

AMANN

G R O U P

Intelligent threads

SUPPLIER CODE OF CONDUCT



Introduction

Since 1854 AMANN has been one of the global leaders in the field of high-quality sewing and embroidery threads. From universal sewing threads to special high-tech threads, AMANN offers a wide range of threads for all sewing applications. More than 2,150 motivated employees work for our success in more than 100 countries worldwide. AMANN produces at its own production sites in Europe and Asia exclusively. This is the basis for our high degree of flexibility and customer proximity.

Integrity – in terms of respecting law, honesty, reliability and fairness – is an essential requirement for the success of a company and since all times basis of business connections of the AMANN Group.

The focus of the AMANN Group activities is directed towards our business partners (customers, sales partners and suppliers) who expect us to act with courtesy and respect as well as to be treated in a fair and honest manner. Therefore, the AMANN Group aims to foster a culture with business partners, which shall be characterized by mutual dependability and sustainability as well as transparent and comprehensible decision-making and communication.

The rollout of this Supplier Code of Conduct is part of the Compliance initiatives of the AMANN Group.

For any question or suggestion regarding the AMANN Supplier Code of Conduct, feel free to contact:

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AMANN Supplier Code of Conduct

1.1 Scope

The AMANN Supplier Code of Conduct fixes fundamental ethical behaviour principles, which are to influence the business cooperation between the AMANN Group and its suppliers in daily work. The AMANN Group expects its suppliers to accept the principles set out in the AMANN Supplier Code of Conduct as the basis for any cooperation, to observe the following basic principles in their organization and to support actively the implementation of these basic principles in their supply chain:

- Compliance with applicable laws and regulations
- Anti-Corruption / granting and acceptance of undue advantages
- Fair competition
- Data privacy and protection of business information
- Avoidance of conflicts of interest
- Environmental protection and responsible use of natural resources
- Fair working conditions
- Anti-discrimination and respectful work environment
- Work safety and health protection
- Respect for employees' rights
- Eradication of child and forced labor.

1.2 Application of the Supplier Code of Conduct

The term 'supplier' for the purposes of this Code of Conduct includes all third parties acting for, on behalf of or together with the AMANN Group. This covers in particular product suppliers, service providers, consultants, agents, subcontractors, sales representatives and freelance collaborators.

1.3 Audit

The Supplier Code of Conduct is a mandatory requirement and will be subject to an audit. In order to achieve this, AMANN GROUP expects its suppliers to adopt an open attitude to monitoring activities and to give all cooperation to its own and any third party auditors employed.

1.4 Violations of the AMANN Supplier Code of Conduct

The AMANN Supplier Code of Conduct is an integral part of all contractual agreements with suppliers of the AMANN Group. In cases of suspected violations of this Code, the supplier supports any investigation conducted by the AMANN Group. In the event of revealed Code violations, the AMANN Group reserves the right to respond appropriately taking into consideration the severity level of the violation. In the event of serious violations of the AMANN Supplier Code of Conduct, the AMANN Group reserves the right to terminate the contractual agreement without notice.

2.1 Compliance with applicable laws and regulations

Suppliers shall comply with all applicable national and international laws and regulations, including the International Labor Organization (ILO) and the United Nations' Universal Declaration of Human Rights, industry standards, and all other relevant statutory requirements whichever imposes the highest standards of conduct.

2.2 Anti-corruption / granting and acceptance of undue advantages

Suppliers must impress through prices, performance, quality and suitability of its products and its services offered. No personal benefits shall be demanded, accepted, offered or granted for preferential treatment in preparing, placing or handling of orders. As a rule, gifts of any kind shall not be handed out or accepted. Exclusions shall only apply to occasional or advertising gifts that are consistent with customary business practices and hospitality in a country, in as far as these are compatible with the respective legal provisions and which from the outset rule out any influence on a business decision. Accepting or granting cash gifts is never appropriate. Moreover, the provision or acceptance of products or other items on loan may be considered as adopting the character of a prohibited gift or as accepting advantages or granting advantages.

2.3 Fair competition

Rules to safeguard fair competition are indispensable elements of free market economy. Suppliers are committed to refrain from entering into restrictive agreements with competitors, suppliers, distributors, retailers and customers as well as from restrictive market practices. This includes, but is not limited to, agreements on prices, territories, customer groups or production quantities among competitors, boycotts, as well as the unlawful exchange of sensitive information with competitors.

2.4 Data privacy and protection of business information

Suppliers shall exercise due care and maintain strict confidentiality, while also observing applicable laws and regulations, when collecting, storing, processing or transferring personal data relating to employees, customers or other third parties. Suppliers shall also ensure that provided business information and data are not forwarded or disclosed to unauthorized persons, but only used for the purpose agreed with the AMANN Group.

2.5 Avoidance of conflicts of interest

Suppliers who are affected by a potential or an actual conflict of interest in their activities in relation to the AMANN Group or its business units are obliged to disclose and resolve it promptly.

2.6 Environmental protection and responsible use of natural resources

Suppliers shall observe the applicable laws and regulations regarding environmental protection, in particular regarding operational and product-related environmental protection. Moreover, suppliers are expected to source and to use natural resources in an efficient manner, thereby minimizing the negative impact to nature.

2.7 Fair working conditions

Suppliers are committed to observe the statutory regulations and to ensure fair working conditions, including those on payment, working times and the protection of privacy.

2.8 Anti-discrimination and respectful work environment

Suppliers shall strictly adhere to all applicable laws and regulations prohibiting discrimination in hiring and employment on the grounds of race, age, nationality, color of skin, religious belief, gender, sexual identity, physical characteristics, appearance, health condition, political views or other basis prohibited by law.

Suppliers shall maintain a respectful and dignified relationship with their employees, free from harassment, bullying or intimidation.

2.9 Work safety and health protection

Suppliers must comply with all health and safety regulations, being aware of risks and take due care in all safety-relevant activities. This applies to all and any risks that may arise at the workplaces of the suppliers or from using their products.

2.10 Respect for employees' rights

Suppliers are committed to observing the respective national labor legislation and to support the Declaration of Fundamental Principles of the International Labor Organization (ILO), which includes the right to freedom of association and the right to negotiate collectively.

2.11 Eradication of child and forced labor

Suppliers do not tolerate any child or forced labor in their organizations or in their supply chain. The minimum age of the work force employed, including also contract workers or temporary workers, must never be lower than the statutory age for end of compulsory education. The use of bonded labor, other forms of modern slavery or involuntary prisoners work is strictly forbidden.

Acknowledgement

The AMANN SUPPLIER CODE OF CONDUCT is binding for all Suppliers doing business with the AMANN Group or one of its business entities. All staff members of the suppliers have to comply with its rules at any time.

By completing this template, the SUPPLIER confirms the receipt of a copy of the AMANN SUPPLIER CODE OF CONDUCT.

This Acknowledgement must be completed by a duly authorized representative of the company and being forwarded within 14 days to the AMANN Global Procurement Department for filing.

THIS IS TO ACKNOWLEDGE THAT I HAVE RECEIVED A COPY OF THE AMANN SUPPLIER CODE OF CONDUCT (VERSION 1.0, DATED 03.04.2018): I HAVE READ THE AFOREMENTIONED DOCUMENT CAREFULLY, HAVE UNDERSTOOD ITS CONTENT AND CONFIRM THAT THE COMPANY REPRESENTED BY MYSELF WILL FULLY COMPLY WITH THE CONDUCT RULES MENTIONED.

COMPANY NAME	
Family name	
First name	
Function	
Place / Date	
Signature	

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Family name	
First name	
Function	
Place / Date	
Signature	