

# **Hudaco** Africa

UPDATED BUSINESS PARTNER CODE OF CONDUCT – JUNE 2020

## HUDACO GROUP BUSINESS PARTNER CODE OF CONDUCT INTRODUCTION

Hudaco believes in social and environmental responsibility and ethical conduct and invites its business partners to do the same. Hudaco operates with long-term sustainability in mind, which also includes building sustainable relationships with its business partners.

Furthermore, Hudaco and its business partners have an obligation to all stakeholders to observe high standards of integrity and fair dealing. This is the foundation for and the reason why Hudaco has created the Business Partner Code of Conduct, which is based on:

- the National Global Compact Principles.
- the UN Universal Declaration of Human Rights and connected UN Conventions.
- the OECD recommendations regarding corruption.
- the Employment Equity Act.
- Broad based Black Economic Empowerment Act.
- good corporate citizenship,
- labour and employment legislation; and
- Environmental, health and safety legislation.

## APPLICATION

The Business Partner Code of Conduct applies to all business partners that provide products or services to Hudaco, or that are engaged in or instructed to act for or on behalf of Hudaco such as e.g. suppliers, consultants, distributors, agents and other representatives.

## COMPLIANCE WITH LAWS

Hudaco invites all its business partners to operate in accordance with the principles of the Business Partner Code of Conduct and in full compliance with all applicable laws and regulations.

## RAISE CONCERNS

Should you or your employees believe that the terms of the Business Partner Code of Conduct are not adhered to or that Hudaco is not acting in accordance with its own Hudaco Code of Conduct then you are encouraged to raise your concerns with Hudaco's company secretary at [info@hudaco.co.za](mailto:info@hudaco.co.za).

## BREACH

Any material breach of this Code of Conduct could constitute a deterioration of the relationship between Hudaco and the business partner. Notwithstanding other rights, Hudaco reserves the right in such cases to request clarification of the facts and the initiation of countermeasures by the business partner. Hudaco's executive committee further reserves the right to consider the termination of a business relationship with any business partner who deviates consistently from or breaches this Code of Conduct in a material way.

If a business partner or any of its own (sub)contractors fails to comply with the requirements set forth in this Code of Conduct, the business partner is requested to take appropriate action to remedy the breach and prevent a recurrence of such breach in future.

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## **BUSINESS ETHICS**

### **1.1**     *General*

Hudaco respects the laws and regulations in the countries in which it operates and requests that its business partners do the same. Hudaco does not accept corrupt activities, including but not limited to bribery, conflict of interest, fraud, extortion, embezzlement and unlawful kickbacks, and its business partners shall not engage in, or cause Hudaco to engage in any form of corrupt activities.

### **1.2.**     *Competition laws*

Hudaco's business partners are requested to comply with applicable competition laws and regulations. This means, among other things, not to engage in price fixing, market sharing, bid rigging or customer allocation.

### **1.3**     *Anti-bribery*

Hudaco does not accept bribes or facilitation payments in any form.

### **1.4**     *Conflict of interest*

Conflict of interest between a business partner and Hudaco must be avoided. Conflict of interest may include outside business activities, personal financial interest and inside information, Furthermore, Hudaco requests its business partners to protect all personal information provided by Hudaco and respect the intellectual property of Hudaco and others.

## **2. HUMAN RIGHTS AND LABOUR STANDARDS**

### **2.1**     *Child labour*

Hudaco recognises the right of every child to be protected from economic exploitation and from doing work that is likely to be hazardous to their physical, mental or spiritual health, harmful to their moral and social development, or to interfere in their education.

A child in this context is a person younger than 15 years of age, or 14 years of age in accordance with the exceptions for developing countries as set out in Article 2.4 of the ILO (International Labour Organisation) Convention number 138 on Minimum Age. If relevant national legislation sets a higher age, this age will apply.

Some countries apply the definition of "young workers" to persons above the minimum age and below 18, which means that there might be legal restrictions regarding the work that they are allowed to perform.

### **2.2**     *Forced or bonded labour*

Hudaco does not employ or accept any form of forced or bonded labour, prisoners or illegal workers, and requests its business partners do the same. Hudaco acknowledges that means to force people to work can include a deposit of payment or demand to deposit identity documentation or other personal belongings, all of which is prohibited. If business partners employ foreign workers on a contract basis, they should not be required to remain in

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employment against their will, and they shall further have the same rights as the local workers.

All workers shall have the right to leave their workplace and accommodation (if provided) freely during the hours they are not working.

## **2.3** *Freedom of association and collective bargaining*

Hudaco requests its business partners to respect the rights of employees to have the freedom to join, or not to join, an association of free choice as well as to establish an association of free choice, to organise and to bargain collectively and individually in accordance with local laws and regulations. No employee should risk being harassed or retaliated against for exercising these rights.

## **2.4** *Workers' contracts, working hours and compensation*

Hudaco requests its business partners to comply with local laws and regulations regarding workers' contracts, working hours, including overtime and overtime compensation. Salaries should be paid regularly and comply with the applicable local legislation and the local market situation. Workers should be entitled to a minimum of one day off in seven and to take time off for established national and local holidays. Workers should be granted the stipulated annual leave, sick leave and maternity/paternity leave without any negative repercussions.

## **2.5** *Discrimination, harassment and diversity*

Hudaco values and promotes diversity and gender balance. Hudaco requests its business partners to provide a work environment where everybody should be treated with respect and dignity and be given fair and equal opportunities for development. Hudaco does not tolerate any form of discrimination or harassment in the workplace, and its business partners are requested not discriminate against any worker based on race, ethnicity, sexual orientation, gender, religion, age, disability, political opinion, nationality or any other potentially discriminatory factor.

## **2.6** *Consumer interest*

Hudaco requires that applicable health and safety requirements are met for its production and services, and its business partners is requested to take this into account when producing goods or providing services for Hudaco.

## **2.7** *Responsible sourcing of minerals*

Hudaco is committed to comply with relevant laws and regulations requiring disclosure of the use of conflict minerals. Conflict minerals are minerals from high risk and conflict-affected areas that have directly or indirectly contributed to financing of armed groups, where some groups are believed to be responsible or serious human rights violations. Goods provided to Hudaco are required to be in compliance with relevant laws and regulations regarding conflict minerals.

## **3. ENVIRONMENT**

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## **3.1** *Environment and sustainability*

Hudaco continues to meet legal environmental requirements and requests its business partners to obtain, keep current, and comply with all required environmental permits and licenses needed for their operations. Hudaco encourages the development and diffusion of environmentally friendly technologies. Hudaco recommends all business partners with significant environmental impact, to implement certifiable environmental management systems or similar systems.

Hudaco continuously seeks ways to reduce the consumption of resources and requests its business partners to strive to reduce its consumption of resources, including energy, waste and water, prevent pollution, have noise levels at acceptable levels and improve the overall environmental impact of its operations and products along the value chain.

## **4. HEALTH AND SAFETY**

### **4.1** *Work environment*

Hudaco is committed to providing a safe work environment and requests its business partners to contribute to the creation of a work environment that is safe and conducive to the delivery of work of a high-standard and the well-being of all workers.

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