

OETKER COLLECTION

Masterpiece Hotels



# RESPONSIBLE PROCUREMENT CHARTER

Sustainability Commitments of Oetker Collection and  
Expectations towards its Business Partners

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## Introduction

At Oetker Collection, we do understand that anything which is not sustainable cannot sustain. We therefore strive for sustainability in everything we do. We are committed to preserving the local environments and communities where we are present around the globe.

We have instituted a comprehensive strategy and created sustainability teams at each of our Masterpiece Hotels to carry out our objectives. Oetker Collection is proud to adhere to the UN Global Compact framework for ensuring a safe and guaranteed future for all and support its 10 principles.

The desire to positively contribute to the planet and the society certainly also applies to our supply chain management and procurement processes. Oetker Collection and all its hotels therefore seek to exclusively engage with business partners, who share the same values regarding environmental and social concerns, described in this charter.

The first chapter of this document shall give all our current and potential suppliers, service providers and subcontractors involved in our value chain (“Business Partners”) insights to Oetker Collection’s own commitment to sustainability and give an overview of the expectations we have when entering a business partnership.

These expectations are specified in the **Code of Conduct for Business Partners**, presented in the second chapter of this document. It defines contractual terms for business partners to adhere to regarding Compliance and Sustainability. It shall apply to all companies of Oetker Collection and its affiliated hotels, both in Germany and abroad

To find out more about Oetker Collection’s commitment to Sustainability and learn about our global initiatives, please visit:

<https://www.oetkercollection.com/sustainability>



## Our Sustainability Commitments & Business Partner Expectations



Oetker Collection respects internationally recognized human rights frameworks, including the Universal Declaration of Human Rights and the European Convention of Human Rights and Labor Laws. Furthermore, Oetker Collection's compliance with local and international labour laws is non-negotiable.

Our **principles** under this commitment are:

- Ensure our stakeholder is treated fairly while fighting against discrimination.
- Promote an optimum quality of life and safety at work.
- Encourage the development and employability of our employees.
- Ensure constant compliance with local labour and environmental regulations.

### Oetker Collection commits itself to:

- Not collaborate with suppliers and contractors that use child labor or forced labor or discriminate within the supply chain.
- Adhere to all local labor laws in the countries it operates in.

### Business Partners are expected to ensure compliance with the following:

- Zero tolerance of child or forced labor.
- Zero tolerance of violence or discrimination against women in the supply chain.
- Zero tolerance of slavery or unpaid work in the supply chain.
- Adherence to all local labor laws in its country of operation and those within its supply chain.



Oetker Collection aims to consume responsibly with regards to the resources used and its footprint, be it carbon emissions, effect on biodiversity or waste produced.

Our **principles** under this commitment are:

- Through innovation reduce our consumption of natural resources
- Actively contribute to the global Carbon Reduction goals
- Understand, protect and restore the biodiversity that surrounds us.
- Manage solid waste and strive to limit any type of pollution.
- Purchase responsibly, favouring suppliers who adhere to our principles.

#### Oetker Collection commits itself to:

- Implement its own waste management strategy to reduce solid waste and to comply with regulations governing waste management.
- Reduce its emissions of greenhouse gases.
- Protect the biodiversity by collaborating with organizations designated to the conservation of natural habitats.

#### Business Partners are expected to ensure compliance with the following:

- Reducing their consumption of water, paper, energy, and other material resources.
- Minimising packaging when a new product is designed and delivered.
- Prioritising the use of reusable containers for goods deliveries over disposable containers.
- Optimising deliveries to avoid emissions of greenhouse gases e.g., pooling working hours and delivery days with other customers.
- Prioritising the use of soft mobility vehicles for deliveries e.g., electric or hybrid.
- Measuring and collecting information related to carbon emissions associated with any activities, products and/or services, wherever available.



We can not only change our own behaviour to become more sustainable, but also drive attention to topics and inspire others to change. We therefore raise environmental awareness through several dimensions.

Our principles under this commitment are:

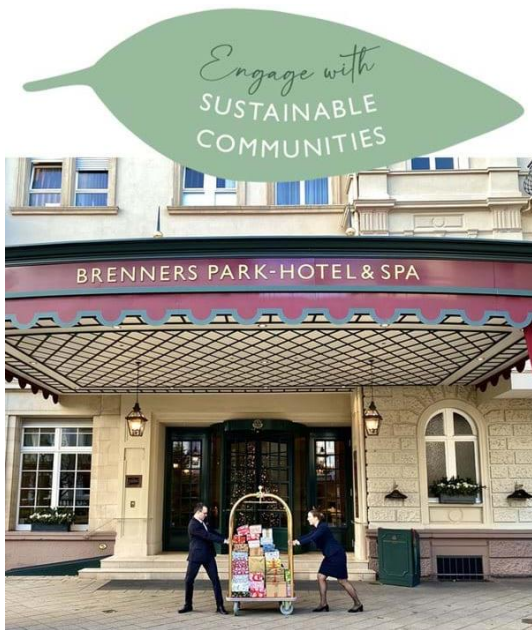
- Provide the necessary framework and training to operate responsibly at each hotel.
- Encourage our stakeholder to engage with our sustainability commitments.
- Communicate transparently about our sustainability goals, initiatives and achievements

#### **Oetker Collection commits itself to:**

- Provide all suppliers and contractors with yearly updates on its Sustainability progress within Oetker Collection.
- Comply with reasonable payment deadlines in accordance with the local laws.
- Ensure that the programming of orders is relevant.

#### **Business Partners are expected to ensure compliance with the following:**

- Transparency on Sustainability practices and reporting (certifications, partnerships, and reports).
- Upholding the guiding principles laid out in Business Partner Code of Conduct.



As a community, we can reach even more than as individuals. Therefore, Oetker Collection and all its hotels engage with various sustainable communities to create positive impact together.

Our **principles** under this commitment are:

- Favour local producers who guarantee the rich heritage of the region
- Commit alongside our partners in projects that are linked to the principles we defend.
- Support local communities engaged in the protection of environmental and social projects.

#### Oetker Collection commits itself to:

- Support local communities engaged with environmental and social projects.
- Provide proof of provenance, whenever possible.
- Purchase environmentally friendly products that have the least impact on the environment (European Ecolabel or similar) when possible. (Green purchasing)
- Support purchases from structures that employ people in difficulty. (Solidarity Purchases)
- Purchases that take into consideration concerns of a social or moral aspects (Ethical purchasing)
- Emphasize on giving producers a fair remuneration. (Fair Trade Purchasing)

# Oetker Collection

## Code of Conduct for Business Partners

### Preamble

This Code of Conduct for Business Partners shall apply to all companies of Oetker Collection and its affiliated hotels, both in Germany and abroad.

Oetker Collection respects applicable laws and expects the same from its employees and business partners across the world. This applies, irrespective of whether it relates to national, foreign, or supranational laws, whether these are statutes, directives, conventions or other provisions (hereinafter referred to as “laws”). Oetker Collection expects its business partners to comply with all applicable laws and regulations, as well as any applicable standards and the standards set out in this Code of Conduct. Moreover, it is strictly prohibited to cause any third party to carry out any unlawful acts or to be complicit in these. Oetker Collection’s business partners need to bear in mind that both legal and societal norms change over the course of time. Accordingly, Oetker Collection expects that its business partners will continuously monitor their conduct and adapt it appropriately as required. Furthermore, any business partners of Oetker Collection must comply with any international economic sanctions (including embargoes) and any sanctions imposed by the European Union. Where required, Oetker Collection offers its business partners the chance to participate in specific training courses on the topics of social and ecological responsibility.

### I. Ecological Responsibility

Oetker Collection endeavours to use natural resources as considerately as possible, to avoid risks to humans and the environment, and to continually improve all processes to further minimise environmental pollution. To achieve these goals, Oetker Collection also expects its business partners to comply with the points set out in this Part I.

#### 1. Contribution to environment and protection

Oetker Collection’s business partners undertake to contribute to environmental and climate protection and to act with foresight regarding their impact on the environment and climate in all business activities. In doing so, they shall comply with all applicable national and international environmental and regulations and are required to hold all necessary permits and/or licences.

#### 2. Reducing the Use of Resources and Energy

Oetker Collection’s business partners shall ensure that the resources and energy used for the production is minimised.

This may be achieved using appropriate processes and steps implemented in production and operational processes, such as conservation, recycling processes or the use of alternative materials. Steps should be taken that ensure the efficient and environmentally friendly use of resources and which have a positive impact on biodiversity, climate change, and resource scarcity.

#### 3. Protecting Quality of Life

Oetker Collection’s business partners shall ensure that the manufacture of the products supplied to Oetker Collection does not cause any harmful soil contamination, pollution, air pollution, harmful noise emissions or excessive water consumption, which would result in diminishing the quality of life such as impairing production, denying access to safe drinking water, denying or destroying access to sanitary facilities or causing damage to health.

#### 4. Environmentally conscious waste management and treatment of emission

Oetker Collection’s business partners shall ensure that all the products supplied to Oetker Collection are treated, collected, stored, and disposed of in an environmentally sound manner, in compliance with the applicable legal provisions. Any waste and resulting emissions (air, noise, and greenhouse gas emissions) that have a negative impact on people, or the environment must be disposed of, controlled, or released into the environment only in treated form in accordance with the applicable legal provisions. As far as trade regulations are concerned, the risk of any prohibited export and import of hazardous and other wastes must be negligible. In this respect, please note the applicable German law (section 2 (3) Nos. 5 & 6 Supply Chain Sourcing Obligations Act - “Lieferkettensorgfaltspflichtengesetz” - LkSG).

#### 5. No use of Specific Chemicals

Oetker Collection’s business partners must not supply any products containing persistent organic pollutants as set out in Article 3(1) (a) and Appendix A of the Stockholm



Convention of 23 May 2001 on Persistent Organic Pollutants (POPs Convention).

Oetker Collection's business partners shall ensure that any products supplied by them to Oetker Collection have not been produced using mercury or mercury compounds, and that any mercury waste is dealt with properly.

## II. Social Accountability

Oetker Collection expects its business partners to comply with the internationally recognised human rights as well as any human rights that apply at the location of employment, and to comply with the applicable laws in this respect.

Oetker Collection's business partners shall endeavour to ensure that their own business partners will also, at a minimum, comply with these standards.

To achieve these goals, Oetker Collection expects its business partners to also comply with the matters addressed in this Part II.

### 1. Contribution to Health Protection and Occupational Safety

It is the responsibility of all Oetker Collection's business partners to avoid endangering people and risking damage to the environment. All processes, operating sites and resources must comply with the applicable legal and internal provisions regarding occupational safety as well as any provisions regarding health, fire, and environmental protection. Health, safety at work, and humane working conditions are an important element of our corporate policy. Furthermore, the business partners shall ensure that:

- their employees are instructed in the general safety regulations, emergency measures and how to operate machinery safely.
- a safe working environment is created and that steps are taken to contain any work-related hazard risks.
- any necessary protective equipment is provided and that employees are instructed in how such equipment is used correctly.

### 2. Compliance with Working Time Regulations

Oetker Collection's business partners confirm that they will adhere to the maximum permissible working hours according to the applicable legal and collective bargaining

regulations and the conventions of the International Labour Organization (ILO).

### 3. No Child Labor

Oetker Collection's business partners must not use child labour at any stage of the service provision process. Business partners are asked to comply with the recommendations on the minimum age for the employment of children as set out in the ILO Conventions Nos. 79, 138, 142 and 182 as well as the LkSG and the fifth principle of the Global Compact. According to that, employment is only permissible if the age is not below the age at which compulsory schooling ends according to the law of the place of employment or where employment is permissible pursuant to the fifth principle of the Global Compact.

### 4. No Forced Labor

Oetker Collection's business partners must not make use of any forced labour, slave labour, bonded labour, involuntary prisoner labour or any other form of forced labour. Any labour must be on a voluntary basis and employees must be in a position where they can terminate the employment at any time, subject to the applicable legal provisions as set out in statute, collective agreements and the employment contracts. Employees must not be treated in a manner that is unacceptable, whether that is as a result of psychological stress, or sexual or personal harassment. Under no circumstances must employees be forced to pay a fee to the employer or to hand over their ID cards, passports, or other documents to the employer before commencing work.

Moreover, any form of slavery, modern slavery or any other form of domination and suppression by way of extreme economic or sexual exploitation and degradation are incompatible with Oetker Collection's ethical principles.

Accordingly, Oetker Collection expects its business partners and their business partners to actively oppose and fight against any form of slavery.

### 5. Prevention of Discrimination

Oetker Collection's business partners undertake to prohibit any form of discrimination and to take decisive action against it. They shall ensure that no discrimination takes place within their sphere of influence based on skin colour, r, age, nationality, political or religious views, social or ethnic origin, disability or sexual orientation.

## **6. Ensuring Adequate Remuneration**

Oetker Collection's business partners shall pay their employees a living wage in accordance with the wage regulations applicable at the place of employment. Such remuneration must at least correspond to the minimum wage applicable at the place of employment and be customary in the industry.

## **7. Guaranteed Freedom of Association and Collective Organization**

Oetker Collection's business partners respect their employees' right of freedom of association and collective organisation as well as all national and international laws applicable at the respective place of employment, such as the right to strike or the right to collective bargaining. Frank and direct discussions with employees are encouraged to find solutions to potential problems.

## **8. No Unlawful Use of Security Forces**

Oetker Collection's business partners shall not use any private or state security forces to protect the company where any such deployment would result in disregarding any applicable human rights, civil liberties or labour rights.

## **9. No Unlawful Evictions**

Oetker Collection's business partners reject any form of unlawful evictions or repossessions in order to acquire, build on, or otherwise utilise land, forests or water bodies.

# **III. Ethical Business Conduct**

## **1. Protection of Trade Secrets**

For the purpose of negotiations, offers as well as for the performance of the contract at a later stage, the business partners will receive confidential information from Oetker Collection. Accordingly, the business partners must treat as confidential any and all of Oetker Collection's business and trade secrets, as well as any other internal confidential matters of Oetker Collection. Confidential information includes information that is marked as such as well as information that can be assumed not to be public knowledge and should not be made public, e.g., because it could be of use to competitors or could harm Oetker Collection or other business partners if disclosed. This duty of confidentiality exists both for the duration of the contractual relationship and after its termination. Confidential information must be protected from any unauthorised access by third parties; within their

company, business partners must ensure that confidential information is only disclosed to such employees who need it in order to perform their duties and are appropriately bound to confidentiality.

## **2. No Violations of Anti-Corruption Laws**

Due to international conventions to combat the corruption of public officials, employees of public administration and in business dealings, similarly strict rules apply worldwide, so that corruption (bribery and acceptance of benefits) committed abroad may also be punishable under domestic law. Business partners must take this into account accordingly.

Furthermore, business partners must also bear in mind that that Oetker Collection employees may neither demand nor accept any unauthorised personal benefits from business partners in connection with their business activities, so that the business partners may also not offer these either. The only permissible exception are customary marketing gifts of low value, for business use. Invitations (to business meals or similar) may be permissible, provided that they have a business reason, are kept within reasonable limits and are not of a kind to influence business decisions in a dishonest manner, and provided that any applicable record-keeping obligations under the corruption laws are complied with.

## **3. Separation of Private and Business Interests**

Oetker Collection employees must make their business decisions in the best interests of Oetker Collection, without allowing any personal interests they may have to influence such decisions. Accordingly, business partners must not influence or affect the personal interests of a Oetker Collection employee or a person close to them. Oetker Collection shall only take objective criteria into consideration when deciding on a business relationship: Generally, business partners are selected on the basis of objective criteria, such as price, quality and having a quality management system in place, reliability, technological standards, product suitability, the existence of a long-term and conflict-free business relationship, as well as compliance with environmental and human rights.

The conclusion of a contract must under no circumstances be influenced by any personal relationship or interests. Any existing or potential conflicts of interest must be disclosed in writing by the business partners.

#### IV. Indications and Reports of Violations

If the business partners become aware of any indications of any of these principles of conduct being violated, either through their own actions, or through the actions of its employees, fellow applicants, or employees of Oetker Collection, then any such violations must be reported to Oetker Collection without delay. Business partners can report such a violation either to their point of contact at Oetker Collection, that person's superior, the compliance officer ([compliance@oetkercollection.com](mailto:compliance@oetkercollection.com)) or via the digital reporting system <https://www.oetkercollection.com/compliance/>. Where a business partner is concerned that they may suffer a disadvantage as a result of such reporting, they can request, when reporting this to the compliance officer, that an initial investigation of the possible violation is carried out confidentially.

#### Accepting the Code of Conduct for Business Partners

By signing this Code of Conduct, Oetker Collection's business partners undertake to comply with the standards contained herein. Furthermore, the business partners also undertake to clearly communicate the Code of Conduct for Business Partners to both their employees and their business partners and to assure Oetker Collection that all steps necessary for complying with the Code of Conduct for Business Partners will be duly implemented.

If you have any questions regarding the content or in general matters, please contact: [compliance@oetkercollection.com](mailto:compliance@oetkercollection.com)

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OETKER COLLECTION

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