

CODE OF CONDUCT FOR SUPPLIERS

Introduction

This Code of Conduct for suppliers is based on the "Declaration of Principles for Compliance and Respect for Human Rights" (www.woerwag.com) and defines the requirements that Wörwag places on its suppliers, as well as their sub-suppliers, with regard to their responsibility for safety, health, environment and human rights. Wörwag reserves the right to change the requirements of this Code of Conduct accordingly. In this case, Wörwag expects its suppliers to accept such changes.

Any violation of the following requirements shall be considered an essential breach of the contractual relationship on the part of the supplier. In the event of suspicion of non-compliance with the requirements described in the Code of Conduct (e.g. negative media reports), Wörwag reserves the right to demand information on the relevant facts. Furthermore, Wörwag shall be entitled to terminate without notice any or all of its contractual relationships with suppliers who demonstrably do not comply with the Code of Conduct or who do not strive for and implement improvement measures after a reasonable period of time has been set for them by Wörwag.

1. Compliance with Legal Provisions

The laws of the applicable legal system(s) have to be observed, in particular human rights have to be respected.

2. Fair Competition

It is the policy of the supplier to promote fair competition. Competition is based on the principle of merit and has to be conducted objectively and honestly. The supplier shall comply with the applicable competition regulations and antitrust laws.

3. Prohibition of corruption and bribery

Corruption as the abuse of a position of trust by taking advantage, granting advantage and bribery, in which an advantage is offered, promised or granted to decision-makers, has to be avoided in any kind of business conduct. All business partners have to be treated fairly. Decision processes may only be shaped by objective consideration. Reliability, quality and competitive prices are the basis of the supplier relationship. The supplier will not tolerate any form of corruption or bribery in any way, including any unlawful payment offers or similar inducements to employees of other companies, business partners or government officials to influence decision-making.

4. Respect for human rights, fundamental rights of employees

The supplier shall promote equal opportunity and equal treatment of its employees regardless of race, caste, nationality, religion, age, disability, gender, marital status, sexual orientation, trade union membership or political affiliation. The company particularly strives to comply with the ETI Base Code as of April 01, 2014 (available on the Internet at www.ethicaltrade.org). The personal dignity, privacy and personal rights of each individual have to be respected. No one may be employed or forced to work against their will. Appropriate remuneration has to be provided and the statutory national minimum wage has to be guaranteed. The maximum working hours laid down by law in the respective country have to be observed. The freedom of association of employees has to be respected to the extent permitted by law and members of employee organisations or trade unions may not be favoured or disadvantaged.

5. Prohibition of child labour

The supplier is responsible for the protection of employees in their working environment, in particular not to employ persons who are not at least 15 years old or

who process conflict raw materials. In countries covered by ILO Convention 138, the minimum age may be reduced to 14 years.

6. Employee health and safety

The supplier is obliged to comply with all safety regulations - whether stipulated by law, authority, manufacturer, company, etc. The supplier has to assume responsibility for health and safety of his employees, contain risks and take the best possible precautionary measures against accidents and occupational diseases. Hazards that have been identified and/or considered to be possible and that could cause harm to people or the environment have to be reported to the relevant departments within the company.

An appropriate occupational safety management system has to be set up and applied.

7. Environmental protection

The environmental protection regarding the legal norms and international standards has to be considered, the environmental impacts have to be minimized and the environmental protection has to be continuously developed and applied to an appropriate environmental management system.

8. Conflicts of Interest - Private Activities

The supplier shall advise and encourage employees to avoid situations in which their private and financial interests conflict with those of the company.

9. Establishment of a body to receive reports

The supplier shall set up a body which shall treat the information disclosed and the person of the party disclosing it confidentially, so that no disadvantage from his/her report may occur. The supplier also has the possibility to report human rights violations

via an anonymous whistleblower system of the customer Wörwag (compliance@woerwag.com).

10. Supply chain

The supplier shall appropriately promote compliance with the contents of the Code of Conduct by his sub-suppliers. The principles of non-discrimination in his supplier selection and in his dealings with his sub-suppliers shall be observed.

11. Protection of Business Secrets

Business secrets must be treated as confidential. This also applies to information in which business partners or customers have an interest. Any further transmission to third is not permitted.

12. Declaration of the supplier

The supplier hereby undertakes to comply with the above principles and requirements of this Code of Conduct in addition to the obligations arising from the supply contracts.

Place, date

Signature

Name (printed), function, company stamp

This document has to be signed by a duly authorised representative of the supplier and returned to Wörwag within 20 working days of receipt.
