



CODE OF BUSINESS CONDUCT

For People, Planet and Profit



**HOSOKAWA
MICRON B.V.**

Code of Business Conduct

Dear partner,

This document, our Code of Business Conduct, defines how Hosokawa Micron B.V. (hereafter HMBV) does business and creates value for our stakeholders - customers, employees, shareholders and society at large - across three dimensions simultaneously: People, Planet and Profit. It forms the basis for our company's ethical business behavior. Our corporate strategy builds on this foundation.

It is our goal to make our processes such that they fulfil in the best way possible the demands of the environment, resource efficiency, occupational health and safety requirements while considering economic factors. Present and planned processes are therefore systematically analyzed with regard to these subjects.

Hosokawa Micron B.V. (hereafter HMBV) is part of the group Hosokawa Micron Corporation, Osaka Japan. This Code of Business Conduct integrated all requirements of the applicable HMC policy on the conduct of business 1.02.

In 2016, the United Nations launched the Global Goals for Sustainable Development (SDGs), a roadmap to a more environmentally and socially conscious and responsible world by 2030. At HMBV, we believe that companies have a key role to play in achieving the SDGs. We believe that our competences in Health, Climate & Energy, Resources & Circularity contribute in a positive way toward achieving the SDGs.

To successfully deliver upon our purpose, our strategy and targets, it is important for all of you to understand and feel why and how HMBV wants to do business.

Christophe Krug
Managing Director

Our business principles

The business principles of the HMBV Code of Business Conduct contain important do's and don'ts for our day-to-day activities and support how we will achieve our purpose and strategy.

People: the human dimension

Respect for people, recognition of their fundamental rights and a belief in the power of their diversity are key principles at HMBV. Our people and organizational policy is based on openness, fairness and trust and is aimed at promoting personal growth and integrating different views. Health and safety are our top priorities. In the broader context of our business activities, it means that we acknowledge and respect fundamental human rights as defined by the United Nations.

HMBV business principles on this dimension:

- » *Diversity and non-discrimination* – we create an environment where people feel a sense of belonging and where uniqueness is respected and valued. Therefore we strive for a diverse workforce. We are an equal opportunity employer and recruit, employ and promote employees on the sole basis of their qualifications and abilities for the work to be *performed*. We do not tolerate any discrimination or harassment on the basis of race, ethnic background, nationality, age, religion, gender, sexual orientation or disability.
- » *Open communication and employee involvement* – we create an atmosphere of candor and stimulate openness and accountability by involving our employees in the development and execution of our business objectives. We encourage and provide channels for *employee* feedback. We respect the right of our employees to freedom of association and collective bargaining.
- » *Health and safety* – we aim to create an incident- and injury-free work environment and to prevent the occurrence of occupational illness and health problems associated with our activities. At all levels, we expect our employees and contractors to play an *active* role in identifying and rectifying unsafe situations.
- » *Employee development and fair remuneration* – we support our employees in their growth and personal development by offering them training, coaching and mentoring. We invest in the knowledge and skills of our employees on an ongoing basis to support their long-term employability. We pursue a fair and competitive remuneration *policy* with due recognition for performance.
- » *Protection of personal information* – we respect the privacy of our employees and those of our business partners, and we store and use personal data in accordance with regulations and good practices with regard to privacy protection.
- » *Forced labor, modern slavery and child labor* – we do not use forced labor or child labor, or demand that our employees work excessive hours. In cases where employees are asked to work overtime, their extra work is compensated in line with local legislation. We are not engaged in human trafficking, servitude or slavery.

Planet: the environmental dimension

At HMBV, we know that we can only create brighter lives for all if we take responsibility for the environment, and we are convinced of the importance of sustainable entrepreneurship and good corporate citizenship. This means that we strive to conduct our activities in a way that meets today's needs without compromising the ability of future generations to meet their needs.

HMBV business principles on this dimension:

- » *Low-carbon innovations* – in deciding what new products we want to make, what new production processes we want to use, and what new technologies we want to develop, we are guided by our commitment to sustainability. We consider the transition to a low-carbon economy both a moral responsibility and an opportunity. We aim to deliver innovations that improve the environmental footprint of our business and its value chains by introducing circular/bio-based value chains.
- » *Water security* – to safeguard sustainable access to adequate quantities of acceptable quality water for sustaining livelihoods, human wellbeing, and socio-economic development, we are committed to the responsible use of water resources in the light of an increasing water scarcity around the world.
- » *Energy, raw materials and continuous improvement* – we continually evaluate and improve our products, working methods, production processes and services in order to ensure they are safe and acceptable from the point of view of our employees, our customers and other stakeholders. We make an ongoing effort to minimize the use of raw materials and energy and to replace them with renewable materials or energy where feasible.
- » *Product Stewardship* – in accordance with the principles of product stewardship, we identify the risks and environmental impact attached to our products during our production processes as well as during their entire lifecycle, and look for opportunities to reduce these. In this context, we share relevant knowledge, expertise and experience with our suppliers, customers and other parties. We provide our customers and the general public with clear information about the environmental and safety aspects of our products and production processes.
- » *Quality* – we aim to create a positive customer experience by assuring quality of our operations and traceability in our supply chain. Our employees understand their role and take their responsibility in delivering safe, high quality products with reliable service to our customers.

Profit: the economic dimension

We seek to achieve long-term profitability and to contribute to the success of our customers, shareholders and other stakeholders by entering into partnerships with them and jointly creating brighter lives for all. All these partnerships are based on free, fair, transparent, ethical and legally compliant business practices, on which we seek to maintain a constructive dialogue with the community.

HMBV business principles on this dimension:

- » *Business integrity* – we conduct our business honestly, transparently and ethically. We abide by applicable laws and regulations. We refrain from any arrangement or transaction that is suspected to be used for illegal business practices or other violations of law.
- » *Free and fair competition* – we value free and fair competition in all countries of the world. Therefore we comply with competition laws in all areas where we operate and have implemented strict policies in this respect.
- » *Embargoes and trade law* – we respect applicable trade laws and restrictions as imposed by the United Nations or other national or supranational bodies or government, and we have implemented strict policies to ensure compliance therewith.
- » *Bribery and corruption* - we refrain from any form of bribery and corruption including extortion and active or passive bribery. We do not give or accept any gift or favor that could compromise or raise doubts about the neutrality of the decisions made by our people or our business partners. We ensure that any commission payment, agent fee, etc., is based on a real, legitimate, documented service.
- » *Conflict of interest* – our employees avoid any conflict of interest between the company's interests and their private interests; and avoid any behavior that could raise doubts about their integrity or the integrity of the company.
- » *Public dialogue* – we seek constructive dialogue with politicians and society to pursue our legitimate business interests. We base our arguments on facts and on scientifically sound, publicly stated positions. We do not make any payments or donations in kind to political parties or their institutions, agencies or representatives.
- » *Use and protection of company property and information* – our employees take good care of company property. They observe the Code of Conduct for Information Security regarding the protection of company information and the use of the company's information and communication systems. They respect the HMBV-rules on Inside Information and Insider Dealing regarding share price sensitive information.
- » *Social media* – we aim to stimulate that our employees act as HMBV ambassadors. When using social media in relation to HMBV, we expect our employees to disclose their relationship to HMBV and protect HMBV's reputation by using common sense when posting.



HOSOKAWA
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