

CODE OF CONDUCT

Byodo Naturkost GmH

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Managing Director Bernd Hochstädter (left) and Authorized Signatory Christian Bäumer

Preamble

At Byodo, it is a heartfelt commitment to make the world a slightly better and more sustainable place through our high-quality organic products and the way we work. 100% passion, 100% conviction, 100% organic ingredients from agricultural origins. This commitment is inseparably linked to our continuous success since the company was founded in 1985.

For the sake of better readability, gender-specific language is avoided. All terms such as “partner,” “supplier,” etc., are to be read as gender-neutral and address all individuals equally.

Byodo Naturkost is committed to complying with applicable laws, social responsibility, environmental protection, and fair cooperation as guiding principles of our actions. Our goal is to harmonize our economic, ecological, and social responsibilities. We expect the same from our partners.

This Code of Conduct forms the basis for all business relationships with Byodo and applies to both direct business partners and their affiliated companies, agents, and representatives (hereinafter collectively referred to as “partners”), as well as to Byodo and its business divisions themselves.

The following national and international standards form the basis of this Code and facilitate the assessment of social risks in the value chain, as well as their improvement:

- The relevant conventions and guidelines of the United Nations (UN),
- The Guidelines of the Organisation for Economic Co-operation and Development (OECD),
- The requirements of the BSCI Code of Conduct,
- The core conventions of the International Labour Organization (ILO),
- The ETI Base Code (ETI = Ethical Trading Initiative),
- The German Supply Chain Due Diligence Act (LkSG).

Byodo supports the United Nations' Sustainable Development Goals (SDGs) and is actively committed to sustainable development, both on an individual and organizational level.

The following points are accepted and adhered to by the partners. The partners must also inform their suppliers of goods and services (hereinafter referred to as “suppliers”) about all the principles and requirements described herein, oblige them to comply with these, and ensure that this obligation is passed on throughout their supply chain. Partners must take this Code of Conduct into account when selecting their suppliers.

As a recognized basis, partners must comply with all applicable laws, rules, and regulations—particularly those relating to permits, working conditions, wages, employee health and safety, human rights, the environment and climate, as well as due diligence in the supply chain. Intentional violations of these points without taking corrective measures will result in the termination of the collaboration.

This agreement is part of contracts and agreements and does not require the partner's signature.

Requirements for Business Partners

The principles set out in this Code of Conduct are to be considered as minimum standards. Where applicable laws and regulations require higher standards, these must be met and maintained. Partners are also free to introduce higher standards at any time.



1. SOCIAL RESPONSABILITY

1.0 Exclusion of forced labour

- The partners do not tolerate any form of forced or compulsory labor, servitude, modern slavery, or similar working conditions and implement appropriate safeguards against the mistreatment of individuals within their organization.
- The partners must not require their employees to surrender original identification documents, travel documents, or other important papers as a condition of employment.
- The partners must allow every employee to terminate their employment with reasonable and agreed-upon notice, or at least in accordance with the legal notice period.
- The partners must not withhold wages or parts thereof as a means of pressuring an employee to continue their employment.
- Partners who employ foreign contract workers must not compel them to work beyond the legal notice period against their will. Foreign contract workers must be provided with a copy of their contract in a language they understand. The partners must not require employees to pay any fee to a recruitment agency.

1.1 Prohibition of Child Labor and Protection of Young Workers

- The partners must not tolerate child labor. The minimum age for employment must not be below 15 years or the legal minimum age, whichever is higher.
- Compliance with all applicable laws regarding the employment of young workers must be ensured, particularly those related to restrictions on hazardous, unsafe, and harmful activities, working hours, wages, working conditions, and proper documentation, which must be made available upon request.
- The partners must have a written employment policy and a system for verifying the age of workers and must maintain appropriate and reliable proof of age for all employees.

1.2 Working Conditions and Fair Compensation

- Wages must be paid regularly and on time, at least meeting the respective nationally applicable legal minimum wage or the industry-standard wage, whichever is higher.
- Partners must pay the legally required social security contributions for eligible employees.
- Interns and apprentices must be compensated in accordance with applicable laws.
- All wage deductions must strictly follow legal regulations. No punitive deductions from employees' wages are allowed.
- Overtime pay for piece-rate workers must be calculated in accordance with the relevant legal provisions. In the absence of such regulations, it should be calculated to match the statutory overtime rate for piece-rate workers.
- Partners must keep a copy of all required records in accordance with legal provisions for contract workers, making them available for inspection.
- Partners must not attempt to employ contract workers, interns, or apprentices beyond a reasonable level to avoid paying certain benefits that must be provided to regular employees.
- Partners must grant paid annual leave, public holidays, and other types of leave, such as maternity leave, sick leave, etc., as required by law.
- Bonuses, pension, and retirement benefits must be paid as legally required.
- Partners must provide each employee with an understandable pay slip in the legally prescribed format for each pay cycle. The pay slip should include at a minimum the days worked, wages earned or piece-rate, any allowances, social security contributions/legal deductions, incentives/bonuses, and any overtime pay.

1.3 Fair Working Hours

- Working hours must comply with applicable laws, industry standards, or relevant ILO conventions, whichever standard is stricter.
- In countries where local legislation limits overtime, partners must adhere to local laws. Regardless of local regulations, partners must not require employees to regularly work more than 60 hours per week, including overtime.
- Partners must comply with all local laws and regulations regarding overtime/night shifts, particularly those concerning pregnant or young workers. Partners must take the necessary measures to ensure the safety of all employees when overtime or night shifts are required.
- Overtime work is generally voluntary. Employees must have the right to refuse overtime without facing any penalties.
- Employees must have at least one day off per week. If an employee is required to work on their day off due to operational needs, partners must provide a compensatory day off within the next three days or as required by local laws. In any case, no employee should be required to work more than 13 consecutive days without a day off.
- Nursing mothers must be granted appropriate breaks to breastfeed their babies without any deductions. Pregnant employees must be granted appropriate breaks.

1.4 Freedom of Association and the Right to Collective Bargaining

- The partners must recognize and respect the right of employees to lawfully form and join trade unions or associations of their choice and to engage in collective bargaining.
- The partners must facilitate a parallel, independent mechanism that allows employees to organize and engage in collective bargaining if local law prohibits formal trade unions.
- The partners must not discriminate against, harass, intimidate, or punish employees, nor subject them to intimidation, punishment, or other threats, to restrict or interfere with their right to association.
- The partners must not directly or indirectly force or influence employees to join or not join a specific trade union.

1.5 Prohibition of Discrimination, Harassment, and Abuse

- The partners must not discriminate against any employee on the basis of gender, ethnicity, skin color, religion, caste, age, disability, sexual orientation, maternity or marital status, nationality, political opinion, union membership, or social or ethnic origin, including hiring, salary/wages, benefits, promotion, discipline, termination, or retirement.

1.6 Respectful Behaviour

- The partners may only take disciplinary actions in accordance with the law.
- The partners must treat all employees with respect, dignity, and fairness. No employee should be subjected to physical, psychological, sexual, or verbal abuse or harassment.
- The partners must not use corporal punishment, violence, or intimidation against any employee.

1.7 Health, Safety & Hygiene

- The workplace should maintain safe and healthy working conditions. "Best practices" regarding occupational health, safety, and hygiene should be promoted.
- Suppliers must comply with the legal requirements of the country in which they operate.
- Employees must not be exposed to dangerous, unsafe, or unhealthy conditions that could jeopardize their health. Staff should receive regular training on workplace safety and health.
- A member of management should be designated as the health and safety officer, responsible for ensuring compliance with safety and health standards.

1.8 Accommodation & Hygiene

- If accommodation is provided, it must comply with all applicable laws and regulations regarding safety, health, hygiene, and protection from fire, electrical, mechanical, and structural accidents.
- The accommodations must offer adequate living space for each employee, personal storage, appropriate ventilation, room cooling/heating/fans, proper lighting, drinking water, cooking facilities, basic first-aid measures, necessary fire-fighting equipment, emergency lighting, emergency exits, clean toilets with running water, and individual beds. The accommodations must be gender-segregated. Residents must have reasonable freedom of movement.
- Partners must provide all employees with clean drinking water, with adequate access throughout the workday.
- The workplace must have a sufficient number of clean toilets/sanitary facilities (gender-segregated) with running water for all employees. These must be accessible throughout the day.
- Any available company canteens and break rooms must be kept clean to ensure hygiene and comfort.

1.9 Grievance Mechanisms

- The partner must appropriately communicate to its employees the procedures for accessing, responsibility for, and conducting a grievance process. The grievance procedure must be accessible to employees while ensuring confidentiality of their identity and effective protection against retaliation.
- The Byodo grievance procedure can be found at: Hintbox – Byodo Homepage.
- If no such notice is provided, the business partner is responsible, at the operational level, for establishing an effective grievance mechanism for individuals and communities that may be affected by negative impacts.



2.0 ENVIRONMENTAL RESPONSABILITY

2.0 Preservation of Natural Livelihoods

- The partner must prevent individuals from losing their livelihoods through forced evictions, unlawful deprivation of land, forests, or water bodies, or through their acquisition, development, or other use. Harmful soil alterations, water and air pollution, noise emissions, and excessive water consumption must be avoided if they endanger people's health, significantly impair the natural resources for food production, or obstruct access to clean drinking water or sanitation facilities.
- Good agricultural practices, including the preservation of soil fertility and genetic diversity, should be promoted.
- Endangered species must be protected.

2.1 Environmental Protection

- The partner assumes responsibility for environmental protection concerns and adheres to the applicable regulations in this regard.
- The partner is expected to make its business operations sustainable, use resources efficiently, minimize environmental impacts, and continuously improve its sustainable practices.
- The partner fulfills its environmental responsibility throughout the entire supply chain, addressing both products and packaging. This includes avoiding or continuously reducing environmental impacts from resource and energy consumption, greenhouse gas and air pollutant emissions, water usage, discharges into soil and water, and waste generation, as well as preserving biodiversity and promoting a circular economy.
- The partner commits to systematic waste management, which includes the identification, handling, reduction, and responsible disposal of solid waste. This includes compliance with the Basel Convention and current regulations. Hazardous substances and chemicals must be handled in a way that ensures their safe transportation, storage, use, recycling, and disposal, with adherence to the Minamata Convention on Mercury and the Stockholm Convention on Persistent Organic Pollutants.
- Measures must be taken to measure and reduce CO2 emissions.

2.2 Eco-Friendly Packaging

- The partner minimizes the environmental impact of its packaging by avoiding or reducing packaging materials. Where this is not possible, the partner should enhance the environmental effects of its packaging by using reusable packaging, consuming minimal material, considering recyclability, and preferring secondary raw materials, alternative materials, or certified paper.

2.3 Deforestation-Free Supply Chain

- Forests are a crucial source of livelihood for people worldwide. Therefore, preserving and sustainably managing forests globally, as well as restoring degraded and destroyed forests, are key challenges. Consequently, forest ecosystems must not be affected in terms of their overall area or condition for the production of agricultural raw materials.



3.0 ETHICAL BUSINESS CONDUCT

3.0 Fair Competition

- The partner refrains from misleading or aggressive business practices and adheres to the applicable antitrust and competition laws. In particular, the partner does not engage in anticompetitive agreements with competitors, does not abuse any potential market dominance, and avoids any anticompetitive business practices.

3.1 Integrity/Bribery and Corruption

- The foundation of any business relationship is ethical behavior and adherence to applicable national and international laws and standards, such as the UN and OECD conventions on combating corruption and relevant anti-corruption laws, including those addressing foreign bribery.
- Both management and employees must conduct themselves in a manner that avoids any personal dependencies or obligations. The partner implements a zero-tolerance policy against all forms of bribery, corruption, extortion, and embezzlement.

3.2 Confidentiality/Data Protection

- The partner places high importance on the protection of personal data and complies with the applicable data protection regulations.

3.3 Intellectual Property

- Intellectual property rights must be respected; technology and know-how transfers should be conducted in a manner that protects intellectual property rights and customer information. The partner commits to promptly, fully, and transparently disclosing any significant conflicts of interest to Byodo.

4.0 SUPPLY CHAIN DUE DILLIGENCE (Human Rights & Environmental Protection)

- Partners must comply with all obligations arising from supply chain due diligence laws, if applicable (e.g., the German Supply Chain Due Diligence Act (LkSG), Duty of Vigilance Law 2017 (FR), The Modern Slavery Act 2015 (UK), The Modern Slavery Act 2018 (AU)), concerning the protection of human rights and the specified environmental obligations, and ensure compliance by their direct and indirect suppliers. In the event of suspected violations, and to safeguard supply chains with heightened risks, Byodo must be proactively, promptly, and, if necessary, regularly informed by the supplier about identified violations, risks, and the measures taken.

5.0 AUDITS

- Partners shall allow Byodo to assess compliance with the Code of Conduct through self-conducted audits or third-party audits commissioned by Byodo, while maintaining absolute confidentiality and transparency.
- Any deviations identified will be discussed with the partner and addressed through corrective actions.
- Serious and intentional violations may result in the termination of the business relationship.

6.0 ACKNOWLEDGMENT AND AGREEMENT OF THE SUPPLIER

- The business partner commits to acting responsibly and adhering to the listed principles/requirements. Furthermore, the partner will communicate the contents of this Code to employees, representatives, and subcontractors and will make all necessary arrangements to implement the requirements.

Signature of Management



Bernd Hochstädter, CEO