

# Code of Conduct for Suppliers to igefa

Sustainability is an integral part of our corporate culture as family businesses. We think in terms of generations, we are responsible employers and business partners. This aspiration must also be reflected within the management of our supply chains, which is why we expect any company, organisation or individual person offering goods or services (hereafter “the supplier”) to igefa to share our commitments and adhere to the provisions stated in this code.

Igefa is a member of the United Nations Global Compact and this Code of Conduct has been developed considering the importance of the Global Compact’s ten principles in the areas of human rights, labour, environment and anti-corruption . This includes the requirements and objectives set forth in the framework of the United Nations Sustainable Development Goals (SDGs) .

The provisions of this Code of Conduct provide the minimum standards expected of igefa’s suppliers including all its branches and involved subcontractors. The examination and implementation of the requirements set out in this Code of Conduct should be carried out in a coherent and precautionary manner, especially in view of increasing legal requirements and the management of ethical, social, environmental and supply chain related risks.

<sup>1</sup> See [The Ten Principles | UN Global Compact](#)

<sup>2</sup> See [United Nation’s Sustainable Development Goals](#)

# In detail, we require our suppliers to adhere to the following:

## 1. Ethics<sup>3</sup>

### 1.1 Compliance with the Law

The supplier shall fully adhere to the laws of the applicable legal system. This expressly includes the respective applicable embargo provisions<sup>4</sup>.

### 1.2 Fair Competition

The rules for fair competition are an absolute prerequisite for a performance-based market economy to secure economic efficiency, development, and innovations. Therefore, the supplier shall conduct its business in line with fair competition and in accordance with all applicable antitrust laws.

### 1.3 Prohibition of Corruption and Bribery

The supplier shall not tolerate any kind of corruption including bribery and extortion nor engage in it in any form. This also includes any illegal payment offers or similar allowances towards government officials to influence their decision making.

No gifts or personal benefit, which could be perceived as a bribe, shall be offered to igefa's employees.

In all cases, gifts or entertainment shall not be offered to improperly influence a business relationship and must not violate applicable laws or ethical standards.

### 1.4 Anti-Money Laundering

The supplier shall comply with all applicable anti-money laundering laws and implement the measures required for preventing money laundering activities. Igefa will only accept funds received from legitimate sources.

### 1.5 Data Protection

The supplier shall manage and protect all personal data in accordance with the Data Protection Regulation (GDPR) passed by the European Union<sup>5</sup>.

### 1.6 Confidentiality and Intellectual Property

The supplier shall respect the confidential business information of others and protect corresponding rights. Further, the supplier shall protect intellectual property of any kind provided by igefa.

### 1.7 Identification of Concerns<sup>6</sup>

The supplier shall encourage and provide means for its employees to confidentially report concerns, complaints, or potentially unlawful activities at the workplace respectively in business activities without threat of reprisal, intimidation, or harassment. The supplier shall investigate such reports and take corrective action if needed.

<sup>3</sup> See [The Ten Principles | UN Global Compact](#): Principle 10 Anti-Corruption

<sup>4</sup> A.o. [EU Sanctions Map](#); [EU Login \(europa.eu\)](#) (registration necessary)

<sup>5</sup> [Regulation \(EU\) 2016/679](#)

<sup>6</sup> [Directive \(EU\) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law \(europa.eu\)](#)

## 1.8 Local Communities

The supplier shall respect the economic, social, and environmental concerns of the local residents in the area of its operations.

## 2. Labour and Human Rights<sup>7</sup>

### 2.1 Human Rights

The supplier shall respect the personal dignity, privacy, and human rights of everyone. The protection of internationally proclaimed human rights shall be respected and supported. Complicity in human rights abuses is to be prevented by the supplier.

### 2.2 Inclusion and Diversity, Equal Income

The supplier shall encourage equal job opportunities and equal treatment, including equal remuneration, of its employees regardless of colour, nationality, social origin, potential disability, sexual orientation, political or religious belief as well as gender or age<sup>10</sup>.

### 2.3 No Harassment and No Coercion

The supplier shall not tolerate behaviour (including gestures, language, and physical contact), which is considered sexual, threatening, abusive or exploitative.

### 2.4 Fair Working Conditions

The supplier shall provide adequate compensation, ensure a legally fixed national minimum salary and obey the legally fixed maximum working hours for the respective country<sup>12</sup>.

### 2.5 Recruitment (Process)

The supplier needs to ensure a fair and in accordance with legal norms regulated application process and recruitment procedure, which amongst others shall entail, that employees are not required to pay recruitment fees or any related fees of any type for employment, as well as that all employees receive a written contract or ensure they understand the terms of employment in a language well understood by the employees.

### 2.6 Prohibition of Forced or Compulsory Labour<sup>14</sup>

The supplier shall not employ anybody against the will of the individual concerned nor force anybody to work. Practices such as extortion, for example through withholding someone's passport, or similar, are not acceptable.

<sup>7</sup> See [The Ten Principles | UN Global Compact](#): Principles 1, 2 Human Rights

<sup>8</sup> Universal Declaration of Human Rights: <http://www.ohchr.org>

<sup>9</sup> [ILO Konvention C100](#)

<sup>10</sup> [ILO Konvention C111](#); [Zehn Prinzipien des UN Global Compact](#): Prinzip 6 Arbeit; [Leitfaden zum Allgemeinen Gleichbehandlungsgesetz](#); [CSR - Supply Chain Act \(csr-in-deutschland.de\)](#)

<sup>11</sup> See [Minimum wages \(Minimum wages\) \(ilo.org\)](#)

<sup>12</sup> See [International Labour Standards on Working time \(ilo.org\)](#); [EUR-Lex - 32003L0088 - EN - EUR-Lex](#); [CSR - Supply Chain Act \(csr-in-deutschland.de\)](#)

<sup>13</sup> A.o. [Convention C111 - Discrimination \(Employment and Occupation\) Convention, 1958 \(No. 111\)](#)

<sup>14</sup> [European Convention on Human Rights \(coe.int\)](#) (Artikel 4); [Convention C029 - Forced Labour Convention, 1930 \(No. 29\) \(ilo.org\)](#); [Modern Slavery Act 2015 \(legislation.gov.uk\)](#); [CSR - Supply Chain Act \(csr-in-deutschland.de\)](#)

## 2.7 Prohibition of Child Labour

The supplier shall not employ anybody without proof that they are at least 15 years old. In developing countries that fall under the ILO convention 138 and are therefore exempt, the minimum age can be reduced to 14 years. Local laws may impose stricter requirements. For children under 18 years of age (i) the use, procuring or offering of a child for prostitution, production of pornography or pornographic performances; (ii) illicit activities, in particular for the production or trafficking of drugs; and (iii) work, which, by its nature or circumstances in which it is carried out, is likely to be harmful to the health, safety or morals of a child is prohibited<sup>16</sup>.

## 2.8 Freedom of Association and Collective Bargaining

The supplier respects and upholds the freedom of association of its employees in all its legal formations and the effective recognition of the right to collective bargaining<sup>17</sup>.

## 2.9 Health and Safety<sup>18</sup>

(1) The supplier shall provide adequate safety measures to effectively protect its employees against accidents, chemical, biological, and physical hazards as well as occupational diseases – including appropriate staff training and personal protective equipment.

(2) The supplier shall identify and effectively prevent relevant risks and emergency situations in the workplace, public neighbourhood, and company-provided living quarters as well as ensure appropriate emergency plans, regular safety trainings, and response procedures.

## 2.10 Unlawful Eviction

Unlawful eviction and deprivation of land, forests, and waters in the acquisition, construction, or other use of land, forests, and waters, the use of which secures the livelihood of a person, is prohibited<sup>19</sup>.

## 2.11 Unauthorized Security Forces

Prohibited is the hiring or use of private or public security forces for the protection of the entrepreneurial project when, due to lack of instruction or control on the part of the company, there is a threat of the use of security forces (i) in violation of the prohibition of torture and cruel, inhuman, or degrading treatment; (ii) against life or limb; or (iii) against freedom of association<sup>20</sup>.

## 2.12 Other Prohibition to Prevent Human Rights Violations

Any other action or omission in breach of duty beyond the aforementioned activities, which is directly capable of violating in a particularly serious manner the human rights positions protected by law and the unlawfulness of which is obvious on a reasonable assessment of all circumstances under consideration is prohibited<sup>21</sup>.

<sup>15</sup> [Convention C138 - Minimum Age Convention, 1973 \(No. 138\) \(ilo.org\)](#) ; [CSR - Supply Chain Act \(csr-in-deutschland.de\)](#)

<sup>16</sup> [Convention C182 - Worst Forms of Child Labour Convention, 1999 \(No. 182\) \(ilo.org\)](#); [CSR - Supply Chain Act \(csr-in-deutschland.de\)](#)

<sup>17</sup> [Convention C087 - Freedom of Association and Protection of the Right to Organise Convention, 1948 \(No. 87\) \(ilo.org\)](#): Article 20; [CSR - Supply Chain Act \(csr-in-deutschland.de\)](#)

<sup>18</sup> Vgl. [ILO Konvention C155](#); [ILO Konvention C161](#); [ILO Konvention C187](#); [CSR - Supply Chain Act \(csr-in-deutschland.de\)](#)

<sup>19</sup> [CSR - Supply Chain Act \(csr-in-deutschland.de\)](#)

<sup>20</sup> [CSR - Supply Chain Act \(csr-in-deutschland.de\)](#)

<sup>21</sup> [CSR - Supply Chain Act \(csr-in-deutschland.de\)](#)

### 3. Product Safety

The supplier warrants that the goods when delivered shall in all respects comply with the legal requirements of the place specified in the purchase contract as the country of destination where the goods are ultimately sold to members of the public. This includes but is not limited to packaging, labelling, safety standards consumer protection, and product liability.

All goods supplied shall conform as to description, quality, and sample (if applicable) with the information provided and be fit for the purpose of the intended use. Additionally, the supplier shall communicate comprehensive product-handling requirements. The supplier warrants that the goods when delivered shall be in all respects in accordance with the contract and free from any defect whatsoever.

The goods' specifications, drawings, samples, designs, or other information that may have been supplied shall be appropriate for the purpose of the goods and shall be free from defects e.g. in manufacturing or material.

The applicable documentation containing all necessary safety and ecologically relevant information for all hazardous substances shall be provided proactively to relevant parties in case of a legitimate need

### 4. Environment<sup>22</sup>

#### 4.1 Abiding by Laws Protecting the Environment

The supplier shall observe legal requirements and international standards related to environmental protection.

#### 4.2 Saving of Resources

The supplier shall practice a systematic development of products and services that helps reducing the use of energy, water, and further raw materials along the entire product life cycle.

#### 4.3 Avoidance of Critical Ingredients and Causing of Harmful Environmental Changes

To protect life on land and under water (biodiversity) the supplier shall opt for eco-friendly raw material. In particular, the causing of harmful soil change, water and air pollution, harmful noise emission or excessive water consumption that is likely to (i) significantly impair the natural basis for the preservation and production of food; (ii) deny a person's access to safe drinking water; (iii) impede or destroy a person's access to sanitary facilities, or (iv) harm a person's health is prohibited. In addition, the supplier should work on reducing the amount of micropollutants and microplastics in wastewater to a minimum<sup>24</sup>.

<sup>22</sup> See [The Ten Principles | UN Global Compact](#): Principles 7 – 9 ; [A/CONF.151/26/Vol.I: Rio Declaration on Environment and Development \(un.org\)](#)

<sup>23</sup> [CSR - Supply Chain Act \(csr-in-deutschland.de\)](#)

<sup>24</sup> [Proposal for a revised Urban Wastewater Treatment Directive \(europa.eu\)](#)

<sup>25</sup> [CSR - Supply Chain Act \(csr-in-deutschland.de\)](#); [Minamata Convention on Mercury - Text and Annexes](#)

#### **4.4 Unlawful Handling of Mercury or Products Containing Such**

Prohibited is the (i) manufacture of mercury added products as well as the (ii) use of mercury and mercury compounds in manufacturing processes, in each case as defined and amended in Minamata Convention , and (iii) the treatment of mercury waste contrary to the provisions of Article 11(3) of the Minamata Convention.

#### **4.5 Illegal Production and Use of Chemicals**

Production and use of chemicals under Article 3(1)(a) and Annex A of the Stockholm Convention of 23 May 2001 on Persistent Organic Pollutants, as amended, is banned<sup>26</sup>.

#### **4.6 Non-Environmentally Sound Handling, Collection, Storage and Disposal of Waste**

Prohibited is the non-environmentally sound handling, collection, storage, and disposal of waste in accordance with the regulations in force in the applicable jurisdiction under the terms of Article 6(1) (d)(i) and (ii) of the Stockholm Convention of 23 May 2001 on Persistent Organic Pollutants<sup>27</sup>.

#### **4.7 Unlawful Ex- or Import of Hazardous Waste**

The export of hazardous wastes as defined and regulated in the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal of 22 March 1989, as amended, is prohibited<sup>28</sup>.

#### **4.8 Reduction of Waste**

The supplier shall reduce waste, in particular, promote circular economy by producing recyclable products and packaging and facilitating the return of valuable materials for recycling<sup>29</sup>.

#### **4.9 Reduction of Greenhouse Gas Emissions<sup>30</sup>**

The supplier shall effectively reduce the carbon emissions related to its business activities.

#### **4.10 Renewable Energies**

The supplier shall endeavour to give preference to the use of renewable energy sources over other energy sources within its company (group, i.e. including all its affiliated companies as defined in § 15 ff. German Stock Corporation Act) and throughout the entire product life cycle. Proportionality principles apply.

#### **4.11 Conflict Minerals<sup>31</sup>**

In case of the introduction of conflict minerals according to the EU Regulation on Conflict Minerals , the supplier shall provide all information according to the Conflict Minerals Reporting Template . In addition, the supplier must publish a report on its activities to implement its due diligence, to be verified by third parties, unless exceptions apply, i.e. certificate.

<sup>26</sup> [CSR - Supply Chain Act \(csr-in-deutschland.de\)](#) ; [Text of the Convention \(pops.int\)](#)

<sup>27</sup> [CSR - Supply Chain Act \(csr-in-deutschland.de\)](#) ; [Text of the Convention \(pops.int\)](#)

<sup>28</sup> [CSR - Supply Chain Act \(csr-in-deutschland.de\)](#) ; [Basel Convention \(basel.int\)](#)

<sup>29</sup> See [A European Green Deal \(europa.eu\)](#)

<sup>30</sup> [UN Framework Convention on Climate Change \(unfccc.int\)](#)

<sup>31</sup> [CSR - Supply Chain Act \(csr-in-deutschland.de\)](#)

<sup>32</sup> [Regulation \(EU\) 2017/821](#)

<sup>33</sup> [Conflict Minerals Reporting Template \(responsiblemineralsinitiative.org\)](#)

## 5. Transparency and Disclosure

### 5.1 Sustainability Reporting

The supplier shall disclose sustainability data and report on its business operations truthfully and in accordance with the relevant reporting standards, i.a. the Corporate Sustainability Reporting Directive (CSRD) (if and as far as applicable).

### 5.2 Product Data Provision

(1) To enable us to appropriately consult our common customers, the supplier will do its best to provide all relevant product data with regard to the ecological and sustainable properties of the product life cycle including its packaging, i.e. ingredients, recyclability, recycled content, certification, product carbon footprint, etc., unrequested and at intervals, in which changes occur; however, at the latest, upon request.

(2) The provision of supplier's data as well as the evaluation based on it (should) be guided by the official standards of the Greenhouse Gas Protocol.

(3) The supplier should set effective reduction targets and be able to demonstrate their pursue.

(4) The data provided by supplier shall be reliable, comparable, and verifiable<sup>35</sup>.

### 5.3 Audits

Igefa and/or any of its customers as well as any competent (regulatory) authority shall be entitled, itself or through commissioned third parties, to conduct comprehensive examinations, tests, audits or inspections of the supplier and/or its suppliers with regard to compliance with the contractual agreements and legal requirements in supplier's own and/or commissioned third party manufacturing facilities, depots and warehouses, including the examination of the related books, records and other documents, with reasonable notice. The supplier shall promptly provide, upon request, additional information and documents evidencing compliance with the commitments. Audits may be conducted during the term and for the period of 1 year after termination of the contractual relationship unless a longer period is required by law. This applies (i) in order to evaluate a possible expansion of the cooperation or (ii) in the event of a reasonable suspicion of a breach of any provision of this Code of Conduct, which in the sole opinion of igefa affects the business relationship, reputation and/or goodwill of igefa and/or any of its customers.

### 5.4 Cooperation and Actions in Case of (Imminent) Breach<sup>36</sup>

(1) In case of any breach of the principles and requirements contained in the Code of Conduct, any legal, administrative and/or investigative action taken against the supplier, the supplier will inform igefa without delay (as far as legally permissible).

(2) In the case of any publicly voiced complaints, e.g. in the media, about an alleged breach of the principles and requirements contained in the Code of Conduct, or about any other incidence that could potentially lead to damage of igefa's reputation, the supplier will provide igefa with an immediate written company statement in response to any such allegations.

<sup>34</sup> [Corporate sustainability reporting](https://european-council.europa.eu/media/14684/nr/en/ppt/Pres14684.pdf) (europa.eu)

<sup>35</sup> [Green claims](https://european-council.europa.eu/media/14684/nr/en/ppt/Pres14684.pdf) (europa.eu)

<sup>36</sup> [CSR - Supply Chain Act \(csr-in-deutschland.de\)](https://www.bundesregierung.de/breg-de/themen/csr-in-deutschland)



(3) If a human rights or environmental due diligence violation has occurred or is imminent, the supplier shall take immediate and appropriate remedial action to prevent, stop or minimize the extent of the violation.

(4) Further, the supplier undertakes to cooperate fully with any audit conducted and to ensure that the supplier's business partners also cooperate fully if such an investigation concerns their performance.

(5) If the supplier cannot end the violation in the foreseeable future, the supplier shall develop and implement a corrective action plan with a concrete timetable for ending or minimizing the violation without delay and, if possible, together with the offender.

(6) The supplier shall anchor appropriate preventive measure vis-à-vis the offender such as the implementation of control measures, support in the prevention and avoidance of risk or the implementation of industry-specific or cross-industry initiatives that the supplier has joined or will join to increase its ability to influence the offender.

(7) The supplier shall also consider temporary suspension of the business relationship with its supplier during the aforementioned preventive measures for risk minimization and terminate a business relationship if (i) the violation of a human rights-related or an environmental due diligence obligation is assessed as very serious; (ii) the implementation of the measures developed in the concept does not remedy the situation after the time specified in the concept has elapsed; or (iii) no other mitigating means are available and an increase in the scope of influence does not appear promising.

## **5.5 Training<sup>37</sup>**

The supplier will train and educate its employees with regards to human rights and environmental standards and regulations as laid out in this Code of Conduct.

# **6. Supply Chain**

## **6.1 Sub-Contractors**

The supplier shall replicate above formulated requirements and standards further down the supply chain by binding and evaluating its contractors in a consistent way<sup>38</sup>.

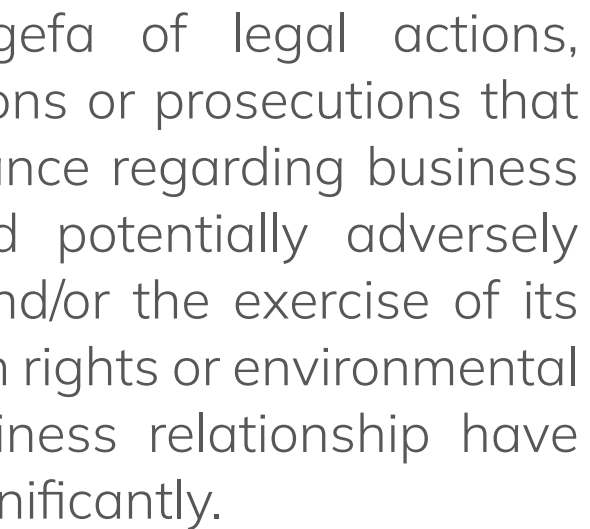
## **6.2 Supply Chain Regulation**

The supplier shall comply with all applicable laws and regulations regarding the management of its supply chains, e. g. any social or environmental due diligence obligations or special specifications.

<sup>37</sup> [CSR - Supply Chain Act \(csr-in-deutschland.de\)](https://www.csr-in-deutschland.de)

<sup>38</sup> [CSR - Supply Chain Act \(csr-in-deutschland.de\)](https://www.csr-in-deutschland.de)





Suppliers shall notify igefa of legal actions, administrative investigations or prosecutions that may affect their performance regarding business with igefa or that could potentially adversely affect igefa's reputation and/or the exercise of its responsibilities or if human rights or environmental risks relating to the business relationship have changed or expanded, significantly.

## **Supplier's Declaration (re. Code of Conduct for Suppliers to igefa)**

### **Supplier Confirms:**

1. We have received the Code of Conduct and commit to comply with its principles and requirements, where applicable, beyond our obligations from commercial supplier contracts with igefa.
2. We acknowledge that the provisions expressed in this Code of Conduct comprise an important component of supplier selection and evaluation.
3. We will extend the contents of this Code of Conduct to our suppliers and do our utmost to ensure they comply with these principles and requirements.
4. We accept that igefa has the right to cancel in writing existing supplier contracts and/or purchase orders without notice or compensation if we are (i) in breach of the principles and requirements of the Code of Conduct; or (ii) not sufficiently fulfilling our obligations to cooperate and (iii) such breach and/or insufficiency causes - in igefa's sole discretion - a threat or detriment to igefa's and/or its customers business (reputation) or constitutes a severe breach of any legal code.
5. Where a quick remedy is possible on our part, igefa can only exercise the right to cancel as set forth in this declaration after a reasonable deadline set by igefa has lapsed without a satisfactory outcome.

6. We agree that this declaration is subject to the same tangible law, legal process, and place of jurisdiction that has been agreed for supplier contracts and/or purchase orders with igefa. Where no such agreements exist, this declaration is subject to the tangible law, legal process, and place of jurisdiction of the registered office of igefa.
7. We agree that igefa may review and adapt the Code above according to amendments in the corresponding legislation, the UN Sustainable Development Goals, or the Principles of the UN Global Compact. In this case, igefa will inform us accordingly, and such terms shall become effective and binding upon commencement of any renewal term thereafter

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Place, Date

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Name & Signature Company stamp



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