

Supplier Code of Conduct

Transparent rules of conduct to
create trust and safety.



Contents

3	Preface
4	Our Mission Statement
4	Vision
4	Mission
4	Principles
5	Business relationships
5	Fair competition
5	Anti-corruption measures
6	Conflicts of interest
6	Data protection
6	Intellectual property
6	Human rights and working conditions
6	Respect for human rights
7	Prohibition of discrimination
7	Fair working conditions
7	Child and forced labour
7	Remuneration
8	Freedom of association
8	Environmental protection
8	Environmental and climate protection
8	Soil and water conservation
9	Dealing with air emissions
9	Waste disposal
9	Biodiversity
9	Energy consumption
10	Violations of the Supplier Code of Conduct
11	Acceptance of the Supplier Code of Conduct

For reasons of better legibility, the company name will solely be referred to as ERFURT. However, this Code of Conduct applies to both ERFURT & SOHN KG and to German paper solutions GmbH & Co. KG.

Preface

Friedrich Erfurt laid the foundation for the company's success story in 1827 by establishing a paper mill in Wuppertal. Almost two centuries of successful trading are a testament to good strategic decisions. The goal of our corporate strategy is to continue this success story in today's complex times and challenging future. "Walls to make you feel good" is and will remain the core element of our vision.

Our mission sets out how we will achieve our objective. Our focus is on our healthy products for walls and ceilings and our growing specialty paper business. Our corporate culture has always been shaped by a sustainable approach to business and a sense of responsibility towards our employees, society and the environment. Today, the ERFURT brand is still synonymous with these values.

Together with our entire team, we strive day after day to create healthier homes using environmentally friendly products. This agreement therefore requires our suppliers to actively support us in the day-to-day realisation of our principles, our mission, and our vision. We have summarised the requisite obligations and general conditions for a privileged partnership with ERFURT in this document, which form the basis of every business relationship.



Our Mission Statement

Our mission statement sets out the values we share and how we work together – today and in the future.

At ERFURT, we have set ourselves the goal of developing and marketing innovative products and solutions with excellent practical benefits for and with our customers, while at the same time taking responsibility for the conservation of environmental resources. We are thus laying the foundations for a sustainable business and maintaining ERFURT as a family-owned business for generations to come.

Vision

We create sustainable walls within which people feel good.

Mission

As a sustainable, family-owned business, we supply healthy brand-name products and services for the construction and residential sectors and are manufacturers of innovative specialty papers.

Principles

We have been carrying on the tradition of an independent family-owned company since 1827

We put our customers at the centre of everything we do

We are successful thanks to our motivated and qualified team

We think and act like entrepreneurs

We operate in a sustainable and socially responsible manner

We are quality and brand leaders

We work with our high-performing partners in a trusting and fair way

We secure the stability of our family-owned company through targeted acquisitions and equity interests in other companies

Business relationships

ERFURT expects its suppliers and their business partners to comply with the ten principles of the UN Global Compact and to observe the prohibitions set out in § 2 of the German Supply Chain Duty of Care Act (LkSG). In the event of any breach by the Supplier or any of our business partners, we will take immediate remedial action in accordance with § 7 (LkSG).

Certifications, such as FSC/PEFC, are preferred, but not required, provided compliance with the corresponding requirements of the certifications can be demonstrated.

Fair competition

The Supplier will respect fair competition in compliance with antitrust laws and strictly reject unilateral behaviour that penalises competitors and customers. The following agreements are not practised by the Supplier and its business partners:

- Price fixing
- Market sharing
- Customer allocation agreements
- Production limitation agreements
- Sales and distribution agreements between manufacturers and resellers, where, for example, the consumer price is determined by the manufacturer

Anti-corruption measures

The Supplier will not engage in any act of corruption, bribery, extortion or embezzlement. Contributions, such as gifts or invitations, are permitted only if they are not intended to affect the business relationship and jeopardise the independence of the business partner.

In the event that business gifts are to be exchanged to the extent permitted by law, all gifts must be recorded and communicated transparently. Monetary payments, regardless of their value, will be refused and considered an attempt at bribery. The Supplier will maintain the aforementioned rules throughout the entire supply chain and in all countries where it operates as a company.

This is based on the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, which was concluded by the Organisation for Economic Co-operation and Development (OECD) in Paris on 17 December 1997.

Conflicts of interest

A representative of the Supplier may not pursue any personal interests within a business relationship or influence the relationship in this respect. The Supplier will voluntarily report any conflicts of interest of this kind involving its own employees and ERFURT employees.

Data protection

The Supplier will comply with national and international regulations on the protection of personal data and will not pass data on to third parties without our consent. Appropriate and suitable technical and organisational measures will be taken to protect existing data from unauthorised access, use, misuse or loss.

Intellectual property

Intellectual property rights must be respected; technology, knowledge and expertise will be transferred in a manner that protects intellectual property rights and customer information.

Human rights and working conditions

ERFURT expects its suppliers and their business partners to comply with the ETI Base Code of the Ethical Trading Initiative. In the event of any breach by the Supplier or any of our business partners, we will take immediate remedial action in accordance with § 7 (LkSG).

If necessary, ERFURT reserves the right to request social audit data from its suppliers.

Respect for human rights

The supplier respects the dignity and personal rights of its own employees and of all stakeholders with whom it has a connection through activities, business relationships or products.

As soon as the Supplier becomes aware of a human rights violation within their organisation, the supply chain, a customer or other kind of business partner, this must be reported immediately to ERFURT and prevented.

This includes, for example, physical or psychological violence, discrimination of any kind, sexual abuse, bullying and suppression of freedom of speech and religion.

Prohibition of discrimination

The Supplier will not tolerate discrimination or harassment on the basis of gender, family situation, ethnic or national origin, sexual orientation, religion, political conviction, age, disability or membership of a trade union or workers' organisation, etc.

Fair working conditions

The Supplier will comply with the labour standards governing maximum permitted working hours, as set out by the International Labour Organisation (ILO). The fundamental rights of workers to limit maximum working hours and to daily and weekly rest periods will be respected.

The Supplier must commit to the health and safety of its employees and ensure that employees are adequately trained before performing any work. Personal protective equipment will be provided to employees if necessary.

Employees will be given access to sufficient quantities of drinking water and access to clean sanitary facilities.

Child and forced labour

The Supplier must not employ any children. The minimum age for employment is the legal minimum age in the respective country or the age at which compulsory education ends in the respective country, but not less than 15 years in accordance with the ILO (International Labour Organisation) regulations. Forced labour and human trafficking will not be tolerated under any circumstances.

It is important to ensure that, under no circumstances, are transactions knowingly conducted with customers, suppliers and other business partners that violate this policy.

Remuneration

The Supplier will comply with the statutory provisions in the country concerned regarding remuneration and will pay at least in accordance with the applicable minimum wage. Employees will be regularly provided with written information about the breakdown of the remuneration. Payroll deductions as a penalty are not permitted and will not be practised by the Supplier.

Freedom of association

The Supplier will respect the right of employees to establish and join organisations of their choice, to engage in collective bargaining and to strike. In cases where freedom of association and the right

to collective bargaining are restricted by law, the company will grant alternative possibilities of independent and free association of employees for the purpose of collective bargaining.

Employee representatives must be protected from discrimination. Employees may not be discriminated against on the grounds of incorporation, accession or membership of such an organisation. Employee representatives must be given free access to the workplaces of their colleagues in order to ensure that they can exercise their rights in a lawful and peaceful manner.

Environmental protection

Environmental and climate protection

The Supplier will act responsibly in the use of natural resources and comply with all environmental regulations and laws in the country concerned. The Supplier will also counteract possible environmental damage that may arise as a result of its business activities.

Environmentally harmful products, materials and raw materials will be critically assessed by the Supplier with regard to further processing, handling, storage and declaration and will be substituted where possible and economically justifiable.

Soil and water conservation

The Supplier will avoid unnecessary soil sealing to preserve the habitat of flora and fauna and to prevent the release of pollutants, e.g. stored carbon dioxide, during degradation.

The Suppliers' production facilities must comply with water quality regulations or guidelines (i.e. permits, internal guidelines or industry best practices). Local and product-related water and soil problems will be characterised at the Supplier's production site. Results from water audits or expert reports etc. can be requested as evidence if necessary. If soil sealing is required, the Supplier will obtain all the necessary approvals from the appropriate authority. The Supplier will comply with water protection regulations by not polluting the water with the illegal disposal of prohibited substances.

Waste water from operational processes, manufacturing processes and sanitary facilities must be categorised, monitored, tested and treated as necessary before discharge or disposal. Measures should also be taken to reduce the production of waste water.

Dealing with air emissions

The Supplier will regularly monitor all air, noise and greenhouse gas emissions released from its operations. Exhaust gas purification systems must also be monitored regularly and cost-effective solutions sought to minimise harmful emissions.

The production of a carbon footprint by the Supplier is welcomed.

Waste disposal

The Supplier will adhere to all measures to promote the circular economy and to ensure the environmentally sound management of waste. To this end, all waste generated will be collected, separated and then properly disposed of, taking into account its ability to be recycled.

Hazardous materials will only be identified, handled and disposed of by a trained person. The prohibitions on the export of hazardous waste set out in the current version of the Basel Convention dated 22 March 1989 must be complied with. Chemicals or other materials which pose a risk if released into the environment must be identified and handled in such a way as to ensure their safe handling, transport, storage, use, recycling or reuse and disposal. Mercury may only be used in accordance with the prohibitions of the Minamata Convention of 10

October 2013, and persistent organic pollutants only in accordance with the Stockholm Convention of 23 May 2001, as amended. If hazardous substances are released into the environment, the Supplier will immediately notify the responsible authority and take remedial action.

Biodiversity

The Supplier will take care to conserve biodiversity and avoid measures that contribute to the loss of species and endanger ecosystems.

Energy consumption

The Supplier shall have an energy management system and will implement measures to continuously reduce energy consumption of any kind. Consumption data will be recorded, collated and evaluated for this purpose.

The Supplier will consider energy consumption in the procurement and selection of machinery, vehicles, heating systems and other equipment that consumes energy. It will also aim to procure or generate renewable energy and reduce the burning of fossil fuels.

Violations of the Supplier Code of Conduct

Violations of this Supplier Code of Conduct or suspected deviations from its requirements on the part of the Supplier, a business partner or an upstream supplier of the Supplier must be reported to ERFURT.

A period will then be agreed upon within which the Supplier must take steps to rectify the violation and prevent its recurrence.

ERFURT reserves the right to terminate the business relationship with the Supplier, if no measures have been taken to rectify the violation within the time limit. A termination of the business relationship is also possible as a consequence of a repeated violation. A statutory right to extraordinary termination without notice, in particular in the event of violations assessed as very serious, will remain unaffected by this, as will the right to compensation.

Violations can be reported to compliance@erfurt.com.

Furthermore, the Supplier must appropriately pass on to its employees any information received from Erfurt regarding availability and responsibility and the conduct of a complaints procedure. The complaints procedure must be accessible to employees while maintaining their anonymity and effective protection against discrimination. Unless otherwise indicated, the Supplier will be responsible for setting up an effective complaints mechanism at the operational level for individuals and communities that may be affected by adverse influences.

Acceptance of the Supplier Code of Conduct

As a supplier to ERFURT, we will act in accordance with the ethical and legal principles set out in this Supplier Code of Conduct. We will also review these requirements along our supply chain and with our business partners. We will communicate the contents of this Supplier Code of Conduct to our employees, agents and subcontractors in a manner that is understandable and will take all the necessary precautions to implement the requirements of this Supplier Code of Conduct.

Printed name

Place, date

Signature, Company stamp

ERFURT & SOHN KG
Hugo-Erfurt-Str. 1
42399 Wuppertal
GERMANY
Tel. + 49 202 / 61 10 - 0
Fax + 49 202 / 61 10 - 8 94 51
E-mail: info@erfurt.com

german paper solutions GmbH & Co. KG
Wupperstraße 38
58332 Schwelm
GERMANY
Tel. + 49 202 / 61 10 - 0
Fax + 49 202 / 61 10 - 8 94 51
E-Mail: info@erfurt.com