



# M-net Business Partner Code of Conduct



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## **Foreword**

Dear Business Partner<sup>1</sup>,

For more than 25 years, we have been leading the way and setting new standards. With our work, we contribute every day to a high-quality and better broadband supply, and promote the participation of our customers in the fascinating opportunities offered by digitalisation. We are a reliable partner for our customers.

The basis of our work are our corporate values:

**human – present – reliable – competent – flexible – imaginative**

At M-net, the focus is on people and their needs. Through our presence and proximity to the customer, we understand them better than others. We are reliable and competent in our dealings with customers and with each other. We react flexibly to customer wishes and use of open spaces. We deliver imaginative and reliable solutions that inspire our customers.

An essential factor for our corporate success is that we are perceived positively by our customers, business partners and the public. An important prerequisite for this is that we act with responsibility and integrity. Only when we make high ethical and legal standards the guiding principle of our actions, do we create trust and protect the distinguished reputation that M-net enjoys. Compliance, i.e. adherence to legal regulations and internal company rules, is therefore a high priority and concerns us all.

We also expect this basic understanding from our business partners.

This M-net Business Partner Code of Conduct (hereinafter: “Code”) contains the most important principles for legal compliance, responsible conduct and ethical integrity, which M-net expects in its collaboration with business partners and considers as an essential basis for a cooperative partnership.

Nelson Killius

Maximilian Oertle

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<sup>1</sup> In this Business Partner Code, only the masculine form is used for natural persons solely for reasons of linguistic simplification. In terms of content, persons of all gender identities are always meant.



## 1 Scope and Objectives

We are fully committed to lawful conduct and value-oriented corporate governance. This includes contractual relationships with and towards all our business partners.

This Business Partner Code sets out the minimum requirements and defines the core principles that we expect our business partners to adhere to.

For the purposes of this Code, business partners are all natural persons and legal entities from whom we procure goods or services or enter into any other business relationship without them being employees of M-net. This includes all suppliers, service providers, cooperation partners, target companies in transactions, consultants, sales intermediaries and other providers of goods and services.

We are committed to adhering to the following principles, which we believe are essential to any successful business relationship with us.

### **WE THEREFORE EXPECT ALL OUR BUSINESS PARTNERS TO:**

- ✓ Conduct their business activities with integrity and responsibility and comply with all applicable laws. This applies in particular to criminal law, anti-corruption law, data protection law, competition law, antitrust, money laundering, foreign trade and environmental law as well as human rights and labour protection law,
- ✓ the necessary arrangements to comply with the principles set out in this Code
- ✓ meet and work to ensure that these principles are also applied by their own business partners, especially those they use to fulfil their contractual obligations to us, be complied with.

The requirements set out here are based on national and international laws, principles and conventions. In particular the United Nations Global Compact, the core labour standards and conventions of the International Labour Organisation (ILO), the United Nations Universal Declaration of Human Rights (UDHR) and our M-net Code of conduct.

## 2 Principles

### 2.1 Human Rights

Our business partners respect recognized human rights (cf. UDHR). In all business activities within their own sphere of influence, our business partners are required to ensure that they themselves do not commit any human rights violations. They also ensure that they do not participate in human rights violations.

### 2.2 Child or Forced Labour

Our business partners strictly reject child labour and comply with the applicable laws prohibiting child labour. If there are no stricter national regulations, ILO Conventions 138 and 182 apply accordingly.

Our business partners reject all forms of modern slavery, forced or compulsory labour, servitude and human trafficking and respect the principle of freely chosen employment.



## 2.3 Workers' Rights

### 2.3.1 Freedom of Association and Collective Bargaining

Our business partners respect the respective applicable rights with regard to freedom of association and collective bargaining.

### 2.3.2 Equal Opportunities and Diversity

Our business partners promote diversity and inclusion in the company and do not tolerate discrimination in the hiring and employment of workers (ILO Conventions 100 and 111). They prevent harassment and bullying.

Differential treatment of people because of their descent, origin or nationality, religion or ideology, political or trade union activity, gender, sexual identity or sexual orientation, age, physical or mental limitations, illness or pregnancy is not acceptable to us or our business partners.

### 2.3.3 Remuneration and Working hours, other working conditions

Applicable minimum wages and social standards are not undercut. The respective applicable laws on working hours as well as the statutory holiday, sickness and dismissal regulations shall be observed.

### 2.3.4 Health and Safety in the Workplace

Our business partners comply at least with the respective national standards for a safe and hygienic working environment and ensure health and safety at the workplace through appropriate measures, such as continuous preventive occupational health and safety.

Our business partners also ensure that their workers have safety-related qualifications and take care of the safety of their products and services to avoid or minimize potential accidents and health hazards.

Systematic prevention is one of the most important approaches within occupational health and safety.

## 2.4 Environmental Protection and Energy Management

It is of most importance to respect the natural habitat, conserve resources and reduce pollution. One of our most important corporate goals in terms of environmental protection is [climate neutrality](#) as well as [biodiversity](#).

Our business partners comply with the applicable laws for the protection of the environment and climate. They keep the impact on the environment to a minimum and use resources sparingly and carefully.

Our business partners' processes, operations and resources comply with applicable legal requirements and standards for environmental protection. Our business partners strive to continuously improve their energy use and work towards climate-neutral management of their businesses.

## 2.5 Procurement of Raw Materials

Our business partners support efforts to ensure responsible sourcing of raw materials. In particular, they avoid the use of conflict raw materials (cf. EU Regulation (EU) 2017/821). To ensure this, our business partners check their products and supply chains with regard to the use of conflict raw materials. They also



take appropriate precautions to be able to prove the origin or source of the raw materials used in their products.

## **2.6 Anti-corruption**

Our business partners respect the applicable anti-corruption laws and take the necessary organisational measures (e.g. employee training, code of conduct) to ensure compliance. The typical forms of corruption are: Bribery, conflict of interest, illegal gifts and economic extortion.

### **2.6.1 Avoidance of Conflicts of Interest**

Our business partners make decisions based on factual considerations and are not guided by financial or personal interests that may lead to corruption risks or create the appearance of corruption. We require our business partners to disclose existing conflicts of interest (i.e. there are incompatible interests with the business partners in connection with a business relationship with us that may have an adverse effect on us) before entering into a business relationship.

### **2.6.2 Benefits<sup>1</sup>**

In connection with a business relationship with us, our business partners shall ensure that no benefits are offered, promised or granted to our employees with the aim of obtaining a contract or any other preferential treatment in business dealings or that they perform or refrain from performing any act when obtaining goods or services and thereby breach their duties toward us. Likewise, our business partners do not request any benefits from our employees for these purposes.

These principles also apply insofar as our business partners work with third parties in connection with the business relationship with us. In particular, our business partners shall select consultants used in connection with the business relationship with us according to comprehensible and appropriate criteria. Remuneration paid to them may not serve the purpose of providing inadmissible benefits to business partners, clients or third parties.

We also expect our business partners not to tolerate any form of illegal benefits in connection with a business relationship with us in business dealings with public officials and authorities at home and abroad. The same applies to the mere offer of such benefits. Unlawful benefits of any kind to political parties, their representatives, elected officials and candidates for political offices are also not tolerated by our business partners.

### **2.6.3 Donations and sponsorship**

Our business partners make donations to third parties only on a voluntary basis and without expectation of any consideration in return. Our business partners do not use sponsorship of individuals, groups or organisations to gain unlawful economic or other advantages.

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<sup>1</sup> Benefits are all benefits that have an asset value and enrich the recipient without him/her having a claim to them (e.g. gifts, hospitality, invitations and other benefits of any kind to which there is no claim).



## **2.7 Money laundering and terrorist financing**

Our business partners comply with the respective applicable laws on the prevention of money laundering and terrorist financing and take the necessary measures to prevent money laundering and terrorist financing in their company.

## **2.8 Export and import controls, sanctions, tax law**

Our business partners comply with the applicable laws for the import and export of goods, services and information as well as the applicable embargoes and sanctions. Furthermore, we expect our business partners to comply with applicable tax law.

## **2.9 Behaviour in competition and business ethics**

Our business partners act fairly, honestly and responsibly in all aspects of their business. An open, fair and competitive business environment is encouraged.

Our business partners comply with the applicable laws that protect free competition. Furthermore, they do not enter into any agreements or concerted practices with other companies that have the purpose or effect of preventing, restricting or distorting competition in accordance with the applicable antitrust laws. They do not abuse any dominant position they may have.

## **2.10 Data protection and handling of information**

Our business partners comply with all applicable laws on data protection, in particular on the protection of personal data and business secrets (especially inventions and intellectual property), especially those of employees, customers and business partners. Our business partners ensure that they do not disclose any personal data, neither in their dealings with business partners nor in their private lives.

Events disclose information about M-net and its customers that would allow outsiders to gain inadmissible insights into our business processes.

Our business partners must use and protect any information in an appropriate manner. Confidential information (any business information of us, our customers or suppliers that is not public knowledge) of us may only be used and disclosed in a manner authorised by us. Our business partners shall take reasonable measures to ensure that confidential information of ours that comes to their knowledge in connection with our business relationship is kept secret and that our intellectual property is protected by them. This shall also apply after termination of the business relationship.

Our business partners shall ensure that these principles are also observed by their employees as well as by third parties used by them to fulfil contracts with us.



## 2.11 Financial reporting

Financial reporting is carried out in accordance with local accounting regulations and reflects the actual circumstances of M-net's net assets, financial position and results of operations. We also expect this from our business partners.

## 2.12 Artificial intelligence

In order to use the possibilities of artificial intelligence (AI) sustainably for us, we follow demanding AI principles. These principles include ethical principles for the development and use of AI and are set out as follows.

**Responsible use:** We shape AI responsibly. We seize the opportunities of AI and weigh the impact in line with our corporate values.

**Explainability:** We are committed to a high level of transparency and thus want to promote trust in AI. To this end, we support explainable AI.

**Privacy:** We respect privacy and support privacy-friendly technologies.

**Safety and reliability:** We develop and test our AI technologies conscientiously and according to the state of the art in science and technology. We take reasonable steps to develop safe and reliable AI. We expect business partners who develop and/or use AI to follow our AI principles and ensure responsible use of AI.

## 3 Compliance with the Code

Our business partners shall ensure that these principles are complied with. M-net is entitled to subject our business partners to a risk-based audit to identify compliance risks (business partner due diligence). In the event of concrete suspicion of a breach of the above principles in connection with a business relationship with us, M-net is entitled to demand clarification of the facts (also by external third parties). In this case, our business partners agree to cooperate in the clarification of the facts by us by providing information in compliance with applicable data protection law and by observing confidentiality agreements with third parties. In the event of non-compliance with the above principles, M-net is entitled to review the business relationship. In doing so, we follow the principle of proportionality, so that in each individual case we carefully examine which consequences are appropriate, suitable and necessary. Depending on the severity of the violation (taking into account legal and/or contractual regulations), this may lead to the immediate termination of the business relationship or the assertion of claims for damages.

## 4 Notes to M-net

In order to protect ourselves, our employees and our business partners, it is important to identify misconduct at an early stage. Our business partners have the opportunity to report any violations of this Code committed in connection with their work for us that may have an impact on us through our whistleblowing system.





Neither we nor our business partners tolerate discrimination against whistle-blowers who provide information in good faith.

## **5 No Third-Party Rights**

This Code does not confer any rights on third parties. Employees of our business partners and other third parties have no rights of their own against us under this Code, nor do they have the right to cause us to enforce any provision of this Code.

## **6 Priority of individual agreements**

If individual agreements deviating from the above principles have been made in writing with business partners, these shall take precedence.