

Halfar System GmbH sustainable procurement policy

Foreword

When procuring all relevant goods for our business, we aim to apply sustainable criteria at all the stages of the supply chain which we are able to influence. This includes commitments to social, ecological, quality-related and ethical aspects, against which our supply chain is continually reviewed and further developed.

Scope of application

This sustainable procurement policy applies for all employees of Halfar at the existing locations at Ludwig-Erhard-Allee 23 and the external warehouse at Remusweg 11, both in Bielefeld. Together with them, we strive for compliance on the part of all suppliers and service providers.

1. Social aspects of procurement

Like our suppliers and our service providers, we undertake to respect human rights, to maintain occupational health and safety and to observe all the social standards of the International Labour Organisation (ILO). We are furthermore guided by the principles of amfori BSCI. We encourage our business partners in risk countries to conduct audits in accordance with amfori BSCI, which among other things ensures compliance with national legislation and that there can be no form of precarious employment. We further encourage our business partners to do the same with their suppliers, to the extent appropriate.

The social aspects of procurement are implemented in practice through the BSCI code of conduct.

2. Ecological aspects of procurement

We undertake to integrate the ecological criteria across the entire supply chain. As part of this, we ensure that our suppliers comply with and implement environmental standards and avoid negligently causing environmental damage caused by their operational business. This involves using resources efficiently, handling waste responsibly and reducing greenhouse gas emissions to a reasonable level.

In general, we undertake to develop our supply chain in such a way that the ecological impacts are minimised appropriately. We therefore strive to make our procurement as environmentally-friendly and energy-efficient as possible. The ecological aspects of procurement are derived from our environmental policy.

3. **Quality-related aspects of procurement**

We undertake to organise all aspects of our procurement to guarantee the high quality of our products. As part of this, we strive for the highest possible quality of all the materials used and processing steps applied. We further undertake to select all materials in such a way that we maximise the benefits and durability of our products. The safety of our products in respect of current legislation is guaranteed.

The quality-related aspects of procurement are implemented in practice through our quality-assurance agreement.

4. **Ethical aspects of procurement**

We undertake to incorporate ethical aspects at all stages of our procurement. In particular, we ensure consistent compliance with data protection throughout our supply chain and do not tolerate any form of corruption or any form of unfair business practices. In addition, we maintain fair dealings with all other market participants.

The ethical aspects of procurement are implemented in practice through the BSCI code of conduct.

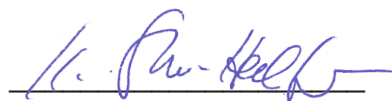
Implementation & execution

The management board regularly reviews and updates this procurement policy within the organisation.

The management board publishes this document for all employees and provides training in implementing the policy. Employees of Halfar System GmbH have been given the opportunity to report infringements of this policy. Information in this respect is treated confidentially and whistle-blowers' identity is protected.

Bielefeld, November 2020

Kathrin Stühmeyer-Halfar



Armin Halfar

