

# Code of Conduct for Suppliers of MEYER Group

## Preamble

*MEYER Group is a trusted and preferred employer as well as a partner to Suppliers and pays careful attention to societal responsibility. For this reason the MEYER internal Code of Conduct was issued to declare and secure the fundamental social rights of employees, and the fundamental principles of employment as well as the aim of protecting our environment and minimizing use of natural resources. These binding principals are aligned with the relevant conventions of the International Labor Organization, the applicable national rules and regulations, collective agreements and the fundamental business principles of our Companies.*

*We expect that our Suppliers have a corresponding desire regarding adherence to fundamental social rights, environmental protection and compliance guidelines as the MEYER Group has declared with their self-commitment in their internal Code of Conduct. To assure the compliance with our fundamental social principals, all Suppliers of the MEYER Group have to agree on this Code of Conduct for Suppliers prior to entering a business relation with a MEYER-Company. As a matter of principle a co-operation with MEYER Group is based on accepting the Code of Conduct for Suppliers to prove conformity with the given guidelines. Violations to this Code of Conduct for Suppliers will not be tolerated and will cause severe consequences.*

## **§ 1. Fundamental obligations**

1. Human rights: The supplier respects and supports compliance with internationally recognized human rights. All its employees are under an obligation to ensure that these universally recognized fundamental rights are observed.
2. No discrimination: Equal chances and equal treatment, irrespective of ethnicity, color of skin, gender, religion, nationality, sexual orientation, social background or political orientation insofar as these are based on democratic principles and tolerance towards different-minded persons is secured and actively promoted. As a matter of principle employees are selected, hired and promoted based on their qualification and skill.
3. Free choice of employment: Any use of forced labor including debt bondage or involuntary work is rejected.
4. No child labor: Child labor is forbidden. The legal age for employment is strictly secured to be in line with the respectively applicable statutory laws and regulations.

5. Freedom of assembly: The basic right of all employees to establish trade unions and employee representation and to join the same is approved.

6. Working hours: The supplier ensures that the maximum working hours according to statutory law in the respective country are respected.

7. Working safety and occupational health: The supplier guarantees protection of workers in the workplace and workplace health protection within the scope of national provisions. The supplier shall take all possible precaution to avoid accidents and train all employees in health and safety. The standards for safe and hygienic working conditions for all persons working at MEYER Group sites will be observed by MEYER Group. Appropriate measures for ensuring personal health and occupational safety are taken in order to ensure healthy working conditions.

## **§ 2. Appropriate housing and accommodation**

1. Housing and accommodation for assigned employees of our suppliers must meet at least a minimum standard for adequate living conditions. Housing and accommodation is considered adequate if it complies at least with the guidelines of relevant local authorities and any applicable laws and regulations of the respective country the work is executed in.

2. The Supplier commits himself to accepting any guidelines established by the relevant authorities including any obligations resulting therefrom.

3. Based on the national laws and requirements of the local authorities the Supplier declares himself, on demand, to permitting, for inspection purposes, authorized representatives of MEYER Group access to accommodation facilities which were rented or acquired by the Supplier.

## **§ 3. Wages**

1. The Supplier has to pay its employees at least the fixed minimum wage according to national laws and regulations including any applicable collective agreements.

2. If requested, the Supplier has to submit sufficient written evidence that the minimum wage as defined in (§3.1) was actually paid.

## **§ 4. Environmental obligations**

Everyone has to pay attention to environmental considerations in all operations, minimize the use of natural resources e.g. energy, raw materials and water and try to minimize "carbon footprint". One of each Supplier's main tasks is to prevent pollution of the environment by all reasonable efforts and to respect international conventions and agreements for environmental protection as well as applicable national rules and regulations. Furthermore environmentally-minded actions should be supported for their employees as well.

## **§ 5 Business Ethics**

1. Anti-Fraud and Anti-bribery: The Supplier refrains from any and all forms of fraudulent behavior, corruption, extortion and bribery, and specifically ensures that payments, gifts or other commitments to customers (including MEYER Group employees), government officials and any other party are in compliance with applicable anti-bribery laws.

2. Anti-trust laws: The Supplier respects fair competition. Thus, the Supplier adheres to existing laws and regulations that uphold and promote competition, in particular prevailing anti-trust laws as well as laws that regulate competition. In dealing with competitors, these provisions in particular prohibit collusion and other activities aimed at influencing prices or conditions, dividing up sales territories or customers or using prohibitive means to inhibit free and open competition. Furthermore, these provisions prohibit agreements by which customers are to be enjoined in their freedom to autonomously determine their pricing and miscellaneous conditions when reselling.

3. Conflict of interests: In dealing with suppliers and state institutions, the interests of the company and the private interests of employees on both sides are to be kept strictly separate. Actions and decisions shall be proceeded independently of considerations which do not concern the business at hand and which involve personal interests.

4. Company secrets: The Supplier commits its employees to safeguard trade and company secrets. It is forbidden to disclose confidential information, as well as confidential documents, to third parties without proper authorization or to provide other forms of access to them, unless proper authorization has been granted or it is publicly available information.

5. Subcontractors: The Supplier is called upon to communicate the basic principles of this Code of Conduct for Suppliers to its immediate contractual partners, to promote the compliance of its content to the best of its ability among its contractual partners and to require them to also adhere to the Code of Conduct for Suppliers. He is further called upon to recommend to its contractual partners to in turn call upon their contractual partners to follow this Code of Conduct for Suppliers.

6. Compliance: The Supplier is at liberty to introduce further codes of conduct with higher requirements of ethical practice for itself and its employees. He commits to informing its employees of the provisions governed by the Code of Conduct for Suppliers and the obligations that result from it. In order to ensure and demonstrate compliance with this Code of Conduct for Suppliers, the Supplier shall keep record of all relevant documentation, and provide supporting documentation upon request. To verify compliance, the Supplier entitles the respective MEYER Group company to audit and inspect the operations and facilities of the Supplier at own cost and upon reasonable notice, with or without support of a third party.

## § 6. Violations

1. If a Supplier violates its obligations under this Code of Conduct for Suppliers, MEYER Group is entitled to request the Supplier, within a reasonable period of time, to fulfil his obligations to full extent, or to request his Subcontractor to fulfil his obligations and avoid any kind of violations.
2. If any violations of the applicable law or this Code of Conduct for Suppliers is established, the respective MEYER Group company has to be informed immediately. In the event of any violation of the applicable law or this Code of Conduct for Suppliers MEYER Group reserves the right to terminate the contractual relationship.
3. The provisions of this Code of Conduct for Suppliers shall not affect MEYER Group's other legal or contractual rights in any reasonable manner.

Bernard Meyer

Klaus Lübbers

Managing Director

Chief Procurement Officer

