied in order to ensure compliance with anti-corruption legislation.

We expect our suppliers to identify risks within their supply chains and to take appropriate action. If violations are suspected and with a view to safeguarding supply chains that involve increased risks, suppliers must inform the company promptly and if required on a regular basis about the violations and risks identified and the measures taken. The company will check compliance with the standards and provisions listed in this document using a self-assessment questionnaire and risk-based audits at suppliers' production sites. Suppliers agree that the orderer will carry out such audits yearly or for specific reasons to check compliance with the Code of Conduct. Such audits will take place at the suppliers' business premises during normal business hours subject to reasonable prior notice by persons appointed by the orderer. Suppliers may object to individual audit measures if these measures violate mandatory data protection provisions. If the provisions of this Code of Conduct are found to have been violated, the orderer will inform suppliers in writing immediately, within one month, and will give suppliers a reasonable grace period to bring their conduct into line with these provisions. If a remedy is not possible in the foreseeable future, suppliers will communicate this immediately and will work with the company to draw up a concept and schedule to end or minimise the violation. If suppliers are culpable in relation to such a breach, if the grace period expires without a remedy or if the implementation of the measures detailed in the concept has not remedied the situation by the end of the schedule and continuing with the

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contract until the violation is ended is unreasonable for the orderer and no lesser remedies are available, the orderer may terminate the business relationship and terminate all contracts once the set deadline has expired without a remedy if the orderer has announced such an intention when setting the grace period. The legal right to extraordinary termination without the provision of a grace period, in particular in the case of violations that are assessed as being very serious, and the right to damages remain reserved.

When entering into the contract or providing the first service, suppliers undertake to act responsibly and to adhere to the rules of conduct outlined above. Suppliers undertake to communicate the content of this Code of Conduct to employees, agents and subcontractors in a manner that is understandable for them and to make all necessary arrangements to ensure the implementation of the requirements.