



Supplier Code of Conduct

(January 2022)

I. General Information

1. Preamble

Acting responsibly towards people, nature and the environment is a cornerstone of the business culture of BayWa r.e. Group (“**BayWa r.e.**”). BayWa r.e. is therefore committed to an ecologically, ethically and socially responsible corporate governance system. BayWa r.e. also expects corresponding integrity and sustainability both of its direct contractual partners (hereinafter the “**Suppliers**”) and throughout its supply chain.

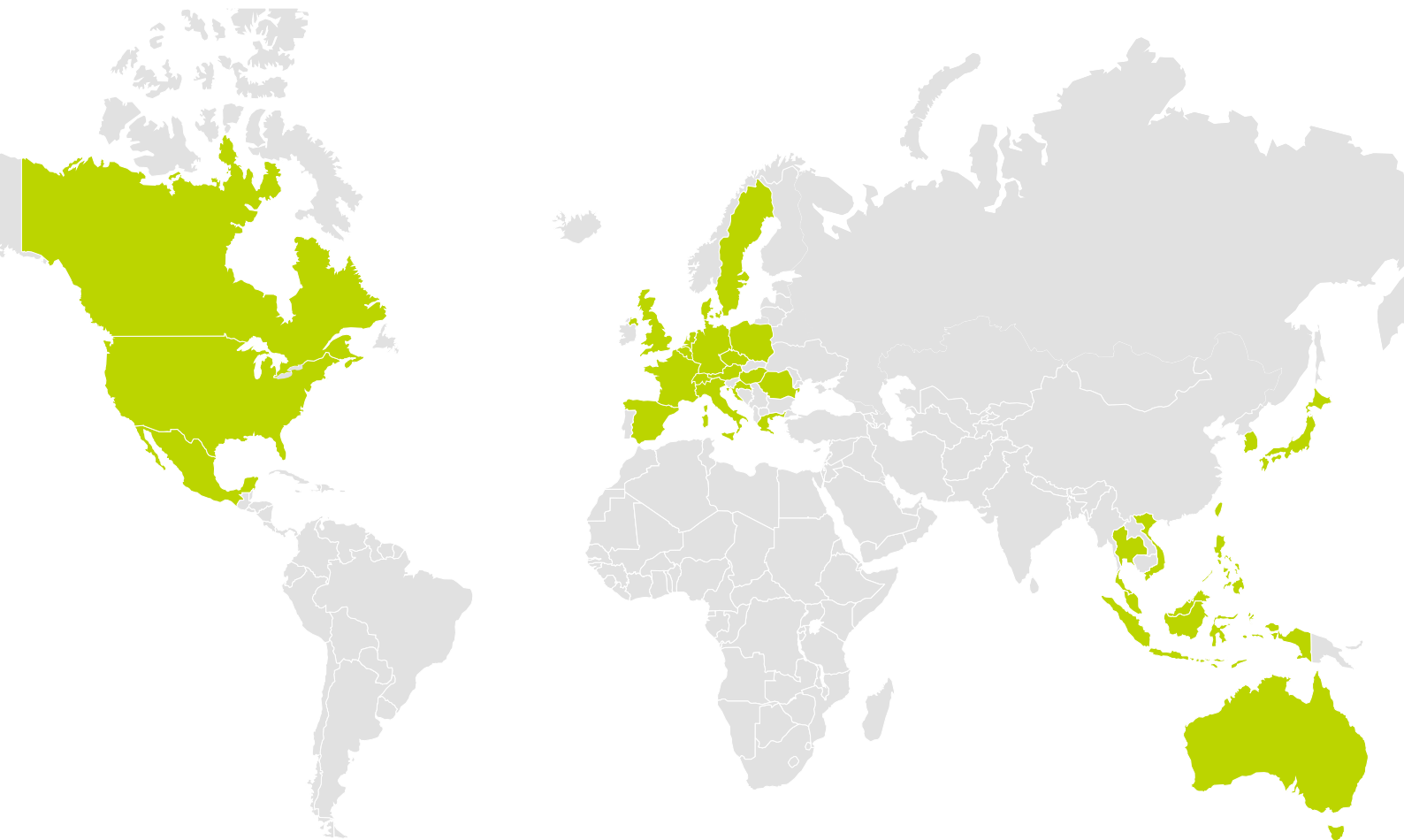
2. Scope of Application and Fundamental Principles

The business relationship with BayWa r.e. must undoubtedly be based on the protection of and the compliance with the protected interests related to human rights and the environment that are listed in this Supplier Code of Conduct (“**Supplier Code of Conduct**”).

The Supplier Code of Conduct includes key principles set forth in national laws and regulations as well as in the core labour standards of the International Labour Organisation (ILO), the Minamata Convention, the Stockholm Convention on Persistent Organic Pollutants (POPs conventions) and in the Basel Convention (the Conventions jointly referred to as “**ESG Guidelines**”).

3. Compliance with ESG Guidelines and the Law

The Suppliers undertake to comply with the ESG Guidelines and applicable national laws. If the requirements of the Supplier Code of Conduct exceed applicable national laws, the provisions of the Supplier Code of Conduct shall nonetheless be binding.



II. Commitment to Human Rights and Humane Working Conditions

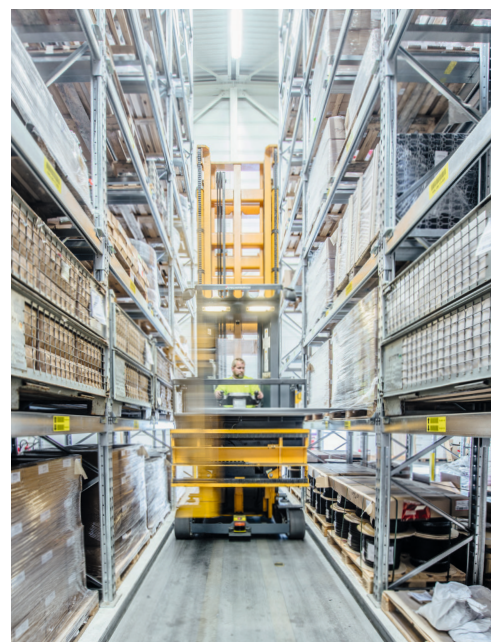
1. Prohibition of Child Labour and Employment of Adolescents

Child labour must not be used at any stage of the production, processing or service process. The minimum standards of the ILO conventions on the minimum age for admission to employment and the prohibition of child labour must be observed and all necessary measures must be taken to prevent the employment of persons below the statutory minimum age. Children and young persons under the age of 18 must not be admitted to any work that may by its nature or the circumstances in which it is carried out jeopardise their health, safety or morals. They may not be used, procured or offered for illicit activities, in particular for the production and trafficking of drugs, for prostitution, for the production of, or participation in, pornography.

2. Prohibition of Forced or Compulsory Labour

Any type of employment of forced labour shall be prohibited. This comprises any work or service demanded of a person under the threat of a penalty and for which the person has not offered himself or herself voluntarily, for instance as a result of debt bondage or human trafficking.

Any form of slavery, slavery-like practices, serfdom or any other form of the exercising of power or oppression in the workplace environment, for example by extreme economic or sexual exploitation and humiliation, shall be prohibited. No employee may be forced into employment, directly or indirectly, by violence or intimidation. No one may be exposed to verbal, psychological, physical, sexual or bodily violence, coercion or harassment.



3. Equal Opportunities and Non-Discrimination

Any kind of discrimination in the context of the employment relationship shall be prohibited. In particular, any exclusion, preferential treatment or discrimination based on nationality, ethnicity, social background, health status, disability, sexual orientation, age, sex, political opinion, religion or ideology shall be prohibited, unless it is justified by the requirements for employment.

4. Labour Rights

Every Supplier must ensure that its employees have the right to freedom of association. This encompasses the right to join or found organisations or unions, to collectively bargain and exercise collective rights (e.g. the right to strike). Exercising these rights must not result in discrimination or retaliatory measures against the respective employee. In the context of these rights being respected, the Suppliers shall also be responsible for employees who are employed through sub-providers.

5. Working Hours and Remuneration

Working hours (including overtime) must comply with the laws applicable to the place of employment or the relevant ILO conventions.

Each Supplier must ensure that wages paid are at least equal to the minimum wage as determined by applicable law. In the event that no statutory or customary minimum wage exists, wages paid must meet the basic requirements according to the law of the place of employment. Moreover, there must not be any discrimination. Discrimination is particularly evident if equal wages are not paid for equal work.

6. Health and Safety in the Workplace

Every Supplier must ensure a safe and healthy working environment and take the necessary measures in order to prevent injury to health and accidents which may occur while the work is performed. Such measures must at least comply with applicable health and safety requirements according to the laws of the place of employment. Furthermore, Suppliers should strive to continuously improve the health and safety measures in the workplace.

7. Employment of Security Personnel

If third parties (private or public security personnel) are employed to protect a business project, Suppliers must ensure through instruction and supervision that the basic rights of the employees, listed in this section II, are safeguarded.



III. Protection of the Environment and Sustainable Use of Resources

1. Reduction of Energy Consumption and Emissions

Each Supplier is encouraged to set targets and take appropriate measures to reduce and minimise dangerous air emissions, greenhouse gas emissions and energy consumption. In addition, compensation should be sought for emissions that cannot be reduced.

2. Resource Efficiency

Each Supplier should endeavour to increase the resource efficiency of any materials used and minimise the environmental impact of its business activity. It is expected that appropriate efforts are made to reduce the amount of waste that is generated (e.g. by means of recycling measures and by reusing materials). Materials should further be chosen for recyclability.

3. Prohibition of Hazardous Substances and Waste

In order to prevent the realisation of an environmental risk, each Supplier must comply with the provisions on the ban on manufacturing mercury-added products and on using mercury and mercury compounds in manufacturing processes as well as the ban on the processing of mercury waste (Minamata Convention). The same applies to the ban on the production and use of chemicals according to the Stockholm Convention on Persistent Organic Pollutants (POPs Convention). Each Supplier must organise the handling, collection, storage and disposal of waste in an environmentally friendly manner and in accordance with the provisions of applicable law and comply with the ban on the export and import of hazardous and other waste according to the Basel Convention.

4. Securing Basic Human Needs

Each Supplier shall ensure that no harmful soil changes, water pollution, air pollution, noise emissions or excessive water consumption is caused that would considerably compromise the natural resources for obtaining and producing food or be harmful to a person's health. Furthermore, no person may be denied access to safe drinking water or access to sanitary facilities.

Land, forests and water on which people's livelihood depends must not be unlawfully taken or evacuated for the purpose of acquisition, development or other use.



IV. Integrity, Ethics and Anti-Corruption

1. Commitment against Bribery and Anti-Corruption

BayWa r.e. condemns any form of bribery and corruption. All Suppliers and their employees must conduct themselves in such a manner as to ensure that no personal dependency, obligation or influence can arise and that even the appearance of such behaviour is avoided. Each Supplier and its employees are encouraged to make decisions on a purely factual basis and not to be influenced by personal and private financial interests. It is expected that all Suppliers' and their employees' professional conduct is based on compliance with the applicable national and international laws and regulations and on fairness.

2. Data Protection and Confidentiality

Each Supplier must protect confidential information received in the course of business, maintain confidentiality and ensure compliance with the applicable national and international provisions in the field of data protection law.

V. Compliance with the Supplier Code of Conduct

BayWa r.e. reserves the right to verify that the Supplier Code of Conduct is being complied with. The Supplier must provide information in writing to BayWa r.e. in furtherance of this purpose. The Supplier must provide advice and input on any relevant documents provided to BayWa r.e. for the purpose of any such inspection. In the event of non-compliance with the Supplier Code of Conduct, the Supplier shall be obligated to immediately and independently initiate any necessary remedial measures.

VI. Reporting of Violations and Cooperation Obligations

If Suppliers gain knowledge of a violation of the Supplier Code of Conduct they must report such violation without delay. They must cooperate in any investigative measures. The Suppliers' legitimate interests as well as respect for employees' rights, in particular data protection and the protection of business secrets, must be safeguarded in the report. The above also applies to violations by third parties employed by the Supplier (e.g. suppliers or subcontractors). Reports about violations against the Supplier Code of Conduct may be made to BayWa r.e. - also in anonymised form - via the digital whistle-blower system ([BayWa r.e. Whistleblower System: Home \(compcor.de\)](https://www.baywa-re.com/en/whistleblower)).

BayWa r.e. and the Suppliers undertake to refrain from implementing any discriminatory measures or disciplinary measures against the whistle-blower in the context of the handling of such reports.

