

Mühlbauer Supplier Code of Conduct

Our understanding of sustainability in supplier management

The Mühlbauer Group considers sustainability as an essential part of our business processes. We procure raw materials, goods and services from our suppliers worldwide in order to ensure our customers' sustainable success with our innovative product and service solutions.

A responsible business conduct geared to long-term added value must be the baseline. Therefore we involve our suppliers directly into our sustainability strategy.

In our procurement activities, we also consider social and ecological aspects such as human rights, working conditions, corruption prevention and environmental protection.

Mühlbauer expects of its suppliers that they respect the applicable national laws of their country, the principles of the United Nations Global Compact and the Mühlbauer Supplier Code of Conduct in their activities. Furthermore it is expected that they introduce appropriate processes supporting law observance in their companies and advancing a continuously enhanced compliance with the principles and requirements of the Mühlbauer Supplier Code of Conduct. Moreover, Mühlbauer expects its suppliers to ensure that their related companies also respect and observe all the principles and requirements described herein.

Treatment of employees

Mühlbauer expects of its suppliers that they respect the basic employment rights of the applicable national legislation. In addition, Mühlbauer expects that the core labor standards of the International Labor Organization (ILO) to be observed, in due consideration of the laws and legal structures of the different countries and locations.

Child labor

Mühlbauer expects that its suppliers prohibit and refrain from any kind of child labor in their companies.

Forced labor

Mühlbauer expects that its suppliers do not allow any forced labor in their companies.

Discrimination

Mühlbauer expects its suppliers to promote equal opportunities and nondiscrimination and to prevent any discrimination in personnel recruitment, job promotion and granting job training and further training. No employee must face any disadvantage due to their sex, age, skin color, culture, ethnical origin, sexual identity, a disability, their religious affiliation or their ideology.

Freedom of association

Mühlbauer expects of its suppliers that they respect the rights of their employees to form an employee representation and conduct negotiations, in compliance with the national legislation.

Remuneration and working hours

Mühlbauer expects that its suppliers observe the applicable national legislation on working hours. Moreover, it is expected that the suppliers' employees receive a remuneration which is compliant with applicable national laws (e.g. minimum wage in Germany according to MiLoG Art. 1 para. 2).

Health protection and workplace safety

Mühlbauer expects that its suppliers observe the applicable national legislation on health protection and workplace safety. Furthermore, it is expected that the suppliers set up and enforce an appropriate workplace safety management (e.g. according to OHSAS 18001).

This includes on the one hand containment of actual and potential work safety risks and on the other hand training of employees, in order to prevent accidents and professional diseases in the best possible way.

Environmental protection

Mühlbauer expects that its suppliers observe the applicable national environmental laws, regulations and standards. Moreover, it is expected that the suppliers set up and enforce an appropriate environmental management system (e.g. according to ISO 14001), in order to minimize environmental pollution and related dangers and to improve environmental protection in daily business operations.

Conduct in the business environment

Prohibition of corruption and bribery

Mühlbauer expects its suppliers to not tolerate corruption and to ensure that the anti-corruption conventions of the United Nations (UN) and of the Organization for Economic Co-operation and Development (OECD) and relevant anti-corruption laws are observed in their companies. In particular, they ensure that their employees, subcontractors or representatives do not offer, promise or grant any benefits to Mühlbauer employees or related third parties with the objective of obtaining a purchase order or any other advantage in business dealings.

Invitations and presents

Mühlbauer expects that its suppliers do not abuse invitations and presents for manipulation purposes. Invitations and presents to Mühlbauer employees or related third parties are only allowed, if the occasion and amount are appropriate, i.e. if they are of low value and generally considered a gesture of local business practices. Likewise, the suppliers do not demand any inappropriate advantages to be granted by Mühlbauer employees.

Prevention of conflicts of interests

Mühlbauer expects that its suppliers make decisions related to their business relations with Mühlbauer exclusively based on objective criteria. Conflicts of interests related to private affairs or alternative economic or other activities, also of family members or other related persons or organizations, are avoided from the start.

Open competition

Mühlbauer expects that its suppliers respect the fair-play principle of competition and observe the applicable anti-trust laws. Suppliers must neither participate in anti-competitive agreements with competitors nor abuse any dominant market position which they may have.

Money laundering Mühlbauer expects its customers to observe the relevant legal obligations regarding prevention of money laundering and to not participate in money-laundering activities.

Conflict raw materials

Conflict resources are natural resources, which systematical exploitation and commerce in context of a conflict may lead to severe violations of human rights, violation of the humanitarian international law or implementation of prosecution of international law facts.

For Muehlbauer it is important that our Vendors and their suppliers take measures as well to ensure that no minerals / raw materials are being used which are considered conflict raw materials (i.e.: tantalum, tin, wolframite, gold out of the Democratic Republic of the Congo and adjoining countries).

Supplier relations

Mühlbauer expects that its suppliers communicate to their subcontractors and suppliers all the principles and requirements stated herein and consider them also for the selection. The suppliers confirm their subcontractors and suppliers in complying with the described standards for human rights, working conditions, corruption prevention and environmental protection when fulfilling their contractual obligations.

Compliance with the Mühlbauer Supplier Code of Conduct

Suppliers verify their compliance with the principles and requirements of the Mühlbauer Supplier Code of Conduct via a supplier self-assessment. In addition, on-site audits can be carried out by a third party commissioned by Mühlbauer, after clearance with the supplier.

Every violation of the principles and requirements of the Mühlbauer Supplier Code of Conduct will be considered as a substantial impairment of the contractual relationship on the part of the supplier. In case of a suspected non-compliance with the described principles and requirements of the Mühlbauer Supplier Code of Conduct (e.g. negative media coverage), Mühlbauer reserves the right to demand information about the circumstances of the relevant case.

Moreover, Mühlbauer has the right to terminate without notice single or all contractual relationships with suppliers who demonstrably fail to comply with the Mühlbauer Supplier Code of Conduct or who do not seek or enforce any improvement measures after an appropriate period of time announced by Mühlbauer has passed.