



## **HABA FAMILYGROUP– Purchasing Principles**

Status: January 1<sup>st</sup>, 2023

### **Preamble**

The HABA FAMILYGROUP is i.a. composed of HABA Group B.V. & Co. KG and HABA Sales GmbH & Co. KG i.a. with their brands HABA, HABA Pro and JAKO-O. They are internationally operating companies that are very serious about their responsibility regarding all activities of the HABA FAMILYGROUP. We are working for children and their families and assume responsibility for those people, who are working for our companies. People, whose work is a contribution to our success, may not sustain any physical or mental harm due to this work.

We expect that our employees, our suppliers and their subcontractors are fulfilling their duties responsibly. We do not accept any compromises regarding basic requirements of safety and human rights. We demand that each of our partners adheres to the social standards according to BSCI, SA 8000 or ICTI. We define child labor according to Section 32.1 of the UN Convention on the Rights of the Child and we strictly refuse to accept child labor! The HABA FAMILYGROUP requires that our suppliers manufacture their products effectively and environmentally friendly according to the latest ecological aspects.

The principles below serve to point out our point of view:

### **1. Protection of the Personal Rights**

#### **a. Prohibition of Child Labor**

Child labor, as defined in the ILO treaties, the Conventions of the United Nations (according to Section 32.1) and/or national laws, is prohibited. In this regard, the respective strictest of the mentioned rules must be observed. Any form of exploitation of children is prohibited! Work conditions, which are similar to slavery or that are harmful to health, are forbidden. The rights of juvenile employees must be protected.

#### **b. Observance of Laws**

National laws, relevant legal provisions and regulations, ILO treaties and UN Conventions as well as, minimal industrial standards that apply and are valid must be observed by the strictest ones.

The contents of all records and documents that we as suppliers or our subcontractors as manufacturers of the goods issue are truthful and satisfy all formal requirements.

As supplier to HABA FAMILYGROUP, we hereby confirm our adherence to all operative import regulations within the EU (European Union) and the Federal Republic of Germany.

This refers to the following regulations in particular:

- the ban on importing seal products
- the ban on importing cat and dog fur and products containing these types of fur to the EU
- the ban on importing protected animals and plants (CITES – Convention on International Trade in Endangered Species of Wild Fauna and Flora)
- the ban on producing, importing, exporting, marketing, using, recovering, recycling and/or reprocessing hydrochlorofluorocarbons, other fully halogenated hydrochlorofluorocarbons, halons, carbon tetrachloride, 1,1,1-trichloroethane, methyl bromide, virgin hydrobromofluorocarbons and virgin hydrochlorofluorocarbons (HCFC)“

#### **c. Principles with Regard to Safety Laws and Health**

For health and safety at the workplace, measures and regulations are worked out. observed and enforced. This also includes the provision and use of personal protective cloth and the access to drinking water and clean toilets. Work methods and conditions, which violate basic human rights, are prohibited – at the workplace as well as in the common rooms and living spaces. Juvenile employees cannot be exposed to situations that are dangerous, unsafe or hazardous to the health.



**d. Prohibition of Forced Labor and Physical Violence**

All forms of forced labor and the use of corporal punishment as well as psychical or physical coercion are prohibited.

**e. Non-discrimination Rule**

Discrimination with respect to hiring, compensation, access to further education, promotion, termination of the employment as well entry into retirement based on gender, age, religion, descent, caste, social background, disability, ethnic or national origin, citizenship, the membership in a labor organization including trade unions, political conviction, sexual orientation or other personal characteristics must not be tolerated.

**2. Protection with Regard to Labor Laws**

**a. Labor Agreements**

All employees are entitled to a labor agreement.

**b. Work Hours**

Per week, a maximum of 48 hours may be worked during regular working hours. Per week, a maximum of 12 hours of overtime may be worked – and these only on a voluntary basis. Break times must be observed. After six consecutive workdays, employees are entitled to at least one day off. National laws and industry standards regarding work hours must be observed. An entitlement to statutory annual leave and to the statutory number of sick days exists. In case of pregnancies, maternity leave must be granted to the extend as provided by law.

**c. Wages**

Compensation for regular work hours, overtime and overtime balance must meet or exceed the statutory minimum wages and/or the respective applicable industry standard. Wages must be paid punctually and regularly. Illegal or not approved deductions from wages are prohibited as well as payroll deductions intended as penalties. In cases, in which the statutory minimum wages do not cover the cost of living and do not provide for disposable income, companies are required to provide the employees with an adequate compensation, so these needs can be satisfied.

**d. Freedom of Assembly**

The right of all employees to freedom of association and of assembly as well as to collective bargaining must be observed. In cases or countries, in which the right to freedom of association and of assembly as well as the right to collective bargaining is restricted by law, alternative options for independent and free organizing and bargaining must be created.

**3. Environmental Guidelines**

Suppliers must demonstrate responsible behavior regarding environmental protection issues. In the country of the business operations, any and all environmental laws and relevant regulations must be observed. Procedures and standards for the disposal of waste, the handling and disposal of chemicals and other hazardous substances, emissions and waste water treatment must meet the statutory minimum requirements or exceed the same. Products must be manufactured in a sustained manner in accordance with the latest ecological aspects.

**4. Supervision and Enforcement**

The HABA FAMILYGROUP expects that all suppliers and their subcontractors adhere to these Purchasing Principals and commit to the best of their abilities to meet our standards. Upon request, all suppliers are obligated to inform the HABA FAMILYGROUP as to where each individual order is produced and where the production facilities are located. We reserve the right of unannounced inspections performed by independent third parties, in order to verify the compliance. The HABA FAMILYGROUP is terminating with immediate effect the collaboration with any suppliers, who are in breach of these Purchasing Principals.



## **5. Notification of pre-supplier and material changes**

Suppliers can propose design changes or modifications that help reduce costs, improve quality, and increase product reliability and process capability. All proposed design changes or modifications, whether permanent or temporary and including copyrighted concepts, must be examined, approved, and authorized in writing by HABA Supply Chain GmbH & Co. KG. If a supplier wishes to change the production site, the pre-supplier and / or the material, the supplier must notify HABA Supply Chain GmbH & Co. KG. The new production site, the pre-supplier, the material must be qualified by a release or audit and validated materials / parts! All changes must be notified to the HABA Supply Chain GmbH & Co. KG and released through them.

## **6. Commitment to Comply with the Purchasing Principles of the HABA FAMILYGROUP**

We confirm that we have received and taken notice of the Purchasing Principles of the HABA FAMILYGROUP. We agree to observe the same, to inform all our subcontractors of the same and to ensure that also such subcontractors comply with the stipulations therein.

We guarantee that the production of goods for the HABA FAMILYGROUP is taking place only at those sites, about which the HABA FAMILYGROUP has been informed upon request.

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Location, Date

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Stamp + Signature Supplier