

# Code of Conduct for Sustainable Enterprises

For all stakeholders of the Mosca Group

**MOSCA**<sup>®</sup> 

EXCELLENCE IN STRAPPING SOLUTIONS

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## 1 Background

MOSCA is a world-leading system supplier, designer and manufacturer of high-quality strapping machines, strapping materials and systems for securing transport goods. As an independent and owner-managed family business with approx. 1,000 employees worldwide, MOSCA has developed into a global technology leader, with customers in practically all industries. Economic and ethical conduct are inseparably linked for Mosca GmbH and its subsidiaries (hereinafter collectively referred to as "MOSCA"). Sustainable economic value creation is only possible for us if moral values are upheld. MOSCA therefore promotes and expects the implementation of high legal, ethical, ecological and social standards in its own company as well as with our partners. This document sets out MOSCA's commitment to integrity and professionalism and includes a clear set of standards and guidelines for sustainable business activities and behaviour within the workforce. These principles apply to us as well as to our partners.

For MOSCA, sustainability primarily refers to the preservation of our environment for future generations and respect for our employees, business partners and society. Acting sustainably in our company means assuming economic, social and ecological responsibility.

This Code of Conduct is addressed to all our stakeholders and sets out the minimum standards of business conduct that we expect from them and guarantee them in return. The Code of Conduct is based on our company's values and is an integral part of our business strategy. It forms a binding framework for the actions of all employees. MOSCA expects all business partners and contractors to comply with the principles outlined in this Code of Conduct and to implement the standards contained therein in the upstream and downstream supply chains.

## 2 Ethics and Lawful Conduct

### 2.1 Compliance with laws and international standards

Legally compliant and ethically faultless conduct is a matter of course for MOSCA. Legal and cultural conditions may not, under any circumstances, be disregarded. All MOSCA business partners and contractors must comply with applicable national legal provisions. This applies in particular to labour and social laws as well as to environmental protection regulations.

We expect our business and contractual partners to ensure sustainable and ethical business practices by complying with national/international regulations and all relevant standards. We also expect our standards to be met by subcontractors and require our partners to take appropriate steps to prevent fraud, bribery, money laundering and corruption.

## **2.2 Respect for human rights**

We respect internationally recognised human rights, as expressed in the International Bill of Human Rights and the ILO Core Conventions. We support their observance and distance ourselves from any business practices that contradict these human rights. MOSCA's business and contractual partners must ensure that they respect all local valid rights of their employees and comply with all locally applicable laws, regulations and guidelines. This applies in particular to preventing child/forced labour and human trafficking. MOSCA's policies and procedures adhere to all applicable domestic laws and are consistent with core labour principles of the International Labour Organization (ILO) concerning freedom of association and collective bargaining, non-discrimination at the workplace, and the prohibition of forced and child labour. All business partners must ensure that there is no exploitation through forced labour, child labour (under 14 years of age) or mistreatment of other vulnerable groups (e.g. illegal immigrants) within their company or supply chains. Under no circumstances will the employment of children under 14 years of age be tolerated. MOSCA strictly condemns all forms of forced and child labour.

## **2.3 Non-discrimination**

A culture of equal opportunity, trust and mutual respect plays an especially important role for MOSCA. We promote equal rights in the workplace and avoid discrimination in the recruitment of employees and in the promotion or provision of training. MOSCA is committed to the equal treatment of all employees, regardless of gender, age, ethnic origin, sexual identity, disability, religion or belief. Discrimination on the basis of political affiliation or trade union membership is also explicitly forbidden. In the spirit of equality for all people, MOSCA is committed to ensuring that local communities and indigenous peoples are respected. MOSCA expects all business partners and contractors to make certain that their business practices meet these standards and that they take steps to ensure equality in the workplace and prevent discrimination. Every employee is also obliged to respect the privacy of colleagues and superiors and to prevent bullying in the workplace.

# **3 Dealing with Employees and Business Partners**

## **3.1 General guidelines**

All employees, without exception, must be treated with respect and dignity. Any form of physical, psychological, sexual or verbal harassment and abuse, or any other form of intimidation, is strictly prohibited. Employees who report violations of this Code of Conduct or of national laws may not be subjected to any form of disciplinary action. Mutual reliability, sustainability and professionalism are top priorities in our relationships with business partners.

In our dealings with them, we cultivate sincerity, courtesy, respect and fairness. This includes comprehensible decisions that are made transparent and communicated. These principles are exemplified in the same way by management in dealing with employees and are mutually observed by the employees among themselves.

### **3.2 Working hours**

When regulating working hours, the respective national labour legislation applies and we are guided by the basic principles developed by the International Labour Organization (ILO). Suppliers, customers and all other business partners are responsible for compliance with applicable labour laws, including the right to holidays.

### **3.3 Remuneration**

Like MOSCA, all business partners guarantee that their employees are paid the legally stipulated minimum wage. Overtime must be compensated with the applicable statutory bonuses. The wage or salary paid should be sufficient to meet basic needs. All employees must at least receive the social benefits prescribed by law. Illegal and unjustified wage or salary deductions as a direct or indirect disciplinary measure are prohibited. In addition, employees must be regularly informed of the full composition of their wage or salary in a manner that is comprehensible to them.

### **3.4 Documentation of working conditions**

Employment must be based on a formal document, such as an employment contract. The business partners guarantee written documentation of working conditions. The circumvention of national applicable labour and social security standards is prohibited, as is the circumvention of this Code of Conduct.

### **3.5 Cooperation with employee representatives**

For MOSCA, close cooperation in a spirit of trust with employee representatives and the works council is a key element of our company policy. Trust and cooperation are based on an open and professional dialogue characterised by mutual respect.

## **4 Health, Safety, Environmental Protection and Quality**

### **4.1 Health and safety at work**

MOSCA is committed to protecting and promoting human health and ensuring a safe and healthy working environment, within the framework of the statutory regulations on health and safety at work. Safety at work and the health of our employees are corporate goals that are just as important as the quality of our products and our commercial success. Occupational health and safety are an integral part of all operational processes and are included in technical, economic and social considerations from the very beginning. All contractual partners and employees are expected to observe the safety regulations, to support us in all safety-relevant activities and to be aware of potential dangers. This applies to all hazards that may arise at employee workplaces. Accidents or possible hazards, exposure or near accidents must be reported immediately to the responsible supervisor. All necessary measures will be taken to prevent accidents and damage to health. MOSCA has established a safety organisation that is continuously monitored; these are instruction and training of the employees, implementation of risk assessments and ensuring occupational health precautions within the legal regulations. We expect our suppliers, service providers and other business partners to meet at least the same occupational health and safety standards to which we have committed ourselves.

### **4.2 Environmental and climate protection**

Sustainable environmental and climate protection along with resource efficiency are important corporate goals for MOSCA. In the development of new products and services as well as in the operation of production facilities, we make every effort to minimise the impact on the environment/climate and to support environmental and climate protection. We take into account the requirements of an intact environment when it comes to the development and design, production, packaging and shipping of our products as well as the customer's application. Each of our employees bears responsibility for treating natural resources with care and supporting environmental and climate protection through their behaviour. We also expect our business partners to comply with all laws and regulations for the protection of human life and the environment as well as the reduction of the environmental impact of their products. For waste disposal, the eco-friendliest, economically viable method must be chosen. Incidents with environmental hazards must be reported to the responsible authorities. Aspects such as climate protection, environmental compatibility, biodiversity and climate change should play a key role in their decisions.

### **4.3 Product safety**

For MOSCA, it is essential to ensure that products from our suppliers and service providers, when used as intended, are safe for human health and the environment. Our company also guarantees this safety for its own products supplied to customers. All information and certifications required for safe handling and use of the products from suppliers and service providers must be made available by these companies. Special care must be taken with hazardous materials and goods. MOSCA in turn ensures that all necessary documents and information are provided for its own products.

### **4.4 Conflict-free supply chains**

MOSCA takes great care to ensure that materials are not procured from countries in conflict. The company expects the same from all business partners. We require our suppliers and service providers to furnish proof that they procure and process raw materials from conflict-free countries and that appropriate processes are established to enable a follow-up analysis. We assume responsibility for our supply chain process and strive to ensure that all our suppliers comply with our company's defined sustainability standard. We focus on targeted cooperation with our suppliers in order to continuously improve the sustainability standards in our value chain. This is our way of striving for positive changes across the entire value chain. To ensure sustainability-oriented management of the supply chain, we ask our suppliers to provide a self-disclosure statement to assess sustainability and do supplier audits on regular bases. This covers areas including quality management, occupational health and safety, environmental protection, energy, corporate social responsibility and supply chain management.

## **5 Conduct in the Business Environment**

### **5.1 Compliance with the law**

For MOSCA, compliance with laws and regulations within the business environment is a basic prerequisite for economically responsible conduct. We observe the applicable legal obligations and prohibitions at all times and comply with those without exception, even if this could result in short-term economic disadvantages or difficulties for the company or individual persons. If national laws are more restrictive than the regulations applicable at MOSCA, these laws will take precedence.

## **5.2 Avoiding conflicts of interest**

At MOSCA, business decisions are based solely on the best interests of the company. Conflicts of interest with private or other commercial concerns, including those of relatives or other related persons or organisations, must be avoided from the outset. Should any conflicts of interest nevertheless arise, they are to be resolved in accordance with legal regulations and the applicable corporate guidelines. This requires a transparent disclosure of the conflict. MOSCA also expects its business partners to avoid or resolve conflicts of interest at an early stage in order to ensure a business relationship based solely on economic interests and plans.

## **5.3 Fair competition**

As a technology leader in the strapping machine market, MOSCA stands for exceptional technological competence, customer orientation and innovation. Our good reputation and ongoing economic success are mainly due to our motivated and qualified staff. Our leading position in the global competition is a direct result of our competence and the high quality of our products.

Corruption and cartel violations endanger our competitive position and are strictly prohibited at MOSCA. As a matter of principle, bribes or cartel agreements are not a means for us to win new contracts. Compliance with the law is a top priority for MOSCA and, in case of doubt, takes precedence over concluding a profitable business deal. We expect the same from our customers, suppliers and partners. They must also take appropriate measures to comply with all corruption or antitrust laws and prevent violations of any kind.

# **6 Conduct within the Company**

## **6.1 Donations**

MOSCA regards itself as an active member of society and through its commitment, assumes responsibility for global and regional concerns, for example in the form of project competitions and educational projects with World Vision, a humanitarian aid organisation. Donations and other forms of social commitment are provided by MOSCA solely in the interests of the company. MOSCA does not contribute financial support to political parties in Germany or abroad, to party-like or affiliated organisations, to elected officials or to candidates for political office.

## **6.2 Public appearance and communication**

MOSCA respects and upholds the right to freedom of expression and the protection of personal rights and privacy. Employees should be aware that, even in their private lives, they may be



perceived as a MOSCA staff member or representative. We therefore call upon all employees to conduct themselves in a way that protects the company's image and reputation in public. This applies especially to communications with the media. When it comes to privately expressing an opinion, a person's position or activity within the company should not be placed in the same context as their personal comments. In the same way, MOSCA customers, suppliers and all other business and contractual partners are encouraged to ensure they do not, through their public actions or activities and in regard to the quality of the business relationship, jeopardise the company's reputation.

### **6.3 Protection of company property**

The company's property and resources must be used properly, handled with care and protected against loss, theft or misuse. MOSCA's intellectual property represents a competitive advantage for the company. It is therefore something worth protecting and must be defended against any unauthorised access by third parties. The use of the company's tangible and intangible assets is only permitted for company purposes and, unless expressly authorised, not for personal use.

## **7 Management Systems**

### **7.1 Legal and other requirements**

In the course of introducing management systems at MOSCA, we expect our suppliers, customers and other business partners to also introduce comparable management systems. These should help their companies comply with the applicable laws and to continuously improve the implementation of the expectations set out in this Code of Conduct. Furthermore, our partners shall comply with all applicable laws, regulations, contractual agreements and generally accepted standards outlined in this Code of Conduct and communicate the sustainability criteria set out herein throughout their supply chains. MOSCA partners are also called upon to provide adequate resources within their companies to meet the expectations set out in this Code of Conduct.

### **7.2 Risk management**

MOSCA requires its suppliers, customers and other business partners to implement processes to identify, determine and monitor risks in all areas addressed in this Code of Conduct as well as in all applicable legal provisions. Conversely, MOSCA guarantees all stakeholders that it will also design and develop a comprehensive risk management system for its own company.

### **7.3 Continuous improvement**

MOSCA's top priority is to continuously develop and improve the company's sustainability efforts by implementing appropriate measures and tools. Within the scope of annual management training, employees will be sensitised to the topic of sustainability and other management processes. We also expect our stakeholders to strive for continuous improvement. Business partners and contractors should also provide training to ensure their employees have a comprehensive understanding of the management system content and the Code of Conduct, as well as the applicable laws, regulations and generally accepted standards.

## **8 Information and Communication**

### **8.1 Handling of information**

#### **8.1.1 Confidential company information**

MOSCA takes the necessary steps to adequately protect confidential information and business documents from unauthorised access by non-participating colleagues and other third parties. Company employees who have access to specific information about circumstances that are not publicly known may not disclose such information, either intentionally or by gross negligence. We are committed to transparent communication within the scope of business confidentiality.

#### **8.1.2 Reporting**

MOSCA's strategic orientation is based on openness, honesty and a clear focus. This is how we ensure open, truthful and focused reporting and communication regarding the company's business activities to suppliers, employees, customers, business partners, the general public and governmental institutions. Every employee must ensure within his or her responsibility that both in-house and external reports, records and other company documents are complete, correct and consistently communicated in a timely and systematic manner in accordance with the applicable legal guidelines and standards.

### **8.2 Data protection and information security**

The protection of personal data, especially information pertaining to employees, customers or suppliers, is a particularly high priority for MOSCA. No personal data may be collected, processed or published without legal admissibility or the consent of the persons concerned. MOSCA also expects its customers and suppliers to use the confidential information of its stakeholders appropriately and to protect this data accordingly. Customers and suppliers must

also ensure that data worthy of protection and intellectual property rights of employees and business partners are properly secured.

### **8.3 Complaint management**

MOSCA regards employee participation as indispensable in the implementation of this Code of Conduct. Therefore, it is essential that information about the Code and potential violations are taken very seriously. For this purpose, our Compliance Officer ([compliance@mosca.com](mailto:compliance@mosca.com)) is available as contact person. The compliance regulations of the respective countries apply. The compliance regulations of the respective countries apply. MOSCA requires its business partners and contractors to provide a complaint procedure for reporting potential violations of the Code of Conduct. The identity of staff members must be kept confidential and employees must be ensured that such a report will not have any adverse consequences.

## **9 Monitoring and Safeguarding**

### **9.1 Scope of application**

This Code of Conduct serves as the basis for all MOSCA business relations and in-house processes. All employees, customers, suppliers and other business partners or contractors strive for the compliance with the principles set out in this Code of Conduct. Furthermore, this Code of Conduct is to be published and communicated freely and visibly (in the respective national language, if necessary) to all MOSCA employees and business partners. Anyone who becomes aware of violations of this standard or active infringement of the rights set forth and affirmed herein should contact MOSCA directly.

### **9.2 Implementation and contacts**

MOSCA actively promotes communication of the company policies and agreements underlying the Code of Conduct. The individual MOSCA subsidiaries are responsible for implementing the Code and ensuring that no employee suffers any disadvantage as a result of complying with the guidelines or agreements. MOSCA's managers have a special function as role models and must strictly adhere to the Code of Conduct. They are the first point of contact for questions regarding the regulations and are responsible for ensuring that all employees know and understand the Code of Conduct. As part of their management duties, they take steps to prevent unacceptable behaviour or implement appropriate measures to prevent rule violations in their area of responsibility. If there are any further questions about the Code of Conduct, our

Compliance Officer (compliance@mosca.com) will be available as contact person for all MOSCA employees, customers, suppliers and other business partners.

### **9.3 Revision of the Code of Conduct**

As a means of continuous improvement, it is necessary to review this Code of Conduct at planned intervals and, if necessary, to adapt it to changing situations. This revision is carried out annually by the quality management team, who is also responsible for the publication and announcement of the updated version.