

# Code of Conduct

**For Suppliers and Agents of Peter Emming Agrarkontor- und Handel GmbH & Co. KG**  
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## INTRODUCTION

The Agrarkontor Code of Conduct for Suppliers and Agents (hereinafter, the Code) defines minimum standards of ethical and responsible behaviour which must be met by the suppliers of the products commercialized by Agrarkontor, and also by the involved agents in the course of its business, in line with the corporate culture of Agrarkontor, firmly based on the respect for Human and Labour Rights and compliance with applicable laws and regulations.

Agrarkontor undertakes to allocate the appropriate resources so that suppliers and agents are acquainted with and understand this Code and are able to ensure its compliance.

The Code shall be applied to all agents and to all suppliers that take part in the purchasing, manufacturing and finishing processes and is based upon the following general principles that define Agrarkontor's ethical behaviour:

- All Agrarkontor's operations are developed under an ethical and responsible perspective.
- All persons, individuals or entities, who maintain, directly or indirectly, any kind of employment, economic, social and/or industrial relationship with Agrarkontor, are treated fairly and with dignity.
- All Agrarkontor's activities are carried out in a manner that most respects the environment.
- All suppliers (including production centres that are not property of Agrarkontor) and all agents fully adhere to these commitments and undertake to ensure that the standards which are set forth in the Code are met.

### 1. NO FORCED LABOUR

Agrarkontor shall not allow form of forced or involuntary labour in their suppliers and agents. They may not require their employees to make any kind of "deposits", nor are they entitled to retain employees' identity documents.

Suppliers and agents shall acknowledge the right of their employees to leave their employer after reasonable notice 1.

### 2. NO CHILD LABOUR

Suppliers and agents shall not employ minors. Agrarkontor defines minors as those persons who have not yet reached their 16th birthday. In cases where local legislation stipulates a higher minimum age, the higher limit shall apply 2.

Persons with the ages between of 16 and 18 years will be considered young workers. Young workers shall not work during night hours or in hazardous conditions 3.

Agrarkontor has the following locations:

Office Germany  
Peter Emming Agrarkontor- und Handel GmbH & Co. KG  
Winterswyker Strasse 8  
Südlohn / Oeding (Germany)  
Phone: +49 2862 4189-0  
Fax: +49 2862 4189-28  
Mobile: +49 172 3778879  
Email: [peter@milkpartners.com](mailto:peter@milkpartners.com)

Office /Poland: Warszawa  
Mobile: +48 696 056 747  
e-mail: [kris@milkpartners.com](mailto:kris@milkpartners.com)

### **3. NO DISCRIMINATION**

Suppliers and agents shall not apply any type of discriminatory practice with regards the recruitment, compensation, access to training, promotion, termination of the employment agreement or retirement, based on race, caste, creed, nationality, religion, age, physical or mental disability, gender, marital status, sexual orientation and/or union membership or political affiliation 4.

### **4. RESPECT FOR FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING**

Suppliers and agents shall ensure that their employees, without distinction, have the right of association, union membership and collective bargaining.

Where the rights to Freedom of Association and Collective Bargaining are restricted under law, the appropriate channels to ensure a reasonable and independent exercise of such rights must be designed 5.

### **5. NO HARSH OR INHUMANE TREATMENT**

Suppliers and agents shall treat their employees with dignity and respect. Under no circumstances shall physical punishment, sexual or racial harassment, verbal or power abuse or any other form of harassment or intimidation be permitted.

### **6. SAFE AND HYGIENIC WORKING CONDITIONS**

Suppliers and agents shall provide a safe and healthy workplace to their employees, ensuring minimum conditions of light, ventilation, hygiene, fire prevention, safety measures and access to a drinking water supply. Workers shall have access to clean toilets facilities and drinking water. Where necessary, facilities for food storage shall be provided.

Accommodation, where provided, shall be clean and safe.

Suppliers and agents shall take the required steps to prevent accidents and injuries to health of their workers, by minimizing as much as possible the risks inherent to work 6.

4. Aspects related to labour practices will be developed according to ILO Convention 111.

5. Aspects related to freedom of association and collective bargaining will be developed according to ILO Conventions 87, 98 and 135.

6. Aspects related to labour conditions relation to work health and safety will be governed by ILO Convention 155.

### **7. WAGES ARE PAID**

Suppliers and agents shall ensure that wages paid meet at least the minimum legal or collective bargain agreement, should this latter be higher. In any event, wages should always be enough to meet at least the basic needs of workers and their families and any other which might be considered as reasonable additional needs.

Suppliers and agents shall not make any withholdings and/or deductions from wages for disciplinary purposes, nor for any reasons other than those provided in the applicable regulations, without the express authorization of workers. Likewise, they shall provide all workers with: written and understandable information about their wages conditions upon their recruitment, and detailed information about the particulars of their wages every time that these are paid.

Suppliers and agents shall also ensure that wages and any other allowances or benefits are paid on time and are rendered in full compliance with all applicable laws and specifically, that payments are made in the manner that best suits the workers 7.

#### **8. WORKING HOURS ARE NOT EXCESSIVE**

Suppliers and agents shall adjust the length of the working day to the provisions of the applicable laws or of the collective bargain agreement applicable for the sector in question, if the latter affords greater protection for the workers.

Suppliers and agents shall not require their employees to work, as a rule of thumb, in excess of 48 hours a week and workers shall be granted at least one day off for every 7 calendar day period on average.

Overtime shall be voluntary, shall not exceed 12 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate, pursuant to the provisions of the prevailing regulations in force 8.

#### **9. REGULAR EMPLOYMENT**

Suppliers and agents undertake that all the employment formulas they use are part of the applicable local laws. Thus, they shall not impair the rights of workers acknowledged under labour and social security laws and regulations by using schemes that have no real intention to promote regular employment in the framework of regular employment relationships.

7. Aspects related to payment of wages will be governed by ILO Conventions 26 and 131.

8. Working day related issues will be governed by ILO Conventions 1 and 14.

#### **10. TRACEABILITY OF PRODUCTION**

Suppliers and agents shall not assign any work to third parties without the prior written authorization of Agrarkontor. Those who outsource any work shall be responsible for the enforcement of the Code by these third parties and their employees.

Likewise, suppliers and agents shall apply the principles of this Code to any homemaker involved in their supply chain, and shall give transparency to the locations and working conditions of said homeworkers.

#### **11. HEALTH AND SAFETY OF PRODUCTS**

Suppliers are responsible for all products supplied to Agrarkontor to comply with Agrarkontor health and safety product standards so that the commercialized products do not entail any risk to customers.

#### **12. ENVIRONMENTAL AWARENESS**

Suppliers and agents shall be duly committed at all times to protect the environment and shall comply with the standards and requirements of the applicable local and international Laws and Regulations.

Likewise, they commit to comply with environmental standards established by Agrarkontor including, if applicable, the necessary measures to reduce and compensate such impact in order to apply said standards.

#### **13. CONFIDENTIALITY OF INFORMATION**

Suppliers and agents shall preserve the integrity and confidentiality of the information they may receive as a consequence of their commercial relationship with Agrarkontor.

The obligation of confidentiality will remain once the relation with Agrarkontor is terminated and it will include the obligation to return any material related to the company held by the suppliers or agents.

#### **14. CODE IMPLEMENTATION**

Suppliers and agents shall ensure that all employees, especially those in any way involved in the Agrarkontor Supply Chain, adhere to this code.

##### **14.1. TRANSPARENCY**

Suppliers and agents shall carry out their activities in an honest, upright and transparent way, keeping for these purposes and appropriate accounting records system that facilitates the traceability of their decisions, as a preventive measure versus any type of corruption, bribe and extortion that might arise.

Suppliers and agents shall not offer, grant, request or accept any gifts or donations to/from Agrarkontor employees which might infringe the provisions of the 'Agrarkontor Code of Conduct'.

Suppliers and agents shall not manipulate or influence their workers, nor shall they forge any files or records in order to alter the verification process regarding compliance with this Code.

Suppliers and agents shall neither offer nor accept remuneration of any kind which seeks, or may be perceived to seek, to affect the impartial judgment or the objectivity of such parties appointed by Agrarkontor to carry out inspections and compliance audits in connection with this Code.

## **14.2. REFERENCE TO NATIONAL LEGISLATION, CONVENTIONS AND AGREEMENTS.**

The provisions of this Code constitute only minimum standards.

Should national regulations or any other applicable Law or any other commitments undertaken or applicable, including collective bargaining agreements, govern the same issue, the provision which offers greater protection for workers shall apply.

Agrarkontor assumes, as part of its internal norms, the content of national and international Agreements and Conventions to which it has adhered, and that they are applied in its relationship with suppliers, committing to their promotion and compliance.

### **14.2.1. Anti-corruption laws**

Supplier and agent shall conduct its businesses in compliance with applicable anti-corruption laws and anti-bribery laws in each Relevant Jurisdiction and institute and maintain policies and procedures designed to promote and achieve compliance with such laws. No supplier and agent shall directly or indirectly use the proceeds of any payment for any purpose which would breach applicable anti-corruption laws and anti-bribery laws in each Relevant Jurisdiction.

### **14.2.2. Anti-Money Laundering**

No supplier and agent shall engage in, or fund all or part of any payment out of proceeds derived from, any unlawful activity which would result in any violation of any applicable law or regulation in any Relevant Jurisdiction concerning anti-money laundering or the prevention thereof.

### **14.2.3. Anti-Boycott restrictions**

Suppliers and agents will arrange that no transactions in relation to Agrarkontor will result in (i) any violation of, conflict with or liability under EU Regulation (EC) 2271/96 or (ii) a violation or conflict with section 7 foreign trade rules (AWV) (Außenwirtschaftsverordnung) (in connection with section 4 paragraph 1 a no. 3 foreign trade law (AWG) (Außenwirtschaftsgesetz)) or a similar anti-boycott statute.

## **14.3. VERIFICATION OF COMPLIANCE.**

Suppliers and agents shall authorize Agrarkontor and/or any third parties the former might appoint, to monitor the appropriate enforcement of the Code. For these purposes, they shall provide the required means and the appropriate access to the facilities and documentation required to ensure this verification.

## **14.4. REPORTING CONCERNS OR IRREGULATIONS**

Suppliers and agents will report concerns or irregularities in relation to this Code to the following email-address: info@agrarkontor.com . All reports send to this email-address will be treated confidentially.

## **15. BRIBERY, GIFTS, CONFLICTS OF INTEREST, PROHIBITED PROCEDURES AND PAYMENTS**

### **15.1. BRIBERY**

Suppliers and agents refrain from any form of corruption including extortion and active or passive bribery.

### **15.2. GIFTS**

Suppliers and agents respect that Agrarkontor employees do not give or accept any gifts or favor that could compromise or raise doubts about the neutrality of the decisions made by Agrarkontor or the supplier. Suppliers are aware of and adhere to Agrarkontor's requirements.

### **15.3. CONFLICTS OF INTEREST**

Suppliers and agents disclose to Agrarkontor all available information about conflict of interest including financial interests of a Agrarkontor employee in any of suppliers' or agents' businesses.

### **15.4. PROHIBITED PROCEDURES**

Suppliers and agents acknowledge to understand that the following procedures are prohibited: falsification of documents, collusive bidding, price fixing, price discrimination or unfair trade practices in violation of antitrust laws (OECD Guidelines for Multinational Enterprises).

### **15.5. PROHIBITED PAYMENTS**

Suppliers and agents acknowledge to understand that the Foreign Corrupt Practices Act (FCPA) makes it unlawful for certain classes of persons and entities to make payments to foreign government officials to assist in obtaining or retaining business.

## **16. CONTRACTUAL ARRANGEMENTS**

The obligations under this Code are additional to the Supplier's (or Agents') other obligations pursuant to any contract between Agrarkontor and the Supplier (or Agent).

The obligations under this Code shall continue in force in respect of any deliveries from the Supplier to Agrarkontor, regardless of the termination or expiry of any purchase contract between the parties.

I, the undersigned Supplier or Agent hereby accept to adhere to the obligations set out in this Code.

Company:

Name:

Function:

Place:

Date:

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