

This Code of Conduct defines the principles and requirements of PRACHT to its suppliers of goods and services regarding their responsibility for people and the environment. PRACHT reserves the right to change the requirements of this Code of Conduct in case of reasonable changes in the compliance program. In this case, PRACHT expects its suppliers to accept such reasonable changes.

THE SUPPLIER HEREBY DECLARES:

Compliance with the law

- o comply with the laws of the applicable jurisdiction(s).

Prohibition of corruption and bribery

- o Not tolerate or engage in any form of corruption or bribery, including any unlawful offers of payment or similar gratuities to government officials to influence decision-making.

Respect for the core values of employees¹

- o Promote equal opportunity and treatment of its employees regardless of color, race, national origin, social origin, disability, sexual orientation, political or religious beliefs, gender or age;
- o respect the personal rights of each individual;
- o not to employ them against their will or force them to work;
- o not tolerate unacceptable treatment of workers, such as psychological hardship, sexual and personal harassment, or discrimination;
- o not tolerate behavior (including gestures, speech, and physical contact) that is sexual, coercive, threatening, abusive, or exploitative;
- o to ensure adequate payment and to guarantee the legally established national minimum wage;
- o comply with the maximum working hours stipulated by law in the respective state;
- o to the extent permitted by law, to recognize the freedom of association of employees and to neither favor nor discriminate against members of employee organizations or trade unions.

Prohibition of child labor²

- o not to hire workers who do not have a minimum age of 15 years. In countries that fall under the exception for developing countries in ILO Convention 138, the minimum age may be reduced to 14 years.

Health and safety of employees

- o to take responsibility for health and safety towards its employees;
- o to contain risks and ensure the best possible preventive measures against accidents and occupational diseases;
- o Provide training and ensure that all employees are knowledgeable on the topic of workplace safety;
- o Establish and implement an appropriate occupational safety management system. ³

Environmental protection⁴

- o to observe environmental protection with regard to legal norms and international standards;
- o Minimize environmental impact and continuously improve environmental protection;
- o Establish and implement an appropriate environmental management system. ³

Supply chain

- o to appropriately promote compliance with the contents of the Code of Conduct among its suppliers;
- o to comply with the principles of non-discrimination in the selection of suppliers and in contacts with suppliers.

¹Declaration of Human Rights of Resolution 217 A (III) of 10.12.1948, <http://www.unhcr.ch/udhr/navigate/alpha.htm>

² International Labor Organization Declaration on Fundamental Principles and Rights at Work, http://www.ilo.org/public/german/region/eurpro/bonn/ilo_kernarbeitsnormen.htm

³ For more information, see www.pracht.com/einkauf/cr/code-of-conduct

⁴ Rio Declaration on Environment and Development, <http://www.oecd.org/dataoecd/56/40/1922480.pdf>

CODE OF CONDUCT - SUPPLIER'S DECLARATION

We hereby confirm:

1. We have received the "Code of Conduct for PRACT Suppliers" (hereafter "Code of Conduct"), as of Nov.2019 and hereby commit to comply with the principles and requirements of this Code of Conduct in addition to our obligations under the supply contracts with PRACT.
2. Once a year, upon PRACT's request, we will execute and send to PRACT either, at our option, (i) a written self-disclosure provided by PRACT or (ii) a written report approved by PRACT describing the actions we have taken or will take to ensure our compliance with the Code of Conduct.
3. We agree that PRACT and its representatives, or a third party commissioned by PRACT and acceptable to us are, entitled (but not obliged) to verify our compliance with the obligations under the Code of Conduct - also on site. The review will only be conducted upon prior written announcement by PRACT, within normal business hours, and in accordance with applicable data protection law; furthermore, it will neither disproportionately restrict our business activities nor violate our confidentiality agreements with third parties. We are obligated to assist PRACT in conducting a review to a reasonable extent and to bear our own costs in connection with the review; PRACT shall bear its own costs.
4. Notwithstanding any other rights and without liability towards the supplier, PRACT is entitled to terminate existing supply contracts and/or a placed order in writing at any time if the supplier (i) seriously violates the Code of Conduct or (ii) unreasonably obstructs the performance of an audit according to paragraph 3 of this clause. Serious violations of the Code of Conduct shall include, in particular, child labor, corruption and bribery as well as non-compliance with environmental protection requirements under the Code of Conduct. Except in case of intentional non-compliance with the environmental protection requirements according to the Code of Conduct or a violation of the prohibition of child labor standardized in the Code of Conduct, PRACT is only entitled to exercise the aforementioned right of termination after PRACT has given the supplier a proper opportunity to remedy the violation within a suitable period of time and this has expired fruitlessly.
5. We agree that this declaration shall be governed by the substantive law, judicial procedure and place of jurisdiction agreed for the procurement contracts and/or purchase orders between PRACT and us. In the event that no such agreement exists, this declaration shall be subject to the jurisdiction and substantive law (excluding the norms referring to other jurisdictions) at the registered office of the involved PRACT purchasing unit.
6. We agree to comply with the principles and requirements of this Code of Conduct also towards the companies affiliated with PRACT Industry GmbH (affiliated companies of PRACT Industry GmbH are for example: PRACT Logistik GmbH, PRACT Energy GmbH, PIT GmbH, Alfred PRACT Lichttechnik GmbH, PRACT Lighting Solutions GmbH,...).