

Turning **eggs** into valuable business



Ver. 01

Guidelines for suppliers CSR & CoC

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SANOVO 
TECHNOLOGY GROUP

Corporate Social Responsibility

Company Karma

Company Karma in Thornico is our mantra on “doing good”, while doing business to create more value for the society but also for the company itself believing our actions will in one way or another return to Thornico.

Company Karma is manifested in Thornico through daily policies and processes inside the group companies as well as the dedication to specific social and environmental projects all around the world. For more information see www.thornico.com/Company-Karma

SANOVO TECHNOLOGY GROUP

At SANOVO TECHNOLOGY GROUP, we are aware of our social responsibilities and especially responsibilities to our own stakeholders. These include employees, customers, suppliers and other relevant interested parties.

We are also aware that we must ensure that our impact on the environment is minimal. We have therefore decided to align our company’s social responsibility with the UN Global Compact. This means the company is committed to the ten universally accepted principles of the UN Global Compact.

SANOVO TECHNOLOGY GROUP, headquartered in Odense, Denmark, is a leading company within egg handling and processing equipment, equipment for egg inoculation and harvesting for vaccines, enzymes for enhanced functional egg products, automation and robotics.

Today, our product program covers a complete range of machines for the egg handling and processing industry and is designed to provide production facilities with a high degree of flexibility and efficiency. Our products are made for both small and large producers with a daily egg capacity from a few thousand to several million.

All products pass an extensive test in our facilities before being shipped to customers located in every corner of the world. New products are constantly being developed, and considerable emphasis has always been based on innovation and product functionality.

Focus on research and development is a key issue allowing us to continue to design and supply total solutions for our customers. Our products meet international requirements and standards, and, as a turnkey supplier, SANOVO TECHNOLOGY GROUP offers every aspect of the construction of an egg processing plant – from building design over layouts, engineering and installation, to commissioning and training of local staff.

The group has production facilities in Denmark, the Netherlands, USA and Italy. With own R&D, manufacturing and a network of own sales organizations and dedicated agents throughout the world.

Mission

To supply and develop technological solutions to the egg processing, pharmaceutical and food industry, which improve the utilization and handling of an egg and goods that contributes to a safe and healthier world and optimize customer profitability.

Common values

SANOVO TECHNOLOGY GROUP's culture is built on four values:

- Cooperation
- Commitment
- Dynamics
- Responsibility

Cooperation

We are open and honest and have respect for human diversity.

Commitment

We create job satisfaction and motivation via an innovative environment dedicated to finding the right solutions.

Dynamics

We react quickly to market developments and needs.

Responsibility

While we endeavor to remain a competitive company, we are also responsible for people and the environment.

Supplier Code of Conduct

Through close cooperation with suppliers, SANOVO TECHNOLOGY GROUP wishes to contribute to enhancing the company's social responsibility.

SANOVO TECHNOLOGY GROUP's declared aim is to ensure that suppliers of goods and/or services to the company operate in accordance with the company's Code of Conduct.

Working Conditions

Child labor

Child labor is not tolerated. No one obliged to attend school or less than 15 years of age may be employed. Where local legislation or local regulations stipulate a higher age limit, this must be respected. It is the supplier's responsibility at all times to verify the age of every person in the workforce.

Forced labor and mental/physical harassment of employees

Forced or compulsory labor of any kind is not tolerated, including work in prison, work on a compulsory contract, slavery and other forms of labor that are undertaken against free will or choice. Employees may not be subjected to physical or mental abuse, including corporal punishment, threat of violence, sexual harassment or any other form of abuse.

Compensation and working hours

Employees must be compensated at least in accordance with local legislation. Furthermore, the supplier must provide the services required by legislation.

The supplier is responsible for ensuring compliance with national legislation concerning the maximum number of working hours per week. With the exception of extraordinary working conditions, all employees have the right to one day off in a period of seven days.

Discrimination

Cultural differences must be recognized and respected. However, all employees must be treated in accordance with their skills and qualifications in any circumstance related to work, employment, promotion, training, dismissal and termination, and any other conditions pertaining to employees. Employees must not be discriminated against on the basis of their opinion or personal circumstances, such as race, religion, age, national origin, sexual orientation or gender.

Freedom of association

The company allows employees the freedom to exercise their right to create, enroll or decline to enroll in organizations representing employees' interests. The company must not expose employees to threats or harassment in connection with the peaceful exercise of these rights. On request, the employees must be allowed to negotiate collectively in accordance with applicable regulations without the risk of intervention or restriction.

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Working environment/health and safety

The company allows employees the freedom to exercise their right to create, enroll or decline to enroll in organizations representing employees' interests. The company must not expose employees to threats or harassment in connection with the peaceful exercise of these rights. On request, the employees must be allowed to negotiate collectively in accordance with applicable regulations without the risk of intervention or restriction.

All employees must have a safe and healthy working environment that complies with local laws and orders and that at least secures the following:

- Facilities that as a minimum comply with the applicable fire prevention regulations and building safety regulations
- Facilities that provide adequate lighting and ventilation at the workplace
- Paths and exits that are accessible at all times
- Employees are aware of safety procedures – including emergency aid and evacuation
- All types of safety equipment used are systematically tested and checked.
- The employer must take the necessary steps to prevent accidents at work and/or work-related illness

External environment

The supplier must comply with all local laws and regulations concerning protection of the external environment. SANOVO TECHNOLOGY GROUP will prioritize suppliers, who trade responsibly and make as much effort as possible to minimize environmental impact.

Inspection and audit

SANOVO TECHNOLOGY GROUP retains the right to inspect relevant suppliers and their facilities. Suppliers are responsible for keeping records and all material required, documenting compliance with this Code of Conduct, and, upon request from SANOVO TECHNOLOGY GROUP, to provide the necessary information in the form of official approvals, inspections and documentation. Audits may be carried out as described in the SANOVO TECHNOLOGY GROUP quality handbook.

The Supplier Code of Conduct is an integral part of the Trading Agreement, which the supplier enters when he agrees to trade with SANOVO TECHNOLOGY GROUP.

The UN Global Compact

1. The company supports and respects the protection of universally accepted human rights principles

- The company ensures that SANOVO TECHNOLOGY GROUP employees are treated in accordance with the European Convention on Human Rights or better at all times
- When making agreements with suppliers, SANOVO TECHNOLOGY GROUP will ensure that suppliers comply with the SANOVO TECHNOLOGY GROUP human rights policy, including that the supplier does not use child labor in the manufacture of products at the company concerned.

2. The company ascertains that it is not complicit in human rights abuses

- The company's human rights policy is communicated to all departments and legal entities in the group, and compliance is assured via ongoing inspection.
- When reaching agreement with a new supplier or in conjunction with our annual meeting with existing suppliers, the supplier must sign a declaration confirming that the company is not complicit in human rights abuses in accordance with internationally accepted regulations.

3. The company upholds the freedom of association and the effective recognition of the right to collective bargaining

- The company does not demand that employees belong to specific trades unions or other organizations.

4. ***The company supports the elimination of all forms of forced or compulsory labor***

- The company does not enter into agreement with parties that are either known to support or suspected of supporting or utilizing forced labor. Should forced labor etc. become known to the company, all connections with the party involved will be severed immediately.

5. ***The company upholds the effective abolition of child labor***

- The company does not employ anyone under the age of 15.
- The company ensures that customers and suppliers do not utilize child labor.

6. ***The company does not discriminate in respect of employment and occupation***

- The company seeks to provide equal employment opportunities for men and women.
- The company seeks to offer equal pay for equal work.
- The company seeks to offer people with an ethnic background the same opportunities for employment in the company as citizens in the country.

7. ***The company supports a precautionary approach to environmental challenges***

- The company seeks to ensure that its products at any given time are manufactured as energy-neutral as possible and that the latest technology is used in the manufacture of new products and implemented in existing products as and when they are updated.
- The company endeavors to optimize its own energy consumption for heating and processing, with a view to minimizing environmental impact.
- The company's employees are informed on an ongoing basis of energy related initiatives on the part of the company.

8. ***The company undertakes initiatives to promote greater environmental responsibility***

- Encourages customers to choose energy-optimized products.
- Suppliers are required to provide proof that they are actively reducing energy consumption and plan to make consistent improvements.

9. ***The company encourages the development and diffusion of environmentally friendly technologies***

- The company works consistently to energy-optimize its products, including achieving optimal efficiency.
- The company focuses as much as possible on recycling.
- (Total energy impact during a product's lifetime).

10. ***The company works against corruption in all its forms, including extortion and bribery***

- The company does not use any form of extortion or bribery.
- Suppliers are required to substantiate that their attitudes to extortion and bribery are aligned with the SANOVO TECHNOLOGY GROUP policy.

SANOVO TECHNOLOGY GROUP

Supplier Code of Conduct Acknowledgement

To:

SANOVO TECHNOLOGY GROUP, Strategic Procurement Department
Datavej 3
5220 Odense SØ

From:

----- (name of supplier/agent company)
----- (street and street number)
----- (postal code and city)
----- (country)
----- (VAT number)

We confirm:

- Our understanding of and compliance with the requirements set out in the Supplier Code of Conduct from SANOVO TECHNOLOGY GROUP.
- Our understanding of the Supplier Code of Conduct is an integral part of the Trading Agreement entered with SANOVO TECHNOLOGY GROUP. Failure of compliance can lead to termination of the cooperation.
- On a regular basis, to download the latest version of the Supplier Code of Conduct available on the SANOVO TECHNOLOGY GROUP website.
- We understand that we may be asked to accept additional investigations, site visits or a full CSR audit in order to provide required levels of assurance with the standards prescribed.

Signed by:

----- (signer's name in capital letters)
----- (signer's job title)
----- (date: dd/mm/yy)
----- (signature)