

## CODE OF CONDUCT

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### **POHLI purchasing guidelines - Code of Conduct for suppliers as partners for the future.**

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In order to improve social standards in supplier countries as an integral part of corporate social responsibility in a globalised economy, POHLI GmbH & Co. KG asks all its suppliers to comply with the following criteria. POHLI confirms at once to all customers that all standards will be fulfilled by POHLI as well.

- **Compliance with all applicable national laws and regulations**, industrial minimum standards, conventions of the ILO and the UN as well and all other relevant legal provisions, in which those rules applying that represent the most stringent requirements.
- The **freedom of assembly** and the **right to collective bargaining**. In situations or countries where the right to freedom of association and collective bargaining is restricted by law, alternative opportunities must be created for employees to be able to organise themselves freely and independently and to conduct negotiations (in compliance with ILO Conventions 87, 98, 135 and 154).
- **Any discrimination** in respect of recruitment, remuneration, access to training, promotion, the termination of a contract of employment or the entry into retirement on the grounds of sex, age, religion, race, caste, social background, disabilities, ethnic or national origin, nationality, membership in employee organizations, including trade unions, political belief, sexual orientation or other personal characteristics, is prohibited (in accordance with ILO Conventions 100, 111, 143, 158 and 159).
- Wages shall meet or exceed **legal minimum wages** or industry standards. Illegal or unauthorised deductions from wages or salaries as punitive measures are prohibited. Companies are encouraged to pay their employees a reasonable remuneration, which covers basic needs. In cases where the statutory minimum wages or industrial minimum standards do not cover the cost of living and do not leave any additional disposable income, companies will be encouraged, to pay an adequate compensation which covers these basic requirements (in accordance with ILO Conventions 26 and 131).
- **Working hours** must meet the applicable national laws and industry standards on working hours. The maximum weekly working hours shall apply in accordance with the national legislation, however, 48 hours may not regularly be exceeded. No more than 12 hours of overtime may be worked per week. Overtime may only be worked on a voluntary basis and shall be remunerated separately. Each employee shall have the right to at least one free day after six successive working days (in accordance with ILO conventions 1 and 14).
- **Health and safety at work**: clear rules and procedures for ensuring the health and safety at work must be set up and complied with, in particular with regard to the provision and use of personal protective equipment, clean toilets and access to drinking water; hygienic facilities for storing food shall be provided if required. Practices and Conditions in the workplace as well as in dormitories that violate fundamental human rights are prohibited. In particular young workers

must not be exposed to dangerous, unsafe or health-damaging situations (in accordance with ILO Convention 155 and ILO recommendations 164 and 190).

- **Prohibition of child labour** in accordance with the provisions of the conventions of the ILO and the UN and/or national legislation. Of these various standards the one with the strictest requirements shall be applied (in accordance with ILO Conventions 79, 138, 142 and 182 and Recommendation 146).
- **Prohibition of forced labour and disciplinary measures**, for example, obtained by lodging deposits or by holding back identity papers of workers at the beginning of the employment relationship, are prohibited. The application of corporal punishment, of mental and physical coercion as well as of verbal abuse is prohibited (in accordance with ILO Conventions 29 and 105).
- **Environmental and safety issues**: Procedures and standards for waste management, the handling of chemicals and other hazardous substances and their disposal as well as for emissions and for the treatment of wastewater must meet or exceed the minimum legal requirements.
- All new suppliers have to guarantee in writing that they will comply with the criteria. This declaration shall remain valid for the entire period of cooperation with POHLI GmbH & Co. KG.
- **A management system** for ensuring that the requirements of the BSCI Code of Conduct can be met is necessary. Furthermore it shall introduce an anti-bribery and anti-corruption policy that is to be observed in all business areas. Management is responsible for the correct implementation and continued improvement of the implementation of the code of conduct.