

Declaration concerning Ethical Standards

This declaration relates to:

Name of the enterprise			
Address			
Postcode		Country	
Contact person		Email contact person	
Telephone		Website	

_____ is a private limited company and the parent company/head of _____.
_____ with subsidiaries (hereafter referred to as the "Group") comprises companies trading.

This document sets out the minimum ethical standard applicable to the Group's suppliers. This minimum ethical standard shall apply regardless of where the subsidiaries, associated companies or suppliers are registered or conduct their activities. Whenever conventions, laws or regulations deal with the same topic, the strictest standard shall apply.

If a supplier uses sub-contractors to fulfil the contract, the supplier shall be responsible for communicating the requirements to its sub-contractors and cooperation partners and ensuring that they are met. This shall apply throughout the value chain.

Compliance with legislation and conventions

The supplier shall comply with local legislation in the countries in which it has operations. Moreover, it shall comply with relevant provisions relating to the conduct of business activities contained in international agreements and conventions which the Chinese state has adopted.

Compliance with fundamental ethical standards

The supplier shall comply with fundamental ethical standards relating to business practices, the safeguarding of human rights and workers' rights, and conduct when competing with other parties. The requirements shall apply both to the supplier's business operations and to the supplier's staff. "Staff" shall mean both employees and persons who work for the enterprise but are not employed. Below, these are jointly referred to as "workers".

1. Human rights

Internationally recognized human rights shall be respected. The supplier shall avoid contributing to breaches of human rights.

2. Worker rights

- a. The supplier shall ensure that the working environment is always sound with regard to the workers' health, environment, safety and welfare.
- b. Child labor shall not be used;

- c. The supplier shall not contribute to any form of forced labor, slave labor or involuntary labor.
- d. The supplier shall not contribute to discrimination on the basis of ethnic origin, religion, age, sex, sexual orientation, disability, trade-union membership or political affiliation.
- e. The supplier shall not permit a foreign worker to work for a lower remuneration than the applicable national legal standard on minimum wage or be subject to poorer working conditions than are customary for corresponding work in the country in which the work is performed.
- f. The Supplier shall secure that working hours are not excessive and as a minimum comply with applicable local laws.
- g. The right to join or establish trade unions and to engage in collective bargaining shall be respected.

3. The environment

The Group wishes to be a socially responsible market participant that takes responsibility for reducing its impact on the external environment through the use of environmentally efficient solutions. The supplier shall deal with environmental issues in accordance with the precautionary principle, and shall actively make decisions that minimize negative environmental impacts. The supplier shall have in place an effective system for continuously minimizing the negative environmental impact of its activities.

4. Business practices

- a. Corruption and other financial irregularities are unacceptable. The supplier shall work actively to combat all forms of corruption, and shall not, either itself or through middlemen, offer, promise or confer an improper advantage to any public official, to a third party or to a Group employee. An act may constitute corruption even if the person who receives the advantage or offer does not provide a service in return.
- b. International trade restrictions adopted by the Chinese state shall be observed, including by suppliers that are not registered in China. Such restrictions shall include restrictions on the export of goods, services and technology and restrictions on financial transactions.
- c. Confidential information to which the supplier gains access through its cooperation with the Group shall be respected and protected. Confidential or private information includes, in particular:
 - i. Information about, or belonging to, the Group or the Group's customers, cooperation partners, suppliers or other third parties. Such information shall be kept confidential in accordance with legal and contractual requirements.
 - ii. Details of the Group's organization, production equipment, prices, sales, results, markets, customers and other business-related circumstances.
- d. Protection of fair competition: It is the Group's policy to support efficient, fair competition in accordance with applicable competition rules. The supplier shall comply with the competition regulations. The supplier shall maintain a high ethical standard when competing for market share. If the supplier is also a competitor of the Group, the supplier shall not at any point in time initiate a dialogue with the aim of limiting the competition in the market place. In the sectors in which the Group and the supplier are competitors, no information shall be exchanged about prices, terms and conditions, costs, margins, methods, strategies, or other matters that may have a limiting effect on competition in the market. Moreover, if a matter may have a restrictive effect on the competition in the market, the supplier shall not conclude agreements that give the Group an exclusive customer position.

Compliance and inspections

The Group shall be entitled to ask the supplier for documentation that shows compliance with the ethical standards set by the Group. Such documentation shall be provided without undue delay, in a format deemed appropriate by the parties.

The Group, or a third party appointed by the Group, shall be entitled to carry out announced or unannounced inspections of the supplier and the supplier’s sub-contractors to investigate compliance with the standards.

If a supplier does not meet all of the standards at the time that the contract is concluded, the Group and the supplier shall agree a timetable for remedying the matter.

If the parties discover a deviation from these ethical standards during the contract period, the parties may agree a deadline for remedying the matter. The deadline shall depend on the seriousness of the deviation. Serious and/or persistent breaches of the ethical standards shall be deemed material breaches, and shall entitle the Group to terminate the contract. This shall apply even if this is not explicitly mentioned in the contract between the parties.

I hereby confirm that **[name of enterprise]** complies with these ethical standards, and will communicate the requirements to its sub-contractors and help to ensure that they are met. I accept that the Group will be entitled to review and verify compliance with the aforementioned standards.

Date General Manager