

CODE OF CONDUCT

TEEKANNE GmbH & Co. KG (TEEKANNE) is committed to only using suppliers that strive to conduct business in a highly professional and ethical manner. We believe that our business has an impact on human rights issues, in particular in relation to people's working and living conditions. This *Code of Conduct* outlines key areas that TEEKANNE requires from a company in respect to its personnel practices & policies. It is based on the Fundamental Principles of Rights at Work and ILO Declaration of 1998. It is our intention to make sure, that the basic principles of this *Code of Conduct* are met by all stakeholders in the supply chain.

HEALTH & SAFETY

- The supplier must provide a safe and healthy working environment for all its workers and employees.
- This includes fire prevention, use of adequate fire fighting equipment and emergency evacuation plans.
- Workers have to be protected efficiently from hazardous working conditions (e.g. dust, noise, extended exposure to sunlight).
- Other areas to be covered are basic first aid, access to potable water and appropriate sanitary facilities.

ENVIRONMENT AND SUSTAINABILITY

- TEEKANNE is committed to the protection of the environment and requires its suppliers to conform to regulatory standards.
- National and international regulations on biodiversity conservation have to be observed, especially with regard to the use of wild crafted raw material and the protection of forest land.
- Land use shall be sustainable and in line with established guidelines for *Good Agricultural and Hygiene Practices* and prevent degradation, such as soil erosion or unacceptable pesticide contamination of ground waters.
- Waste material should be collected, stored and disposed off in an appropriate manner, trying to minimize environmental pollution.
- Suppliers must handle chemicals with care and according to good practices. Furthermore, hazardous waste has to be handled, stored and disposed off in an environmentally safe manner.

WORKING HOURS & COMPENSATION

- The supplier shall pay wages to its employees, including compensation for overtime, and working hours in accordance to legal requirements, especially in compliance with minimum wage requirements. Additionally it is expected that the supplier is aware of local living wage requirements and is encouraged to pay wages that are equal or above living wage. A living wage is an income enabling a person to cover the basic needs of half an average sized family such as education, food and transport. The employer can demonstrate that the wages (including existing social benefits, in-kind benefits and bonuses) paid to all workers for normal working hours are equal or above living

wages. Information about working hours, overtime compensation, benefits and notice time are indicated in work contracts or described in an employee handbook or similar.

CHILD LABOUR

- Child labour is defined as work performed by children, which interferes with a child's right to healthy growth and development and denies him or her the right to quality education. The use of children in the supply chain of goods and services for TEE-KANNE therefore is prohibited. No one must be employed under the national legal minimum age limit. All measures to avoid child labour shall be implemented taking into account the best interests of the child.
- The supplier must abide by the respective ILO Convention (namely Conventions No. 138 & No.182), and comply with all relevant national and international laws, regulations and provisions applicable in the country of production.

FORCED LABOUR

- The supplier shall not make use of forced, prison, bonded, or involuntary labour.
- The supplier shall allow its employees to freely leave the factory premises when their work shift ends.
- The supplier shall not withhold ID cards, passports or require deposits (e.g. for working clothes or uniforms).
- If employment contracts are terminated according to agreed notice time, the supplier shall not make any salary deductions for workers who leave.

DISCIPLINE AND HARASSMENT

- All employees must be treated with dignity and respect.
- Suppliers shall not discriminate with regards to employees based on race, creed, sex, marital or maternal status, age, political affiliation, national origin, sexual orientation or any other basis prohibited by law.
- The supplier must not abuse its workers in any way and shall not engage in or support the use of corporate punishments, threats of violence, and other forms of mental or physical coercion or engage in sexual harassment.

COMPANY PROCEDURES

- Employees shall be employed according to applicable laws and regulations.
- The supplier shall provide its employees with all legally mandated benefits to which they are entitled, especially for medical and social insurance.
- The supplier shall not prevent employees or workers from exercising collective bargaining and associating freely.
- The supplier shall maintain personnel records including documentation of age, payment of wages and working hours for each employee, and temporary workers.

SUB-CONTRACTING

- It is the responsibility of the supplier to make sure that sub-contractors also abide to the requirements of this *Code of Conduct*. They oblige themselves to forward this code of conduct to all levels of their suppliers and have them acknowledge it, or establish

other appropriate measures (such as procurement policies) to ensure responsible sourcing in the food chain.

CORRUPTION

- TEEKANNE will not work with suppliers who work in a non-ethical or an improper manner. This also includes such things as bribes, kickbacks or gifts & favors since it is our business principle to work against corruption in all its forms including extortion and bribery.

COMPLIANCE

- TEEKANNE supports its suppliers to continuously improve their operations and practices. Believing in long-term relationships, we do continue business in case of non-compliances as long as there is a willingness to improve in the right direction with an agreed plan of action. Repeated critical non-compliances will result in the termination of business with the supplier concerned. To ensure compliance and to support or follow up developments, TEEKANNE will conduct regular inspections and furthermore reserves the right to assign independent third party auditors to check the requirements of this *Code of Conduct*.
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I have read and understood the above *Code of Conduct* and hereby confirm to act in line with its requirements.

Name of company.....

Company Stamp/Seal

Place.....

Date

Signature

This document must be signed by a duly authorised representative of the company and returned to TEEKANNE.