

Code of Conduct

hagebau

Handelsgesellschaft für Baustoffe mbH & Co. KG

Preamble

We, the hagebau Group, as a purchasing organisation stand together with our shareholders for a strong community. Together, we want to achieve more for our customers and our community which includes our business partners (so called: „Soltauer Weg“).

In this community we have firmly anchored core values such as appreciation, honesty and trust, as well as taking responsibility for our actions and credibility („Spirit“).

This Code of Conduct sets our binding requirements and expectations for both our business partners and ourselves to respect and comply with these values, particularly with regard to social responsibility, ethical corporate governance and occupational health and safety. These values and general principles described in our Code of Conduct are based on existing international conventions such as the UN Human Rights Charter, the OECD Principles or the conventions and recommendations of the International Labour Organisation („ILO“). They apply equally to the workforce of the hagebau Group and to our business partners. We, the hagebau Group, expect our business partners to comply with the principles set forth herein and commit themselves to enforce them both within their own business and their own workforce as well as address them appropriately along their wider supply chain.

Compliance with this Code of Conduct has a decisive influence on the selection and design of all business relationships of the hagebau Group with our business partners and entitles hagebau to suspend or even terminate the contractual relationship in the event of violations of human rights or environmental obligations by the contractual partner, provided that the requirements for this are met (Section 6 (4), 7 of the German Supply Chain Due Diligence Act, hereinafter „LkSG“).

The hagebau Code of Conduct is reviewed regularly and amended as necessary. Any changes will be communicated to the business partners in due time and sent for their approval.

Soltau, June 01, 2023

Jan Buck-Emden

Frank Staffeld

Management

hagebau Handelsgesellschaft für Baustoffe mbH & Co. KG

For any ease of reading, only the masculine form is used in this Code of Conduct. This is intended to address persons of any gender equally.

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1 Responsibility as a member of society

The hagebau Group („hagebau“) is aware of its social responsibility – especially the well-being of people and the environment. hagebau makes its contribution for a sustainable development.

In detail, the following principles result from social responsibility:

1.1 Human rights

The United Nations Declaration of Human Rights and the European Convention for the Protection of Human Rights and Fundamental Freedoms set out the requirements and expectations of the international community with regard to respect for and observance of human rights.

hagebau and its business partners respect, protect and promote the applicable regulations for the protection of human and children's rights worldwide as fundamental and universally applicable requirements. Any use of child, forced or compulsory labour as well as any form of modern slavery or human trafficking is rejected. This applies not only to cooperation within hagebau, but is naturally also assumed for the conduct of and towards business partners.

1.2 Equal opportunities and equal treatment

hagebau is committed to fair, unprejudiced and open dealings and thus actively promotes equal opportunities and equal treatment. hagebau promotes respectful and cooperative interaction and expects the same from its business partners. Diversity and tolerance are not just buzzwords, but values that are lived out in practice. hagebau is convinced that this will help to maintain and increase productivity, competitiveness, innovation, creativity and efficiency.

hagebau and its business partners offer equal opportunities for all. They do not discriminate against anyone and do not tolerate discrimination based on ethnic or national affiliation, gender, religion, ideology, age disability, sexual orientation, skin colour, pregnancy, political views, social origin or other characteristics.

hagebau and its business partners live diversity, actively promote inclusion and create an environment that fosters the individuality of each individual in the interest of the company.

1.3 Freedom of association

hagebau and its business partners respect the right of employees to form organisations of their choice, to join them in accordance with the law of employment, to engage in collective bargaining and to strike.

Joining, forming or mere membership in these associations shall not be grounds of discrimination or punishment.

1.4 Fair wages

Fair and adequate remuneration is a prerequisite for employees to secure their existence, to cover their ordinary living expenses and to build up a minimum level of reserves.

Therefore, remuneration for regular working hours as well as overtime must at least correspond to the national statutory minimum wages or minimum standard customary in the industry.

hagebau and its business partners ensure that all employees receive at least statutory minimum wage of the country concerned as well as all legally required benefits.

1.5 Environmental protection and sustainability

hagebau is committed to ensure that its economic activities take environmental concerns into account. It will take measures to protect the environment and promote environmental protection. It is also committed to operate in a sustainable and environmentally compatible manner and will take these aspects into account in all entrepreneurial activities.

Business partners of hagebau undertake to take environmental protection concerns (in particular the Minimata Convention, Stockholm Convention on Persistent Organic Pollutants „POPs“ and Basel Convention) into account, to promote sustainability in the sale of their products and services and to address them appropriately within their supply chain.

hagebau and its business partners always include aspects of environmental protection, in particular resource and climate protection, in their economic activities.

For hagebau and its business partners, the conservation of natural resources and the natural basis of life for all is a high general good that requires special attention.

For this reason, hagebau and its business partners are committed to take measures to avoid harmful impacts on nature and the environment in their own business operations and the supply chain.

These include, in particular, changes in and pollution on the soil, air and water, as well as harmful noise emissions and excessive water consumption, which are likely to significantly impair the natural basis for the preservation and production of food, impede access to drinking water or sanitary facilities or any other way harm the health of persons.

Furthermore, hagebau and its business partners do not participate in illegal evictions or unlawful deprivation of land, forests or bodies of water, the use of which secures a persons's livelihood.

2 Business partner responsibility: ethical corporate governance, anti-corruption and occupational health and safety

Integrity, transparency and fairness are crucial to being credible and trustworthy in business dealings. For this reason, hagebau attaches particular importance to consistently implementing and clearly communicating the values of ethical corporate governance in addition to self-evident legal framework and international Group guidelines and directives.

In detail, the following principles result from our responsibility as a business partner:

2.1 Ban on corruption

Corruption is a serious problem in economic transactions. Bribery and venality prevent progress and innovation, distort competition and harm society.

Corruption is prohibited. It can result in fines as well as criminal, civil and labour law sanctions for affected employees. Business partners of hagebau undertake to comply with existing laws and to prevent corruption by taking appropriate measures.

hagebau and its business partners do not tolerate corruption. hagebau grants benefits to business partners, customers or other external third parties only within the legally permissible framework and defined internal guidelines, which are set out in detail in the Anti-Corruption and Benefits Guidelines.

hagebau and its business partners respect the personal interests and private lives of colleagues. However, hagebau attaches importance to avoid conflicts between private and business interests or even the appearance of such conflicts. hagebau and its business partners make their decisions solely on the basis of factual criteria and do not allow themselves to be influenced by personal interests and relationships.

2.2 Gifts, hospitality and invitations

Benefits in the form of gifts, hospitality and invitations are widespread in business relationships. hagebau regulates precisely when such gratuities are appropriate – and when they go beyond the bounds of what is permissible and could possibly influence the beneficiary in an inadmissible manner and thus be punishable by law. hagebau expects the same from its business partners

2.3 Conflicts of interest

A potential conflict of interests exists when an employee's private interest collides with the interests of the company. This can arise in particular from sideline activities. If an employee places his or her personal interests above those of the company, this can be detrimental to the company. Through internal regulation, hagebau counteracts this and expects the same from its business partners.

2.4 Donation, sponsoring and charity

hagebau makes donations (= donations on a voluntary basis without consideration) and sponsorships (= donation on the basis of a contractually agreed consideration) with the aim of positively shaping the public's reputation and perception. This can lead to conflicts of interests, for example if donations are made to friendly organisations. In order to avoid this and to ensure uniform conduct, donations and sponsoring measures are only permitted within the framework of the respective legal system and in accordance with the internal regulations of the hagebau Group. Donations and sponsorship measures are only granted at hagebau as a part of a transparent approval process.

hagebau expects from its business partners to establish regulations on donations, sponsorships and charity, and that they comply with the existing legal system.

2.5 Political representation of interests

Politics and legislation influence the economic framework conditions for economic activity. hagebau also influences society through its participation in commercial transactions and, as part of political lobbying activities, specifically contributes the company's positions to decision-making process (e.g., in legislative projects).

hagebau conducts lobbying centrally and in accordance with the principles of openness, traceability and accountability. Neutrality in dealing with political parties and interest groups is a matter of course for us. Unfair influence on politics and legislation is not permitted. hagebau expects the same from its business partners.

2.6 Prohibition of money laundering and terrorist financing

All countries in which hagebau operates have laws against money laundering and the financing of terrorism. Money laundering occurs when funds or other assets originating directly or indirectly from criminal acts are brought into the legal economic cycle and their origin is thus concealed. Even unintentional involvement in money laundering can result in severe penalties for all those involved. Terrorist financing occurs when funds or other resources are made available for terrorist crimes or to support terrorist organisations. Business partners of hagebau shall ensure that existing legal provisions in their field of activity are complied with at all times, and in particular that measures to prevent money laundering or terrorist financing are taken and maintained on a permanent basis.

hagebau and its business partners carefully verify the identity of customers, business partners and other third parties with whom it intends to enter into a business relationship. It is the goal of hagebau and its business partners to maintain business relationships only with reputable partners whose business activities are in compliance with the legal regulations and whose operating resources are of legitimate origin.

Incoming payments are immediately assigned to the corresponding services and posted to ensure transparent and open payment flows.

2.7 Taxes and duties

Due to activities in other countries and the potential development of new markets, a wide variety of legal regulations of foreign trade, tax and custom laws must be observed. Compliance with tax and customs regulations is a matter of course and helps to build trust with customers and tax authorities as well as with the general public. If irregularities occur in this area, this can result in considerable financial damage and serious reputational damage for the companies concerned. Persons who are responsible must also reckon with personal negative consequences. Business partners of hagebau are aware that they must permanently ensure compliance with all applicable tax, foreign trade and customs regulations.

2.8 Fair and free competition

Fair and free competition is protected by the applicable competition and antitrust laws. Compliance with these laws ensures that there is no distortion of competition in the market – this is to the benefit of all market participants. In particular, agreements and concerted practices between competitors that have the purpose or effect of preventing or restricting free competition are prohibited. It is also impermissible to abuse a dominant position. Such abuse may, for example, occur in the case of different treatment of customers without objective justification (discrimination), in the case of refusal to supply, in the case of the enforcement of unreasonable purchase or sales prices and conditions or in the case of tying transactions without objective justification for the additional service demanded. Anti-competitive behaviour can not only significantly damage the reputation of affected companies, but also result in severe fines and penalties – including for the responsible persons. Compliance with fair and free competition, also by its business partners, is assumed by hagebau.

2.9 Export control

Cross-border economic transactions are subject to prohibitions, restrictions, licensing requirements and other monitoring measures within the scope of export control. In addition to goods, technologies and software are also affected by export control regulations. In addition to the actual export, temporary exports, for example the taking of objects and technical drawings on business trips, as well as technical transfers, for example via E-Mail or cloud services, are also covered.

Irrespective of a delivery transaction, business with persons or companies on sanctions lists continues to be prohibited as a matter of principle. hagebau and its business partners always undertake, insofar as they may be affected, to observe all existing export regulations and to comply with prohibitions.

2.10 Complaint mechanisms

hagebau has established a complaints mechanism to enable business partners and their employees to uncover grievances that conflict with this Code of Conduct. The exact accessibility, responsibility and implementation of the procedure are defined in the corresponding regulations.

The business partner undertakes to communicate the complaints procedure to its employees and makes it accessible to them while maintaining confidentiality, identity and with effective protection against discrimination. Likewise, the business partner shall pass on information from individuals and communities that may be affected by negative impacts to the hagebau complaints system.

2.11 Occupational safety, employee rights and health protection

hagebau and its business partners take their responsibility for the safety and health of their employees seriously. Occupational health and safety within the framework of the applicable national regulations is guaranteed. In addition, the best possible conditions are created to enable each employee to perform his or her daily work as efficiently as possible.

Particularly in the area of occupational health and safety, hagebau and its business partners ensure that appropriate remuneration is paid that always complies with the law, that working hours regulations are observed, that no precarious employment relationships are maintained, and that a permanent and appropriate level of occupational health and safety is ensured at the operating sites. Child or forced labour is not tolerated. If young employees are deployed, they enjoy special protection. In addition, hagebau is committed to the right to freedom of association and the right to collective bargaining.

Adherence to these principles is a basic requirement for cooperation with hagebau and is accepted by its business partners and compliance with them is ensured.

2.12 Privacy

To protect privacy, special legal regulations exist for the handling of personal data. If personal data is to be collected, stored or processed, this generally requires the consent of the person concerned, unless there are contractual provisions and/ or another legal basis regulation concerning the handling of data. hagebau always complies with the latest data protection regulations and raises awareness of this issue among its employees. The same conduct is required of business partners.

2.13 IT Security

Information technology („IT“) or electronic data processing („EDP“) is an essential part of everyday working life, but it also harbours a large number of risks. These include, in particular, the impairment of data processing by malware (viruses), the loss of data due to program errors or the misuse of data (e.g. by hackers).

hagebau and its business partners shall ensure that an appropriate level of protection is always in place to safeguard data records so that the data used by electronic data processing is always protected against loss and access by unauthorized third parties.

Declaration of commitment

We (as business partners of hagebau)

- adhere to the principles set forth in this Code of Conduct and are committed to enforcing them both within our own business unit and our own workforce.
- commit to communicating and appropriately addressing the human rights and environmental expectations set forth in this Code of Conduct to our employees, agents, subcontractors and suppliers in at least an equivalent scope and scale and in an understandable manner along the supply chain and to take all necessary precautions to implement the requirements.

Company / hagebau supplier No.

Date / Place

Signature / Stamp