

HORNBACK's CSR Policy

**Promoting the company's success, benefiting its employees,
and underlining its respect for the environment and society!**

1. Equal opportunities in selecting and promoting our employees.

HORNBACK employs people from more than 70 countries. The HORNBACK Group sees itself as having a responsibility to promote a liberal and open society, and that both at the company and within society at large. To this end, the HORNBACK Group bases its actions on the following principles:

- HORNBACK acknowledges the diversity of a society that is both globalized and marked by demographic change.
- HORNBACK is committed to creating a working environment that is free of discrimination.
 - HORNBACK Baumarkt AG has also signed the "Diversity Charter" and thus publicly underlined its commitment to respecting all of its employees, irrespective of their gender, nationality, ethnic origin, religion, disability, age, or sexual orientation.
- HORNBACK regularly trains above-average numbers of young people.
- HORNBACK provides older people with work opportunities.
- HORNBACK welcomes people living with disabilities.
- At HORNBACK, women enjoy the same opportunities as men.
- HORNBACK communicates this approach to the public, also in its advertising.

2. Minimum requirements in our suppliers' production sites.

HORNBAACH expects all production sites at which goods are produced for the company to offer safe working conditions for the employees on location. HORNBAACH recognizes the international standards established by the conventions of the International Labour Organization (ILO). In view of this, HORNBAACH has set itself the goal of obliging its entire supply chain – down to the raw materials – to comply with the following rules and reviewing compliance by performing sample audits at the production sites:

- No employment of workers younger than the local legal minimum age. As a basic principle, no employment of workers younger than 15 years of age.
- The operators of the production sites do not use forced or involuntary labor.
- If lodgings are provided, they are situated away from production and materials storage facilities.
- Emergency exits and escape routes at production sites and accommodation are freely available and easily accessible by all workers.
- The production sites comply with local environmental legislation.
- The management of the production site works consistently to improve the minimum standards and immediately remedies any defects identified.
- The management of the production site pledges to call for these standards to be complied with at its upstream suppliers as well.

3. Flawless quality of our products.

All HORNBAACH customers should only be offered products of flawless quality. Within the HORNBAACH Group, the following measures are in place to guarantee compliance with quality standards:

- Samples of products are selected and tested by external service providers, and here especially by accredited and certified institutes, or by the relevant purchasing organization itself.
- When selecting suppliers and products, the purchasing organizations at the HORNBAACH Group stipulate high standards in terms of reliability, product quality, and product safety.
- For imports and products sold under one of the private labels operated by HORNBAACH Baumarkt AG, quality management and quality checks cover the entire procurement and supply chain. These checks particularly include:
 - comprehensive product specifications
 - random audits of factories and initial product samples
 - random audits of articles prior to shipment.

4. Enhancing our product range to account for sustainability.

The HORNBAACH Group's product range should offer customers the opportunity to factor ecological, health, and social aspects into their purchasing decisions. For HORNBAACH, examples of this approach include:

- Offering low-emission products to minimize contaminants in consumers' living space as far as possible,
- Offering advice and information about the energy and water-saving functions of the articles on sale,
- Not stocking controversial or environmentally critical articles, such as glyphosate herbicides or plants whose cultivation requires the use of neonicotinoids (bee conservation),
- Ensuring that all tropical timber articles bear the Forest Stewardship Council (FSC) seal to document that they have been sourced from environmentally and socially compatible forestry

- Documenting that timber and timber products originating within the European Union are sourced from sustainable and socially responsible forestry.
 - Where possible, HORNBACH only procures timber and timber products from within the European Union if they have valid FSC certification. For timber sourced from Romanian, valid FSC certification is a precondition for procurement.
- Ensuring that all natural stone on offer is procured from responsible sources.
 - All direct import suppliers and their factory sites are regularly audited in terms of their environmental and social standards. Our suppliers urge their own upstream suppliers – in this case quarries – to comply with these standards.

5. Recycling and waste avoidance in our business operations.

The HORNBACH Group has an end-to-end waste concept which promotes the separation and recycling of materials as secondary resources while reducing the volume of non-recyclable materials. Its end-to-end waste concept is based on the following pillars:

- Within its business operations, HORNBACH ensures that recyclable materials are separated from waste.
 - The HORNBACH DIY stores with garden centers and logistics centers at HORNBACH Baumarkt AG use compressors for high-volume waste, such as paper and plastics. HORNBACH's "Resource Liners" pick up the recyclable materials thereby collected and transport them directly to recycling centers.
- In developing product packaging – particularly for its private label products – HORNBACH is working on optimal solutions, also in the interests of avoiding waste wherever possible.
- At its stores and on its website, HORNBACH offers consumers assistance and guidance concerning the environmentally compatible disposal of their waste and recyclable materials.
 - HORNBACH Baumarkt AG provides recycling stations at all of its DIY stores with garden centers. This way, consumers can conveniently return goods such as old electrical appliances, lighting materials, foam containers, and batteries. This service is offered free of charge and is not dependent on consumers buying new products.