

Code of Conduct for Suppliers

Guidelines for business partners, suppliers and their upstream suppliers (hereinafter referred to as "Suppliers") of the Südzucker Group¹ for sustainable procurement

The Code of Conduct of the Südzucker Group (www.suedzucker.de/en/Unternehmen/Verhaltenskodex/) is intended to support employees to act responsibly, appropriately and in compliance with the law in their daily work and especially in critical situations. It reflects the current law and provides a basic understanding of how the people want to work with others in order to be successful on the market. This Code of Conduct is binding all managers and employees throughout the entire Südzucker Group.

The Code of Conduct of the Südzucker Group combines applicable laws with international standards, company regulations, corporate guidelines of the Südzucker Group and obligations arising from the employment relationships of the employees of the Südzucker Group. **The Südzucker Group derives the Code of Conduct for Suppliers from its own Code of Conduct.** The Guidelines for Suppliers of the Südzucker Group are specified, defined and regulated therein in order to ensure sustainable procurement. These principles and values guide the business of the Südzucker Group in dealing with its Suppliers within the Südzucker Group.

The Code of Conduct for Suppliers is an integral part of the contract. Although the Südzucker Group takes national and cultural differences and other relevant factors into account, it will not make any concessions with regard to the central requirements of this Code of Conduct for Suppliers.

As far as the Südzucker Group is concerned, this Code of Conduct for Suppliers should be enforced throughout the entire value chain. In addition, the Südzucker Group requests its Suppliers to influence their suppliers and work with them in order to ensure their compliance with and recognition of the principles of this Code of Conduct for Suppliers.

The Südzucker Group reserves the right to verify compliance with this Code of Conduct for Suppliers. Where necessary, the Südzucker Group offers its Suppliers support in meeting the requirements of this Code of Conduct for Suppliers and improving their standards.

¹ This Code of Conduct for Suppliers applies to the entire Südzucker Group with the exception of AGRANA Beteiligungs-AG. It has an own Code of Conduct that takes the Südzucker Code of Conduct into consideration and implements it.

Criteria for a high level of social responsibility in the value chain

General

Suppliers undertake to conduct their business activities in an ethical, legal and responsible manner and to conduct their business activities in accordance with the Code of Conduct for Suppliers.

The Südzucker Group has identified seven main criteria which are crucial for a high level of social responsibility in the value chain:

1. Maintaining integrity in business transactions
2. Production of safe products of high quality
3. Protection of information
4. Clear, correct and complete communication
5. Fair and respectful treatment of employees
6. Responsible approach to the environment/sustainability
7. Commitment

1. Maintaining integrity in business transactions

Competition law and anti-trust legislation

The Südzucker Group expects its Suppliers to act fairly and responsibly in the market and to comply fully with prevailing competition law and anti-trust legislation. Suppliers do not take part in agreements or arrangements about competition or anti-trust with other companies which intend or may lead to a restriction or impediment to competition.

Bribery and corruption

Suppliers shall ensure that business relationships are based solely on objective criteria. These include quality, reliability and competitive prices as well as due observance of ecological and social standards as well as the principles of good company governance. Suppliers undertake to ensure that gifts, invitations and donations are made in accordance with the relevant internal guidelines governing this area in terms of appropriateness, approvals, reporting channels and internal company documentation. Suppliers shall also comply with relevant national anti-bribery and anti-corruption laws and regulations.

Conflicts of interest

The Südzucker Group expects from the Supplier's employees to act exclusively in the interest of their company and to separate always any private or own economic interests. Only objective criteria are taken into account for Suppliers, even in the case of business relationships with third parties.

Dealing with company property

The Südzucker Group expects Suppliers to protect the business assets of the Südzucker Group, including all tangible and intangible assets.

Money–laundering and trade checks

The Südzucker Group does not tolerate any activity related to money–laundering. The identity of Suppliers with whom the Südzucker Group maintains business relationships is carefully checked by the Südzucker Group. This shall also apply if the Südzucker Group initiates new business relationships.

Through due observance of national and international legislation, Suppliers ensure that business with third parties does not violate trade provisions such as economic embargos, stipulations governing import and export controls or prevailing stipulations intended to prevent the financing of terrorism and money–laundering.

2. Production of safe products of high quality

The Südzucker Group is aware of its responsibility as a manufacturer and provider of food, feed and biofuel. Suppliers ensure that they comply with all national, European and international regulations on quality and hygiene relevant to food, feed and biofuel industries and to agriculture. This applies to the products as well as to the working and production processes, including those of associated supply chains.

3. Protection of information

Protection of information

Suppliers protect all company information of the Südzucker Group as well as information from and about the business partners of the Südzucker Group and treat such information as confidential. Confidential information is one of the most valuable assets. Operational and business secrets shall not be disclosed to third parties, and shall never be placed in the public domain.

Data protection

The protection of informational self–determination and protection of privacy as well as the security of data processing are important concerns for us. For this reason, Suppliers take all the necessary precautions to ensure that the collection, processing and use of personal data provided by the Südzucker Group is transparent, purpose–specific, verifiable, accurate and in compliance with the applicable legal provisions of data protection legislation.

Suppliers of the Südzucker Group commit to maintain an appropriate standard for the security level of information–processing to ensure that the confidentiality, integrity and verifiability of information so that confidential information is assured and unauthorised usage is prevented.

Insider trading

Suppliers treat insider information as strictly confidential. Insider information comprises information of a precise nature, which has not been made public and which relates directly or indirectly to issuers of financial instruments or financial instruments themselves (e. g. shares) and which, if made public, would be likely to have a significant effect on the prices of the financial instruments.

Suppliers with access to insider information commit wholly and bindingly to observe a prohibition for the trading of financial instruments of the Südzucker Group. The passing of insider information to third

parties or the recommendation to acquire or dispose securities or other financial instruments of the Südzucker Group are prohibited. This prohibition applies until the information loses its status of being insider information.

4. Clear, correct and complete communication

Financial reporting

The accounting and financial reporting of Suppliers is done in proper, correct, timely, complete and transparent way and in accordance with relevant legal regulations and standards. Furthermore, key business processes shall be documented in an internal monitoring system to an adequate extent. The complete and correct recording of invoicing-related information shall be assured.

Communication

The Südzucker Group expects its Suppliers to maintain a clear and an open communication, and an objective and polite tone in their external communication.

Relations with authorities and with partners on location

Suppliers strive to maintain an open and cooperative relationship with all authorities. Information is provided in a complete, accurate, prompt and comprehensible manner. Suppliers also seek to maintain an open dialogue at municipal and local level in the regions in which the Südzucker Group is located.

5. Fair and respectful treatment of employees

Health & safety at work (H&SW)

Suppliers provide safe and hygienic working conditions which comply with applicable statutory H&SW provisions. Regular optimisation programmes aim to take appropriate measures to prevent the risk of accidents and to improve working conditions. Supplier ensure a frame that their employees know the applicable legislation, regulations and in-house directives for the H&SW.

Working conditions and social standards

In the respective countries, Suppliers comply with applicable labour legislation and international standards². The remuneration paid to employees shall satisfy all prevailing legislation governing wages and salaries, including provisions relating to minimum wages, overtime, legislatively defined incentives, working hours and paid annual leave.

Compatibility of career and family life

The Südzucker Group seeks to find an appropriate balance between the commercial interests of the company and the private interests of employees, since the satisfaction and motivation of employees

² This Code of Conduct incorporates recognised international standards, such as the Universal Declaration on Human Rights of the United Nations, the Conventions of the International Labour Organisation and the Code of Conduct entitled "Social Responsibility of Companies in the European Sugar Industry" (<https://cefs.org/wp-content/uploads/2018/02/04.-CEFS-EFFAT-code-of-conduct.pdf>.)

substantially contributes to corporate success. The Südzucker Group expects its Suppliers to make the same efforts.

Diversity and the principle of equality of treatment

The Südzucker Group assumes that its Suppliers also advocate to diversity and tolerance. The aim is to achieve the highest levels of productivity, innovation and efficiency. Discriminatory actions and harassment are prohibited, whether on grounds of social and national origin, gender, ethnic origin, religion, age, illness or disability, sexual orientation, political opinion or other personal attributes. Everyone has the right to fair and respectful treatment.

Social dialogue, freedom of association and the right to collective negotiations

Suppliers respect the freedom of association and therefore the right of all employees to form trade unions and to join them. Suppliers recognise the right of employees to engage in collective negotiations and respect the rights of trade unions. Employees and their representatives must not incur any personal or professional disadvantages through the exercise of these rights.

Human rights

Suppliers observe the statutory provisions to protect human rights as an integral component of corporate responsibility. Every employee of a Supplier respects the dignity and personal rights of every other employee, colleague and third parties with whom the company conducts a business relationship.

Child labour and forced labour

Suppliers do not accept any form of child labour, nor any form of forced or mandatory labour. Suppliers comply with all applicable national and international legislation, regulations and provisions within the respective countries and with applicable international standards³. In particular, young employees shall be protected against work which probably may jeopardise their training or their health or their physical, psychological, social or mental development.

6. Responsible approach to the environment/sustainability

Suppliers act sustainably along the entire value chain: from raw material to the final product, in all regions and at all levels – from management to each individual employee.

Suppliers ensure to minimize the needs for resources and to apply that same principle to energy and emissions, water consumption and waste water as well as the impact of waste to environmental effects in the supply chain. At least, all processes and standards shall meet legal requirements or outperform them.

7. Commitment

The Code of Conduct of the Südzucker Group is binding. All managers and employees shall adhere to its guidelines and principles. The obligation to comply with the Code of Conduct for Suppliers results

³ See footnote 2.

directly from the applicable laws, company regulations, company guidelines and obligations arising from the employment relationship. The Südzucker Group also expects its Suppliers to comply with the requirements set out in this Code.

For the Südzucker Group, compliance with the Code of Conduct for Suppliers as well as with legal provisions constitutes an essential component for Suppliers to be a credible and reliable partner.

Mannheim, 1 July 2019