



BayWa

Guidelines for joint action
Supplier Code of Conduct

United for success.



Contents

General information 3

- Scope
- Foundation
- Compliance with laws and regulations

Social responsibility 4

- Protection of children and adolescents
- Prohibition of forced and compulsory labour
- Prohibition of disadvantage and discrimination
- Respect for employee rights
- Adequate working hours and remuneration
- Guarantee of health and safety at the workplace
- Use of security staff
- Securing basic human needs

Environmental protection and conservation of resources 5

- Reduction of energy consumption and emissions
- Optimising resource efficiency
- Prohibition of hazardous substances and waste

Integrity, ethics and anti-corruption 6

- Commitment to anti-bribery and anti-corruption
- Data protection and confidentiality

Responsibilities of the suppliers 7

- Compliance with the Supplier Code of Conduct
- Reporting violations and obligation to cooperate

Preamble

The responsible treatment of people, the environment and animal welfare is a cornerstone of our identity. To this end, BayWa also assumes economic, ecological and social responsibility along its supply chains. The groundwork is set out in this Supplier Code of Conduct, in which we define our expectations and our binding demands on suppliers, and which provides a framework for the united achievement of our common commitments.

BayWa considers itself an equal partner in its business relationships: The cooperation with our suppliers is based on partnership and mutual respect, because unity leads to success.

Editorial note:

For the sake of legibility, the masculine form is used throughout to refer to all genders equally. Corresponding terms apply to all genders in accordance with the principle of gender equality.

Copyright credits:

© BayWa AG/gettyimages.com



General information on these guidelines

I. Scope

This Supplier Code of Conduct applies to all legal entities and natural persons who sell or provide goods and/or services to BayWa (BayWa AG and all companies in which BayWa AG directly or indirectly holds a majority stake) either directly or through third parties, for example affiliated companies, intermediaries, sales representatives or subcontractors. All these persons are hereinafter referred to as “suppliers”. The fundamental requirements in this Supplier Code of Conduct are binding for all BayWa suppliers and their employees. In addition, suppliers must adequately address the regulations of our Supplier Code of Conduct along their supply chain.

II. Foundation

This Supplier Code of Conduct is based on the following internationally applicable standards and conventions:

- UN Global Compact
- International Bill of Human Rights including the relevant rights from the UN Civil and Social Covenants
- UN Guiding Principles on Business and Human Rights
- UN Convention on the Rights of the Child
- UN Convention on the Elimination of all forms of Discrimination Against Women
- The International Labour Organisation’s (ILO) fundamental principles and rights at work
- Nationaler Aktionsplan Wirtschaft und Menschenrechte (German National Action Plan for Business and Human Rights)
- OECD Guidelines for Multinational Enterprises
- OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas
- Paris Climate Accords
- Minamata Convention
- Basel Convention
- Stockholm Convention on Persistent Organic Pollutants

III. Compliance with laws and regulations

BayWa suppliers must comply with applicable international and national legal provisions. Should the requirements of this Supplier Code of Conduct go beyond locally applicable laws and regulations, our set of rules is binding.

In order to guarantee human and labour rights as well as environmental protection, our suppliers commit to safeguarding the protected legal positions set out in the “Lieferkettensorgfaltspflichtengesetz” (German Supply Chain Due Diligence Act). These are explained in detail in the following paragraphs.

Should the BayWa Supplier Code of Conduct contradict local legal provisions, suppliers shall inform BayWa immediately.



1.1 Social responsibility: Commitment to human rights and humane working conditions

Protection of children and adolescents

No child labour shall be involved at any stage of the production or machining process. Suppliers must comply with the minimum standards of the ILO Conventions on the minimum age for admission to employment or work and on the prohibition of child labour, and take all necessary measures to prevent the hiring of persons below the legal minimum age. The minimum age for employment shall not be less than the age at which compulsory education ends and in no case less than 15 years. National labour standards for the protection of children and adolescents must be complied with (the exceptions of the relevant ILO Conventions apply). Children and adolescents who have not reached the age of 18 may not be exposed to any activity which, by its nature or the circumstances in which it is carried out, is harmful to their health, safety or morality. They may not be used, procured or offered for illicit activities (in particular for the production and trafficking of drugs or for prostitution, the production of pornography or pornographic performances).

Prohibition of forced and compulsory labour

Any form of forced or compulsory labour is strictly rejected. This includes any labour or service required of a person under threat of punishment and for which that person has not volunteered, modern slavery, involuntary or exploitative prison labour, human trafficking or other forms of exploitation. No employee shall be forced into employment, directly or indirectly, by force and/or intimidation. No one shall be subjected to verbal, psychological, sexual and/or physical violence, coercion or harassment. We strictly demand this from our suppliers as well as from their supply chains.

Prohibition of disadvantage and discrimination

Any kind of discrimination is prohibited. In particular, any exclusion, preference or distinction based on ethnic origin, social origin, health status, skin colour, gender, age, creed, political opinion, membership in a workers' organisation, physical or mental disability, nationality, sexual orientation, pregnancy or other personal characteristics is prohibited.

Respect for employee rights

All employees have the right to join and form associations of their choice, to bargain collectively and to exercise collective rights (for example, freedom of association, right to bargain collectively, right to strike). The exercise of these rights must not result in discrimination or retaliation against the employee. With regard to the recognition of these rights, BayWa's suppliers are also responsible for those employees who are employed by their subcontractors.

Adequate working hours and remuneration

Working hours (including overtime) shall comply with applicable law, relevant industry standards or relevant ILO Conventions, whichever is more stringent. Suppliers shall ensure that wages paid are at least equal to the statutory/tariff or industry minimum wage of the respective country. In the absence of statutory or industry minimum wages, suppliers shall ensure that wages paid cover the basic needs of employees, taking into account other attributable circumstances (for example, part-time employment, secondary income activities). Suppliers shall ensure that there is no unequal treatment. Unequal treatment would exist in particular if unequal remuneration is paid for work of equal value.



1.2

Guarantee of health and safety at the workplace

Suppliers shall take all necessary measures (for example, monitoring/management system/protective equipment/emergency plans) required in order to prevent damage to health and to prevent accidents that may arise in connection with the performance of work.

These measures may not be less than those resulting from applicable national provisions. In addition, continuous improvement of health and safety measures in the workplace must be made a priority.

Use of security staff

If third parties (private or public security staff) are employed to protect the company's project, suppliers must ensure that employees' basic rights are protected through appropriate instruction and supervision of such third parties. This means in particular a prohibition of torture, cruel, inhumane or degrading treatment or injury to life or limb. In addition, freedom of association and freedom to form a coalition must be guaranteed.

Securing basic human needs

Suppliers shall ensure that their business activities do not cause harmful soil changes, water pollution, air pollution, harmful noise emissions or excessive water consumption that significantly affect the natural resources used as a basis for the conservation and production of food.

Furthermore, they must not damage a person's health, deny a person access to safe drinking water, or make it difficult or impossible for a person to access sanitary facilities.

Land, forests and waters which serve as a person's means of livelihood may not be unlawfully seized or such persons evicted for the purpose of acquisition, construction or other use.



2 Environmental protection and conservation of resources

Reduction of energy consumption and emissions

Suppliers are encouraged to set targets and take appropriate measures to reduce and minimise hazardous air emissions, greenhouse gas emissions and energy consumption.

Optimising resource efficiency

Suppliers shall strive to increase the resource efficiency of materials used and minimise the environmental impact of their business operations.

Reasonable efforts are expected to be made to reduce and minimise the amount of waste or wastewater generated (for example, through recycling measures and reuse of materials). These measures are intended to achieve recyclability.

Prohibition of hazardous substances and waste

In order to prevent environment-related risks, suppliers shall comply with the regulations of the Minamata Convention.

These prohibit the manufacture of products containing mercury, the use of mercury and mercury compounds in manufacturing processes and the treatment of mercury waste.

The bans on persistent organic pollutants (“POPs”) set out in the Stockholm Convention apply to the production and use of chemicals.

Suppliers shall handle, collect, store and dispose of waste in an environmentally sound manner in accordance with the requirements of the applicable legal system and the Stockholm Convention. They must also comply with the prohibitions on the export and import of hazardous waste as defined in the Basel Convention.

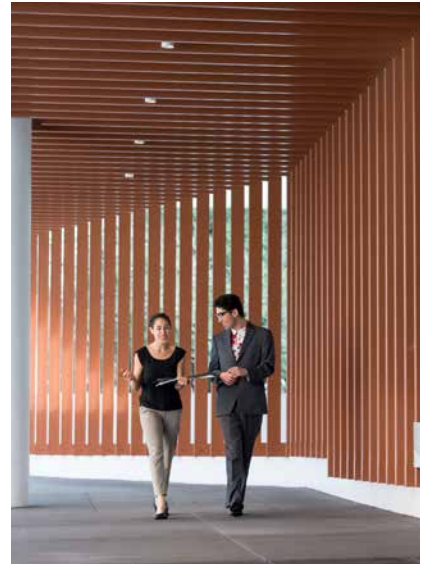
3 Integrity, ethics and anti-corruption

Commitment to anti-bribery and anti-corruption

BayWa condemns any form of bribery or corruption. All suppliers and their employees shall conduct themselves in such a way that no personal dependence, obligation or influence arises and that even the impression of such is avoided. Suppliers are required to make decisions solely on a factual basis and may not be influenced by personal and private financial interests. We expect professional conduct based on fairness and compliance with applicable national and international regulations.

Data protection and confidentiality

Suppliers undertake to protect and safeguard personal and confidential information obtained in the course of business and to ensure compliance with the applicable national and international regulations in force in the field of data protection law.



4 Responsibilities of the suppliers

Compliance with the Supplier Code of Conduct

BayWa reserves the right to monitor adherence to the Supplier Code of Conduct. For this purpose, suppliers shall provide written information in response to enquiries and, if required/if risks are identified by BayWa, actively participate in the development of remedial measures.

Suppliers shall provide access to required documentation for the purpose of the respective audit.

In the event of non-adherence to this Supplier Code of Conduct, the suppliers are obligated to immediately and independently initiate necessary remedial measures. Regardless of whether the direct suppliers themselves or the subcontractors they use fail to take appropriate remedial action, BayWa shall have the right to terminate the business relationship in accordance with contractual or statutory provisions.

BayWa offers training courses that serve to prevent human rights and environmental violations, and which explain the obligations contained in this Supplier Code of Conduct. The current training course can be accessed under the following link: baywa.com/hr-elearning.

Reporting violations and obligation to cooperate

If suppliers become aware of a violation of this Supplier Code of Conduct, they must report it immediately. They commit to fully cooperating in clarification procedures.

The legitimate interests of the suppliers as well as the observance of the rights of employees, in particular with regard to the protection of data and company secrets, shall be protected in the reporting of violations. This also applies to violations of suppliers' subcontractors.

Furthermore, suppliers shall inform potentially affected parties of the rights provided by this Supplier Code of Conduct and point out the possibility of reporting violations directly to BayWa.

Information on violations of this Supplier Code of Conduct can be reported to BayWa at any time – also in anonymised form – via the CompCor digital whistleblowing system (baywa.compcor.de/en). The information is processed by BayWa AG's Social Compliance Team together with the necessary internal departments. The whistleblowers are informed about the processing and the result.

Suppliers warrant that they will refrain from taking any adverse or disciplinary action against whistleblowers in connection with the processing of the reported information.

