

Purchasing guidelines of the Hassia Group

Foreword

The Hassia Group's purchasing guidelines serve to ensure that all purchasing activities are carried out in accordance with ecological, social and economic aspects of sustainability. These guidelines regulate the established principles and show our priorities. Our ethical principles, which we also expect our suppliers and their upstream suppliers (sub-suppliers) (hereinafter: suppliers) to comply with, are at the forefront. We have therefore developed a code of conduct, the Hassia Group's own Code of Conduct (CoC). This represents the standard for all our business relationships.

1. Ecology

Ecological aspects play an overriding role in the Hassia Group's purchasing policy. These relate not only to the origin of the goods and services obtained, but also to their production process and the certified environmental management of our most important suppliers. Under otherwise identical conditions, local and regional suppliers are given priority.

2. Human rights and social issues

Our actions are in accordance with the Business Social Compliance Initiative (BSCI), the fundamental principles and rights of the International Labour Organisation (ILO) and the ten principles of the United Nations Global Compact (Davos, 1999). We also require all suppliers and sub-suppliers to comply with these standards. We also attach great importance to compliance with the legal regulations in the countries of origin of the goods and services obtained.

3. Economy

To ensure the long-term success of our company and sustainable development, we also consider the economic aspects of our actions, which we take into account at the same time as our ecological and social objectives.

4. Sustainable action

We recognise the basic principles of the Global Compact as essential principles of our business activities. Recognising these principles is a prerequisite for us to work together with our suppliers. As a regional family business, we aim to promote and strengthen suppliers from our environment and region. For this reason, we refuse to place orders with online retailers such as Amazon and eBay.

5. Customer satisfaction

The requirements and satisfaction of our customers are our main objectives. From a purchasing perspective, it is therefore vital that we ensure a transparent supply chain from the goods and services obtained from our suppliers through to the finished product for our customers. When implementing tasks and objectives, we work together across sectors and in partnership within the company in order to achieve optimum quality, delivery reliability and sustainability.

6. Supplier selection

The Hassia Group works with a long-standing supplier base. In addition to the general company philosophy, we thoroughly check the ecological and social conditions with this supplier and when accepting a new supplier. Alongside the mandatory signing of our CoC (or the submission of a CoC with the same contact), we use a supplier self-disclosure form for this, in which the criteria that are important to us regarding the sustainability strategy of the potential supplier are queried. If these are not compatible with our view or if there are unfair business practices, these suppliers will not be approved. We randomly check our suppliers' statements regarding our requirements through supplier audits.

A handwritten signature in blue ink, appearing to read 'Schmidt'.

Michael Schmidt Managing
Director Hassia Group
Technology, Logistics, Supply
Chain

A handwritten signature in blue ink, appearing to read 'Ochs'.

Peter Ochs
Head of Central Purchasing Hassia Group