

Code of Conduct Essential Principles for Suppliers



The trans-o-flex enterprise group¹ (henceforth abbreviated as “trans-o-flex”) offers a wide range of services in terms of bespoke B2B logistics solutions. Mindful of our responsibility vis-a-vis customers, employees and business partners, we have imposed stringent ethical rules on ourselves, which serve as a guide for us as we do business. We expect our suppliers and all the companies we have a business relationship with (henceforth abbreviated as “suppliers“) to base their actions on these ethical principles, and to ensure that their subcontractors do the same.

The present code of conduct for suppliers contains the standards for a business relationship with the trans-o-flex enterprise group.

1. Compliance with legislation

The supplier shall comply with all laws applicable to their company. At the same time, they also declare their willingness to comply with the principles of the United Nations‘ “Global Compact”, the UNO Universal Declaration of Human Rights, and the International Labour Organisation (ILO) Declaration on fundamental principles and rights at work, in conjunction with national laws and practices.

2. Equal opportunities and non-discrimination

The supplier shall not discriminate against anyone on the basis of their gender, age, race, religion, ethnicity or nationality, worldview, disability, sexual identity, or other legally protected characteristics, and, in particular, will abide by the regulations contained in the General Act on Equal Treatment.

3. Remuneration and working times

The supplier shall comply with relevant national laws and regulations in respect of working hours, wages and salaries, illicit labour, and benefits incumbent on the employer. The supplier shall pay their employees a reasonable wage, which must not be lower than the relevant minimum wage laid down in national law.

¹ The trans-o-flex Express GmbH & Co. KGaA enterprise group includes all the companies in which it holds, directly or indirectly, a share of at least 50%.

4. Child labour

The supplier shall not employ children. A child is anyone under the age of 15 or who, according to national law, is still obligated to attend school, whichever age is higher. In countries which, based on ILO Convention 138, qualify for the exception extended to developing countries, that minimum age may be reduced to 14.

5. Forced labour

The supplier may not make use of forced labour. In agreement with the ILO Conventions, all forms of forced labour, modern slavery, bondage and other forms of domination or oppression in the workplace environment, for example, through extreme economic or sexual exploitation and humiliations, are forbidden. Likewise, the use of corporal punishment, as well as mental or psychological coercion, is forbidden.

The supplier shall not hire or use security staff whose deployment leads to people being treated in an inhumane or humiliating manner, or injured, or to their right of association being compromised.

6. Protection in the workplace

The supplier shall comply with applicable regulations relating to work and to health and safety, and shall provide a safe and healthy working environment, in order to maintain the health of employees, and to avoid accidents, injuries and work-related illnesses.

7. Right of association

The supplier shall acknowledge the right of association. The supplier shall respect the right of employees to form or join trade unions. Discrimination or financial sanctions due to an employee forming, being a member of or joining a trade union are forbidden. The right of trade unions to act in accordance with relevant national law, must not be disregarded.

8. Corruption

trans-o-flex stands against all forms of corruption, and does not tolerate any violation of this. We expect our suppliers to abide by international anti-corruption standards, as laid down in the United Nations' "Global Compact", and in national anti-corruption and anti-bribery laws. In particular, the supplier shall not offer trans-o-flex employees any services, presents or other

advantages which would influence employees' behaviour in respect of the activity of the company.

9. Preservation of the natural resources

The supplier shall not, in contravention of relevant legislation in force, deprive people of land, woodland or bodies of water which they rely on for their livelihood. The supplier shall refrain from causing damaging alteration to the soil, water or air pollution, noise emissions, or excessive use of water, which is damaging to people's health, has a major impact on natural resources required for food production, or prevents people from accessing hygienic drinking water or sanitation.

10. The environment

The aim of environmental protection is to increase the environmental sustainability and efficiency of trans-o-flex services. This can only be achieved if our suppliers also play their part. This means that the supplier must comply with all national environmental legislation in force, regulations and standards, as well as the stipulations of the Minamata Convention on mercury, the Stockholm Convention on persistent organic pollutants, and the Basel Convention on the export of hazardous waste.

The supplier declares their willingness to actively monitor, record and document their emissions. To this end, the supplier shall produce regular emissions reports, which shall record, in detail, overall emissions from their activities. These reports should contain information on the type and quantity of greenhouse gases emitted.

The supplier undertakes to disclose, transparently and comprehensively, all relevant information about their emissions. This includes preparing data of significance for the calculation and monitoring of emissions. This disclosure will enable trans-o-flex to monitor the supplier's progress in terms of reducing emissions.

The supplier declares their willingness to set and achieve specific climate protection and sustainability targets, in order to limit negative environmental impact from their activities. These targets should be measurable and verifiable, and should be based on the guiding principles of the Paris Agreement.

11. Protection of know-how, and operational and commercial secrets

The supplier shall ensure the protection of the trans-o-flex enterprise group's know-how, and operational and commercial secrets, and shall arrange for comprehensive compliance with

confidentiality obligations. Relevant confidential information shall not be passed to third parties without prior express written consent from trans-o-flex. The supplier shall arrange for their own employees and advisors to be aware of this restriction, and for them to comply with it, and also for all relevant data protection stipulations to be complied with.

12. Collaboration in respect of sustainability targets

The supplier declares their willingness to collaborate on shared sustainability projects and initiatives seeking to reduce emissions, improve social conditions and promote principles of good governance.

13. Supply chain

It is important for trans-o-flex that our suppliers do their utmost to promote and actively implement compliance with the principles of the present Code of Conduct, or an equivalent code of conduct of their own, in respect of their supply chain. For this reason, we expect our suppliers to also enforce the principles mentioned in the present Code of Conduct, and described in more detail above, vis-a-vis their own subcontractors, suppliers and other business partners involved in providing products and services to companies in the trans-o-flex enterprise group, and to ensure compliance with the same.

14. Compliance with the present Code of Conduct

The supplier shall keep appropriate records to prove compliance with the present Code of Conduct and national/international law. Moreover, they give their consent for trans-o-flex to be able to verify compliance of the present Code of Conduct by means trans-o-flex deems appropriate. These means could, for example, involve reviewing suppliers' records in relation to compliance with the present Code of Conduct, sustainability assessments carried out by third parties, or sustainability audits carried out by third parties.

Moreover, trans-o-flex reserves the right to adapt or change the regulations in the present Code of Conduct for suppliers at any time.

15. Complaints procedure

If a supplier or their staff are of the view that someone in their company or in the trans-o-flex supply chain has violated the principles of the present Code of Conduct for Suppliers, they are encouraged to notify trans-o-flex of their concerns sending an email to compliance@tof.de. These notifications will be treated in confidence.

Suppliers must set up a workable complaints procedure and must encourage their staff to give notification of concerns or information on violations, especially regarding actual or potential illegal activity in the workplace or negative impact on human rights or the environment due to the commercial activity of suppliers. This should be free from the threat of financial sanctions, reprisals, silencing or harassment. Suppliers must investigate circumstances when notification is given, and, if necessary, take corrective action.

16. Violations of the Code of Conduct

Indications of violations

In the case of indications of non-compliance with the principles and requirements contained in the present Code of Conduct, trans-o-flex reserves the right to require information concerning the specific circumstances. The supplier shall do their utmost to make available sufficient information to trans-o-flex in a timely manner. If there are indications of serious violations of the present Code of Conduct, trans-o-flex may itself carry out unannounced spot checks at the commercial premises of the suppliers, or have these carried out by persons or organisations authorised by trans-o-flex. In this case, the supplier is expected to provide access to their facilities, and ensure that their subcontractors and suppliers down the supply chain likewise provide access to their facilities whenever this is required.

Remedying a violation

In the case of a violation of the present Code of Conduct, the supplier shall ensure that the situation is immediately dealt with (e.g. by producing a plan with a clear timetable for putting an end to the violation, and implementing the same).

Consequences of a violation

In the case of a violation of the present Code of Conduct, trans-o-flex reserves the right to terminate the whole partnership and all existing business relations, if the supplier does not remedy the situation within a reasonable time frame set by trans-o-flex. trans-o-flex may terminate all existing business relations with the supplier with immediate effect, if the violation (i) cannot be remedied, (ii) causes irreparable damage to trans-o-flex, or (iii) is so severe that trans-o-flex cannot reasonably be expected to continue the business relationship until the end of the contract, or until completion of the notice period.