

THIMM Code of Conduct for Suppliers und Business Partners

I. Introduction

THIMM Group has the aspiration of being an independent and responsible family-owned business. THIMM is committed to the principles stated in this Code of Conduct. At the same time THIMM extends this obligation to comply with the legally binding principles of this Code of Conduct to its suppliers and business partners and to also demand this from their direct suppliers and service providers. THIMM Group includes all companies in THIMM Holding GmbH + Co. KG (current overview see www.thimm.com/companies).

II. Scope

This Code of Conduct in its current and updated version applies to all THIMM suppliers and service providers with whom a direct business relationship exists (henceforth referred to as "business partners"). The currently valid version of this document can be found on our company website www.thimm.com/tsr.

1. Legislative compliance

All valid domestic and worldwide legislation and regulations, plus industrial minimum standards, conventions of the International Labour Organisation (ILO)* ([see Page 5](#)) and the United Nations and all other relevant statutory provisions are to be complied with, whereby those regulations are to be applied which have the strictest requirements.

Compliance with this Code of Conduct plus the standards listed above must not be circumvented by ancillary agreements such as contractual agreements or comparable measures.

2. Bribery and corruption

THIMM declares that it is against corruption and bribery and demands that its business partners observe statutory provisions to combat corruption. Business partners ensure that they do not offer, promise or grant any inadmissible benefits to THIMM employees** ([see Page 5](#)) or to any persons close to them. The same applies to all persons who act in accordance with instructions from the business partners.

Any notifications of corrupt conduct are to be reported to the independent, external contact partner ([ombudsman, see Section iv\) Complaints procedure](#)). In a regulated procedure the ombudsman interfaces directly with the management board of THIMM Group and preserves the anonymity of the notifying party with the company if required.

3. Anti-monopoly law and competition

THIMM observes all applicable domestic, EU and relevant foreign anti-monopoly laws as well as any legislation relating to unfair competition and also expects this from its business partners. Price or terms and conditions agreements with competitors are therefore also forbidden as are other agreements which have the effect of restricting competition, and in particular specific agreements with competitors with the purpose of market or customer allocation.

Any notifications of anti-competitive conduct are to be submitted to the independent, external contact partner ([ombudsman, see Section iv\) Complaints procedure](#)). In a regulated procedure the ombudsman interfaces directly with the management board of THIMM Group and preserves the anonymity of the notifying party with the company if required.

4. Occupational health and safety

In the view of THIMM a safe and healthy working environment is a crucial company success-factor. Business partners shall take care to ensure a safe, healthy and hygienic working environment and shall

take the requisite measures to avoid accidents and damage to health which may occur in connection with any activities. Hereby it must be ensured that occupational safety standards are complied with. In this regard business partners shall implement appropriate and transparent measures and operate systems (for instance, based on OHSAS 18001 or comparable systems) in order to identify and avoid a potential risk to the health and safety of their employees.

Furthermore, wherever relevant – additional regulations from the individual companies and sites regarding occupational protection and hygiene for example as well as other relevant provisions are to be complied with.

5. Working hours

Working hours must comply with applicable national law, industrial standards or the relevant ILO Conventions* ([see Page 5](#)), in accordance with which regulation is the stricter.

6. Remuneration

THIMM business partners shall ensure that the wage paid to employees at least corresponds to the legal minimum wage or to the minimum wage that is prescribed in the industry sector, whichever of the two is the higher. The valid minimum wage legislation is complied with. Illegal and unjustified wage deductions, in particular such that take the form of direct or indirect disciplinary measures are forbidden. Payment of the wage must be made in a way that is practical for the employees. Employees are to be regularly informed in detail and in an understandable manner about the composition of their remuneration.

7. Freedom of organisation and association

THIMM respects the rights of all employees and workers to establish and become members of trade unions and also for collective bargaining and it shall protect them from any infringements of such. THIMM also requires this from its business partners. If national standards restrict the right to association and the right to collective bargaining, then as an alternative and, as a minimum, the free and independent assembly of employees for the purpose of conducting negotiations must be enabled and permitted.

8. Child labour and young person labour

Any kind of exploitation of children and young people is not tolerated by THIMM. Child labour as defined by the ILO Conventions* ([see Page 5](#)) and the United Nations as well as national provisions is forbidden. The age limit for permitted employment shall not lie below the compulsory school leaving age and in no cases under 15 years of age. Young people must not be exposed to any dangerous, unsafe or health-damaging situations.

9. Forced labour

THIMM is against all forms of forced labour. In accordance with the ILO Conventions* ([see Page 5](#)) all forms of forced labour and compulsory labour plus all involuntary prison labour that abuses human rights are forbidden. Business partners may only employ people who have made themselves available for work of their own accord.

10. Disciplinary measures

THIMM advocates that all employees are to be treated with dignity and respect. Consequences of infringements, fines plus other punishments or disciplinary measures may only be implemented in accordance with applicable national and international standards and internationally recognised human rights. Business partners shall guarantee that no employee is exposed to verbal, psychological, sexual and/or physical violence, coercion or harassment.

11. Discrimination

THIMM and its business partners commit to forbid any type of discrimination in the appointment and hiring of personnel. In particular all forms of differentiation, exclusion or preference that are based on

- ethical, national and social origin
- race
- skin colour
- gender
- age
- nationality
- religious belief
- political opinion
- membership in a workers' organisation
- physical or mental disability
- sexual orientation

or any other personal characteristics are forbidden.

12. Environmental protection

THIMM formulates its processes in an environmentally-aware manner and commits to comply with applicable legislation and minimum regulations relating to climate and environmental protection. THIMM expects its business partners to comply with statutory provisions and with environmentally-aware business operations, and specifically:

- » to make efficient use of resources (energy, water, raw materials, fuels and additives)
- » and wherever possible to use environmentally-friendly materials,
- » to avoid emissions and waste or to reduce or recycle them,
- » to design logistics processes in an environmentally-friendly manner.

THIMM recommends its business partners to instigate appropriate and traceable measures and to operate recognised systems in order to ensure the protection of the environment. For example, these are Management Systems according to DIN ISO 14001, DIN ISO 50001 or comparable systems.

THIMM focuses intensely on a transparent paper supply chain and expects from its paper suppliers the certification according to the FSC® standard as well as strict compliance to the valid EU Timber Regulation. Business partners commit to support responsible forestry operations including a commitment not to use any illegally felled wood or wood products from non-transparent sources.

13. Confidentiality and Data Protection

THIMM expects its business partners to handle all company data in a relationship of trust. Confidential information such as the personal data of THIMM employees, customers and/or business partners and/or business information shall not be disclosed or used for purposes other than the direct cooperation with THIMM.

i. Implementation

Business partners commit to comply with the principles listed above. Compliance with the stated environmental and social standards must be proven through documentation. THIMM recommends that continuous improvements are achieved through the use of appropriate systems (definition and documentation of responsibilities, processes, objectives and measures). THIMM expects its business

partners to impose these minimum standards and also on their direct suppliers and service providers and to check compliance with them.

ii. Information and Communication

The business partner is requested to make the provisions contained in this Code of Conduct accessible to all their employees. In this regard the business partner may also communicate a corresponding in-house regulation to its employees and suppliers, provided that this regulation includes all minimum standards of the THIMM Supplier Code of Conduct and requires compliance by the supplier to at least the same extent. This Code of Conduct can be viewed at www.thimm.com/tsr at all times and can be printed out from there.

iii. Verification of compliance

The business partner thereby consents that compliance to the requirements listed above can be verified, with reasonable prior notice, either by THIMM itself or by an independent third party commissioned by THIMM. The results of the verification shall be made available to the business partner who had been subject to the examination.

iv. Complaints Procedure

Complaints or notices of infringements against this Code of Conduct can be notified at any time by THIMM in writing to the following named independent external contact partner (ombudsman). On request of the notifying party, the identity of the notifying party is to be treated in confidence as far as complaints or notices are concerned. In a regulated procedure the ombudsman interfaces directly with the management board of THIMM Group.

This complaints procedure must not be used to deliberately submit false notices or information.

THIMM Group Ombudsman Germany for complaints procedures: Dr. Dietmar Buschhaus, Götzenbreite 1, 37124 Rosdorf, Phone: +49 (0)551 900 33 530, Fax: +49 (0)551 900 33 555, Email: buschhaus(at)ra-kleinjohann.de. For our subsidiaries in the Czech Republic, France, Mexico, Poland and Romania national Ombudsmen will be elected. Please refer to the translated documents for contact details of the national Ombudsmen.

v. Consequences of infringements and remedial measures

If infringements against this Code of Conduct are established, the business partner commits to inform THIMM about such infringements immediately and in writing and to instigate relevant remedial measures. THIMM shall grant sufficient time for the remedial measures to be implemented. In the event of infringements THIMM reserves the right to terminate the respective contract irrespective of the severity of the infringement and the respective individual case, on serious grounds and without complying with any notice period.

If a business partner, with whom relations had been broken off due to non-compliance with this Code of Conduct in the past, subsequently proves that he is now in a position to comply with the requirements in full, then in principle nothing stands in the way of a resumption of the business relationship.

The undersigned confirms that the company management has been informed about the THIMM Supplier Code of Conduct and that the regulations listed in the Code of Code are complied with accordingly.

Company:

Name:

Function:

Location, Date:

**Signature of authorised representative
+ Company Stamp:**

The following overview is to be used for a better understanding of the relevant ILO Conventions. Some German laws exceed the legislative content of several Conventions. For this reason Germany has not ratified some of the Conventions listed below.

***Overview of relevant ILO Conventions and Recommendations**

[→ back to document start](#)

No.	Title
1	Hours of work (Industry)
14	Weekly rest day (industry)
26	Minimum Wage-fixing machinery
29	Forced labour
79	Night Work of Young Persons (Non-Industrial Occupations)
87	Freedom of Association and Protection of the Right to Organise
98	Right to Organise and Collective Bargaining
100	Equal Remuneration
105	Abolition of Forced Labour
111	Discrimination (Employment and Occupation)
131	Minimum Wage Fixing
135	Workers' Representatives
138	Minimum Age
142	Human Resources Development
143	Migrant Workers (Supplementary Provisions)
154	Collective Bargaining
158	Termination of Employment
159	Vocational Rehabilitation and Employment (Disabled Persons)
182	Prohibition and immediate action for the elimination of the worst forms of child labour
E 143	Recommendation concerning protection and facilities to be afforded to workers' representatives in the company
E 146	Recommendation concerning minimum age for admission to employment

Texts of conventions and recommendations English version: <http://www.ilo.org>

** This term covers both masculine and feminine workers and is used to aid readability.