



Hochwald Foods



Preamble

Hochwald and its affiliated companies ("Hochwald") stand for high-quality food products. Our customers can always rely on the quality of our products. We guarantee this by placing high demands on ourselves, but also clear demands on you as our business partners.

Quality and sustainable work are based on trustworthy and high-quality cooperation at all levels of the value chain. Therefore, Hochwald strives for a common system of values when selecting business partners.

The focus is on

- ethical and sustainable action,
- compliance with applicable laws and technical standards,
- observance of human rights,
- compliance with the applicable national and/or internationally recognised environmental, social and corporate governance standards, and
- legitimate business practices when dealing with each other, but also with third parties.

Our Code of Conduct for Business Partners is partly based on laws and regulations at national and international level, such as international agreements, the United Nations Universal Declaration of Human Rights and the labour standards of the International Labour Organisation (ILO) and those set down by the German Supply Chain Act (LkSG).

The goal is clear: We want to offer our customers sustainable, high-quality products; with you and with your business partners. This Code of Conduct for our business partners summarises what we expect from you. It supplements the legal obligations, concluded contracts and general purchasing conditions of the Hochwald.

1. Scope of application

This Code of Conduct is binding for all business partners acting on behalf of Hochwald. Our business partners are responsible for placing their employees under obligation to act responsibly and adhere to the following fundamental principles.

Quality and sustainability must be observed throughout the entire value chain. Under our Code of Conduct, you must therefore also guarantee that you have obliged any business partners that you have contracted to work on your behalf to comply with this Code of Conduct.

2. Compliance with the law

As a business partner of Hochwald, you must

- comply with the applicable national and international antitrust, competition and trade control regulations, the United Nations Universal Declaration of Human Rights and the labour standards of the International Labour Organisation (ILO) and those set down by the German Supply Chain Act (LkSG);
- prevent corruption and bribery as well as ensuring that personal relationships have no effect on business activities;
- ensure that your employees, subcontractors or agents do not provide, offer or accept bribes, kickbacks, improper donations or other improper payments or benefits;
- ensure compliance with the legal requirements regarding business transactions.

3. Sustainability

Sustainable economic activity is a matter close to our hearts. We expect our business partners to act in a sustainable and ethically responsible manner. This applies to strategic orientation, corporate objectives, management systems and process design.

It is a common goal to promote performance and efficiency with regard to health, safety and the environment in a continuous improvement process.

4. Corporate responsibility

4.1. Product safety and quality

Hochwald's customers expect high-quality and safe food products at all times. As a Hochwald business partner, you therefore comply with all the applicable laws, standards or other regulations and requirements for manufacturing and supplying safe products. It must be noted that the specifications and quality requirements agreed with Hochwald and the contractually agreed framework conditions must be strictly observed and adhered to. In particular, this includes compliance with legality and safety requirements.

You also have a crisis management system in place, and a traceability system that makes it possible for you to provide us with the required information in the event of quality problems.

If any non-conformities are discovered in relation to goods or services provided to Hochwald, you shall take appropriate measures to rectify them on a permanent long-term basis. If you should discover a non-conformity as a business partner, Hochwald must be informed proactively without delay.

You provide a 24/7 emergency telephone number to ensure uninterrupted availability in crisis situations.

You operate a system to protect the goods and materials delivered and imported into the factories in crisis situations. By doing so, you prevent the contribution of biologically, chemically, physically or radioactively contaminated as well as falsified substances (Food Defence & Food Safety).

You observe the central and the site-specific conduct requirements with regard to hygiene, safety at work, energy and the environment.

You will receive these regulations before commencing work in the factory and must provide your signature to confirm that you have read and understood them.

You are responsible for the implementation of the regulations during your work for Hochwald.

4.2. Ecological responsibility

4.2.1 Protection of the environment and conservation of natural resources

As a business partner of Hochwald, you must take responsibility with regards to environmental protection. You will comply with the legal requirements for environmental protection and sustainability, such as the LkSG.

By using natural resources efficiently, you will minimise the environmental impact of your production processes and products. You make an active contribution to the reduction of energy consumption and CO₂ equivalents.

We would like to explicitly point out to business partners that by supplying energy – consuming facilities to Hochwald, potential suppliers are selected based on our certified energy management system, which not only takes commercial factors into account, but also considers energy efficiency as a decision variable.

To conserve natural resources and avoid risk to human health, you shall ensure that adverse soil alterations, water and air pollution, noise emissions as well as excess water consumption are reduced or avoided as far as possible in your business activities.

As our business partner, you ensure in your acquisition, development or any other use of land, forests or bodies of water that serve as the basis of a person's livelihood, that these are not seized unlawfully and that no unlawful evictions are performed. Furthermore, you shall ensure in this context that a fair payment is provided.

Wherever possible, implement adequate environmental management systems.



4.2.2 Dealing with waste and hazardous substances

As our business partner, you take a systematic approach to identify and reduce waste, dispose it responsibly or recycle it. The prohibition of exports of hazardous waste laid down in accordance with the Basel Convention, as amended, must be observed. Chemicals or other materials that pose a hazard, when released to the environment, must be identified and managed in a way that guarantees safety for people and the environment when these substances are handled, transported, stored, used, recycled or re-used and disposed of.

Mercury must only be used in accordance with the prohibitions laid down by the Minamata Convention of 10 October 2013, as amended, and persistent organic pollutants only in accordance with the Stockholm Convention of 22 May 2001, as amended.

4.2.3 Dealing with conflict minerals

For the conflict minerals tin, tungsten, tantalum and gold and for other raw materials such as cobalt, you must, as a business partner, establish processes in compliance with the due diligence guidance provided by the Organisation for Economic Cooperation and Development (OECD) for responsible supply chains of minerals from conflict-affected and high-risk areas. Our business partners shall also expect this from their suppliers. Smelteries and refineries that do not have appropriate, audited due diligence processes must be avoided.

4.3. Human rights

As a Hochwald business partner, you should recognise the United Nations Universal Declaration of Human Rights of 10 December 1948, as amended. You shall treat your employees with dignity and respect. Disciplinary measures must only be implemented in compliance with the applicable national laws and human rights.

4.3.1 Exclusion of forced and compulsory labour

We reject any form of forced or compulsory labour, debt bondage, slavery, including modern forms of slavery, and human trafficking. Every employment relationship must be voluntary and free from the threat of penalty. Employees are entitled to terminate their employment in compliance with generally accepted notice periods.

4.3.2 Exclusion of child labour

We reject any form of child labour. The definition of child labour is based on the relevant core labour standards of the International Labour Organisation (ILO) and the provisions set down in section 2(1) no. 2 LkSG.

As a business partner of Hochwald, you must ensure that you comply with the relevant ILO Convention concerning the minimum age for admission to employment. The minimum age for admission to employment must not be less than the age of completion of compulsory schooling and, in any case, must not be less than 15 years. This obligation is subject to the exceptions recognised by the ILO. If a local law prescribes a higher legal minimum age for workers or longer compulsory schooling, the higher age applies.

Persons under 18 years of age are considered particularly vulnerable minors. They must not carry out any work that, due to its nature or the circumstances under which it is performed, would jeopardise their safety, health or morality, such as overtime or night shifts.

4.4. Equal opportunity and anti-discrimination

Our earth is rich in colours. It is inhabited by people of different skin colours, origins or religions. They differ in their political views, sexual orientation, age, gender or social background. At Hochwald, we support this diversity and do not discriminate, which is also what we expect from you, as our business partner.

4.5. Freedom of association

As a Hochwald business partner, you recognise the right of all employees to join trade unions and employee representations. If local laws restrict such action, you should search for alternative, legally compliant options for employee representation.

4.6. Working conditions and safety at work

The applicable legal requirements for occupational health and safety are the minimum requirements for you as a Hochwald business partner. You actively support the continuous development and improvement of working conditions. The working hours comply with national legal requirements and the minimum standards of the national economic sectors.

The relevant ILO conventions must be respected and the standards adhered to.

4.6.1 Fair pay

The compensation for regular working hours and overtime must comply with the minimum standards that are customary in the industry or the legal minimum wage, whichever is higher. The compensation for overtime must exceed the compensation of regular working hours. Furthermore, the wage must be sufficient to cover the ordinary cost of living and employees must be able to build up at least a minimum level of savings. If this is not the case, the wage must be increased accordingly. Employees must be granted all benefits prescribed by law. Applying wage deductions as a disciplinary measure is prohibited. As a business partner, you must ensure that employees are given regular, in-depth information on the composition of their wage. This information must be provided in written form.

4.6.2 Working hours

The business partner shall ensure that the working hours correspond to the relevant ILO regulations, applicable laws or industry standards. Employees must only work overtime on a voluntary basis. Furthermore, it must be ensured that employees are granted appropriate breaks. The weekly working hours must not be exceeded on a regular basis.



5. Data protection and trade secrets

Personal data of employees, business partners and other relevant parties are a valuable asset. As a business partner, you must comply with all applicable laws, in particular the EU General Data Protection Regulation (GDPR). The know-how, industrial property rights, patents, trade and business secrets of Hochwald are respected and protected.

6. Animal welfare

The topic of animal welfare plays a central role for Hochwald and is anchored in our overarching quality and sustainability programme MilchPlus.

We also expect that the animal husbandry practices of our business partners comply with national and international stipulations and that they recognise the Five Freedoms of animal welfare (Brambell, 1965):

1. Freedom from hunger, thirst and inadequate nutrition
2. Freedom from discomfort
3. Freedom from pain, injury or disease
4. Freedom from fear and distress
5. Freedom to express (most) normal behaviour

7. Security in (international) supply chains

You must ensure that the premises and places of shipment where the goods intended for Hochwald are produced, stored, processed, loaded and transported are protected from unauthorised access by third parties within a secure supply chain. Among other things, you ensure that the staff deployed are reliable.

If the business partner uses private or public security forces to protect its company, they must be given corresponding instructions. It should be ensured that no inhumane or degrading treatment occurs and that freedom of association is enabled.

For deliveries from non-EU countries, you must ensure compliance with customs law.

8. Whistleblower system

Hochwald has set up an anonymous and confidential whistleblower system that gives all internal and external stakeholders the opportunity to report any concerns or suspected breaches of applicable laws or requirements arising from this Code of Conduct. The whistleblower system can be accessed on our website (www.hochwald.de). Additional information on the procedure is provided there. Please inform your employees and also your suppliers of our whistleblower system.

