



## **TEEKANNE CODE OF CONDUCT**

TEEKANNE GmbH & Co. KG (TEEKANNE) has decided to only work with suppliers who strive to conduct their business in a highly professional and ethically responsible manner. We believe that our business activities have an impact on human rights issues, particularly in relation to people's working and living conditions. This Code of Conduct outlines key points that TEEKANNE requires a company to observe in its human resources practices and policies. It is based on the fundamental principles and rights at work and the ILO Declaration of 1998. We want to ensure that the fundamental principles of this Code of Conduct are respected by all parties involved in the supply chain.

### **HEALTH & SAFETY**

- The supplier must ensure a safe and healthy working environment for all its employees.
- This includes fire protection, use of appropriate fire fighting, fire-fighting equipment and emergency evacuation plans.
- Workers must be effectively protected from hazardous working conditions (e.g. dust, noise, prolonged work in the sun).
- Other areas to be covered are basic first aid, access to drinking water and adequate sanitary facilities.

### **ENVIRONMENT AND SUSTAINABILITY**

- TEEKANNE is committed to environmental protection and requires its suppliers to comply with regulatory standards.
- The national and international regulations on the conservation of biodiversity must be complied with the use of raw materials from wild collection and the protection of forest land.
- Land use must be sustainable and comply with established guidelines on good agricultural and hygiene practices. It must prevent soil degradation, such as soil erosion or unacceptable pesticide contamination of groundwater.
- Waste must be collected, stored and disposed of in an appropriate manner in an attempt to minimize environmental pollution.
- Suppliers shall handle hazardous chemicals and substances with care and in accordance with good practice. All applicable laws, including the Minamata Convention, regarding the storage, disposal and movement of hazardous substances must be complied with.
- Furthermore, hazardous waste must be handled, collected, stored and disposed of in an environmentally sound manner in accordance with the Stockholm Convention. Similarly, the production and use of chemicals is prohibited in accordance with the aforementioned convention.
- The import and export of hazardous and other waste as defined by the Basel Convention, as amended, is also prohibited.



- Teekanne pursues a climate strategy that is based on the requirements of the Science Based Target Initiative. The aim is to contribute to achieving the 1.5 degree target agreed at the UN Climate Change Conference in Paris by reducing the emissions caused during production and in the supply chain. The supplier is required to provide support in balancing CO2 emissions and to take appropriate measures to increase energy efficiency and reduce and/or avoid greenhouse gases.

#### EMPLOYMENT CONTRACTS, WORKING HOURS, REMUNERATION, OCCUPATIONAL HEALTH AND SAFETY AND FREEDOM OF ASSOCIATION

- The remuneration of employees by the supplier, including overtime payment, as well as the working hours must comply with the legal requirements, in particular in compliance with the minimum wage regulations. Information on working hours, overtime payment, social benefits and notice periods must be specified in employment contracts or described in an employee handbook or in a similar form. The relevant employment contract or the relevant extract from the employee handbook must be provided to employees. In addition, the supplier is expected to be aware of local living wages and is encouraged to pay wages that meet or exceed the living wage. A living wage is an income that enables a person to meet the basic needs of half of an average family in terms of education, food and transportation. The employer can prove that the wages paid to all workers for normal working hours (including existing social benefits, benefits in kind and bonuses) are equal to or above the living wage.
- It is prohibited to disregard the applicable occupational health and safety obligations under the law of the place of employment if this could result in the risk of accidents at work or work-related health hazards.
- It is prohibited to disregard the right to freedom of association (i.e., among other things, the right to form and join trade unions and to ensure the free operation of trade unions).

#### DISCRIMINATION AND DIVERSITY / SETTING UP A COMPLAINTS CHANNEL

- Based on the tradition of a family business, TEEKANNE stands for a culture of openness, respect and appreciation. We are convinced that all people must be treated equally. For this reason, no one may be discriminated against or disadvantaged because of age, nationality, religion or ideology, gender, sexual orientation, disability, social and ethnic origin, or other visible and invisible characteristics.
- The supplier may not harass or abuse its employees in any way, either in the workplace or in their private environment. The use of corporal punishment, the threat of violence, any other form of mental or physical coercion and sexual harassment must not be practiced, supported or tolerated.
- We expect the supplier not to tolerate discrimination and to ensure that grievances are identified and resolved.
- To ensure this, the supplier must set up an appropriate and easily accessible grievance channel for all its employees. Complaints received through this



channel, particularly with regard to human rights and environmental issues, must be taken seriously and followed up at all times. The supplier must take appropriate remedial action depending on the severity of the complaint received.

- Should any complaints or incidents become known, the supplier has a duty to inform TEEKANNE about the measures taken.
- If the supplier has not set up its own complaints channel, it can use the complaints channel of the German Tea Association (for raw materials suppliers) or the Teekanne internal complaints channel (for all other suppliers). This should be made easily accessible and barrier-free to all employees of the supplier. The two complaint channels mentioned can be found on the Teekanne website under the keyword "Whistleblowing".

#### CHILD LABOR

- Child labor is defined as work by children that interferes with a child's right to healthy growth and development and denies them the right to a quality education. The use of children in the supply chain of goods and services for TEEKANNE is therefore prohibited, if it is not in line with the child's rights. No person under the national legal age limit may be employed. Proof of age must be checked and documented before employment.
- All measures to prevent child labor must be implemented taking into account the best interests of the child.
- The supplier must comply with the relevant ILO Convention (specifically Conventions No. 138 and No. 182) and all relevant national and international laws, regulations and provisions that apply in the country of production.

#### FORCED LABOR

- Supplier shall not use forced, bonded or involuntary labor; any form of deception, intimidation or coercion of workers and all forms of slavery and slavery-like practices are prohibited.
- The supplier must allow its employees to leave the factory premises unhindered at the end of their shift.
- The supplier may not withhold identity cards or passports or demand deposits (e.g. for work clothing or uniforms).
- If accommodation is provided to workers, it must fully comply with the legal requirements.
- Employees must be able to terminate their employment relationship at any time in accordance with the statutory provisions. If employment contracts are terminated in accordance with the agreed notice periods, the supplier may not reduce the salaries of departing employees.



## COMPANY PROCEDURES

- Employees must be employed in accordance with the applicable laws and regulations.
- The supplier must provide its employees with all legally prescribed benefits to which they are entitled, in particular with regard to health and social insurance.
- The Supplier shall not prevent workers or employees from exercising their right of collective bargaining autonomy and their freedom of association.
- The Supplier shall maintain personnel records for each employee or temporary worker, including documentation of age, wage payments and working hours.

## USE OF SUBCONTRACTORS

- The supplier is responsible for ensuring that subcontractors also fulfill the requirements of this Code of Conduct. They undertake to communicate this Code of Conduct to their subcontractors at every level and to have it endorsed by them or to establish other appropriate measures (such as procurement guidelines) to ensure responsible sourcing within the food chain.

## CORRUPTION

- TEEKANNE does not work with suppliers who operate in an unethical or unlawful manner. This includes bribes, kickbacks, gifts and favors, as it is our business principle to fight corruption in all its forms, including extortion and bribery.

## COMPLIANCE

- TEEKANNE supports its suppliers in the continuous improvement of their operations and practices. We value long-term relationships and therefore only continue the business relationship in the event of non-compliance on the condition that there is a willingness to move in the right direction on the basis of an agreed action plan, i.e. to eliminate the non-compliance identified as part of the action plan. Repeated significant non-compliance will result in termination of the business relationship with the supplier concerned. To ensure compliance and support or follow up on the development, TEEKANNE will conduct regular inspections and reserves the right to have independent third party auditors verify compliance with the requirements of this Code of Conduct.



I have read and understood the above Code of Conduct and hereby confirm that I will act in accordance with its requirements.

Company name ..... Company stamp/seal

Place ..... Date ..... Signature .....

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