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RESILIENCE & INTEGRITY ✓

Preventing corruption & bribery

We provide our services in accordance with the law and our own values. Our material issues (GRI) also include the information required by law on anti-corruption and bribery matters, and the information on respect for human rights.

Policies (also GRI management approach)

Our focus is on preventing potential violations of legal or internal Group requirements. We have implemented effective measures to prevent corruption and bribery throughout the Group in the form of our compliance management system. The Chief Compliance Officer, who reports directly to the Chief Financial Officer, is responsible for the system's design. Corporate Procurement defines the principles for supplier management and ensures that standardized processes for supplier selection and drafting contracts exist. The Chief Procurement Officer reports directly to the CEO.

- **Anti-corruption & bribery:** We observe all applicable international anti-corruption standards and laws, and are a member of the Partnering Against Corruption Initiative. Our Code of Conduct and our Anti-Corruption Policy help employees identify situations in which the integrity of the company could be called into question in respect of relevant third parties. Our employees can report potential violations around the clock using a compliance hotline and a special web application. External whistleblowers can use a form on the Group's website. Information on relevant violations is included in the regular compliance reporting to the Board of Management and to the Supervisory Board's Finance and Audit Committee.
- **Respect for human rights:** Respect for human rights is an explicit requirement of our Supplier Code of Conduct, which is a binding component of the Group's contracts with all suppliers and service providers. By signing up to it, our business partners undertake to comply with our ethical principles and are encouraged to implement them in their own supply chains.

Measures & KPIs

Violations of anti-corruption and bribery requirements are recorded by Compliance.

- **Anti-corruption & bribery:** The Global Compliance Office (GCO) develops standards for the management system and provides support for the corresponding activities in the divisions. All relevant activities and reporting content prepared by the compliance officers in the divisions and the GCO are included in the quarterly report to the full Board of Management and the annual report to the Supervisory Board's Finance and Audit Committee.
- **Respect for human rights:** Corporate Procurement defines the standards for procurement processes, is responsible for designing the Corporate Procurement Policy and determines the selection processes for suppliers. In line with our Corporate Procurement Policy, preference is given to suppliers with high environmental and social standards. Supplier selection is based on a standardized, multistep evaluation process. We also continually train Procurement staff so as to raise their awareness of the need to identify additional potential risks at an early stage.

Results & objectives

Our compliance training materials were revised in 2019 and rolled out throughout the Group as planned, and in accordance with the guidelines amended in the preceding year. Training courses for additional target groups were also developed. We used our Group-wide campaign marking International Anti-Corruption Day to inform employees and managers about anti-corruption measures and how they can contribute to these. In addition, regular audits by Corporate Internal Audit were performed that focused closely on compliance with the Supplier Code of Conduct in procurement processes.

Information on additional activities beyond the mandatory disclosures required by the German Commercial Code (HGB) can be found in the subsequent pages of this chapter. →

Codes of conduct & other policies

Values such as integrity, transparency, equal opportunities and responsibility, which we group together under the terms Respect & Results, are a binding benchmark for conduct within the Group. Respect for human rights as defined by the principles of the Universal Declaration of Human Rights and the UN Global Compact is at the heart of our actions. This sends a signal to our stakeholders and the general public: Deutsche Post DHL Group is a trustworthy partner that successfully combines service with a sense of responsibility and environmental awareness.

Our values are anchored in our Code of Conduct and specified in greater detail in our Supplier Code of Conduct. Taken together, these two codes constitute our human rights policy, and we have therefore not formulated a separate policy in this area to date. The Board Member for Human Resources is responsible for ensuring compliance with the human rights policy in connection with employee relations. The standards outlined in the Supplier Code of Conduct are formulated by Corporate Procurement and are included as a mandatory annex in Group contracts. The two codes of conduct are

regularly reviewed to ensure they remain up to date and complete, and their content is modified or supplemented as necessary. The current versions, which we have translated into more than 20 languages, have been in effect since 2016. We also offer a training module for suppliers on the Group website.



HUMAN RIGHTS POLICY = CODE OF CONDUCT + SUPPLIER CODE OF CONDUCT

In addition to the two codes of conduct, there are other Group-wide or regional policies and guidelines that are based on or derived from them. In the context of this chapter, examples include the Anti-Corruption Policy, the Business Ethics Policy, the Corporate Procurement Policy, the Data Privacy Policy and the Corporate Security Policy.

Deutsche Post DHL Group policies

Code of Conduct Supplier Code of Conduct

(together these constitute our human rights policy)

- Guided by the principles of the Universal Declaration of Human Rights and the UN Global Compact
- Observe the principles of the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, which was adopted in 1998, and the OECD Guidelines for Multinational Enterprises

Other Group policies (excerpt)



- Anti-Corruption and Business Ethics Policy¹
- Environmental and Energy Policy
- Investment Policy¹
- Corporate Procurement Policy¹
- Data Privacy Policy
- Corporate Security Policy¹
- Occupational Health & Safety Policy Statement
- Competition Compliance Policy¹
- Sponsorship Guideline¹

1) Not available to the public.

Specific requirements set out in the Supplier Code of Conduct

Whereas the principles in the Code of Conduct for our employees are largely self-explanatory, we have set out our requirements in the Supplier Code of Conduct in greater detail. Our ethical and environmental standards are presented clearly and unambiguously, and we encourage our suppliers to apply them to their own supply chains. Extract from the Supplier Code of Conduct:

- **Child labor:** No employment of children below the legal minimum working age. In countries where no legal provisions exist, the minimum hiring age is 15.
- **Forced labor:** No forced, bonded or involuntary labor. Employees must not be required to pay fees or make payments of any kind in return for employment. Punishments and physical and mental coercion are not permitted.
- **Compensation and working hours:** National laws and binding industry standards on working hours, overtime and compensation apply. Employees must be paid promptly and provided with clear and unambiguous information about the basis for payment.
- **Freedom of association and collective bargaining:** Employees are free to decide whether to join a union or employee representative body, and if so, which one. The right to collective bargaining in accordance with applicable laws is to be respected.
- **Diversity:** Measures must be taken to encourage inclusion in the workplace. We do not discriminate or tolerate discrimination based on gender, race, religion, age, disability, sexual orientation or identity, national origin or any other characteristic protected under law.
- **Occupational safety:** Compliance with the applicable occupational health and safety regulations, and responsibility for a safe and healthy work environment, must be ensured.
- **Business continuity:** Preparations for business disruptions of all kinds must have been made. Contingency plans must exist to protect both employees and the environment as far as possible from the effects of any disasters occurring in the vicinity of the supplier's operations.
- **Bribery:** Suppliers must comply with applicable international anti-corruption standards as set out in the United Nations Global Compact and in local anti-corruption and bribery laws.
- **Environment:** Compliance with all applicable environmental laws, regulations and standards must be ensured, and an effective system to identify and eliminate potential hazards to the environment must be in operation. Climate protection must be afforded sufficient importance in internal operations, for example by setting and achieving climate protection goals.

Dealing with violations

Any suspected violations of legal and internal rules – including, for example, the human rights policy i.e., the codes of conduct – can always be reported by employees and external staff using the compliance hotline. Compliance violations can be reported by name or anonymously, where this is permitted by local law. Third parties can report their suspicions via the Group website.

Compliance hotline

Web application and telephone hotline

Available 24 hours a day worldwide

>30 languages



Donations & gifts

We build trust by dealing openly and transparently with public authorities. We maintain correct and lawful relationships with all governmental and supervisory authorities, and operate in a straightforward, transparent manner and in accordance with applicable laws and regulations at all times. Our Group-wide Anti-Corruption and Business Ethics Policy sets out the rules for dealing with donations and gifts to political parties and state institutions. This policy therefore applies for all regions and countries in which Deutsche Post DHL Group operates. Our employees are not authorized to make donations on the Group's behalf to political parties or to organizations affiliated with them, to government authorities, or to other public institutions. This policy applies along with relevant regional laws and regulations to gifts and entertainment from representatives of national and municipal governments.

Creating transparency

Wherever a transparency register exists, for example in the EU, we report voluntarily on the type, scope and financing of the activities we pursue to support our business interests. We have been registered in the EU's transparency register since 2011. We also publicly announce our spending in the United States.



However, this does not prevent our employees from exercising their rights within applicable law, such as organizing and running political action committees (PACs) in the United States. This term is used in the United States to designate organizations established by interest groups, businesses or private individuals for the purpose of collecting funds to support or oppose candidates for political office. PACs are subject to legal regulations that, among other things, stipulate caps on donations to individual candidates and political parties.

Risk detection & crisis management

One focus of our risk detection activities is on our material issues. Our stakeholders agree that compliance, data protection and data security, and standards in the value chain are critical to our business success. Violations of our policies in these areas could seriously harm the reputation of our company.

Evaluating the financial impact of opportunities and risks

The expected financial impact of potential events, developments and trends is included in our business planning. Opportunities and risks are defined as potential deviations from projected earnings. In addition, we use our opportunity and risk management system to capture possible effects on our reputation and monitor the development of issues from the point of view of sustainability, which includes factors such as litigation, HR matters and environmental aspects.

Each quarter, management estimates the impact of future scenarios, evaluates the opportunities and risks for individual divisions and departments, and presents both planned measures and those already implemented. Data is requested and approvals are given via the company's hierarchy to ensure that different managerial levels are involved in the process. Opportunities and risks can also be reported at any time on an ad hoc basis.

The early identification and assessment of opportunities and risks follows uniform Group-wide reporting standards. We are constantly updating and improving the IT application used for this purpose. Opportunities and risks relevant to the year under review are reported by category in the Group Management Report.  2019 Annual Report

Internal Audit

Corporate Internal Audit takes a systematic and targeted approach when evaluating the effectiveness of our risk management system, control mechanisms, and management and monitoring processes, contributing to their improvement. In this way, the department supports the Group in achieving its internal objectives. It does this by performing independent regular and ad hoc audits at all Group companies and at corporate headquarters with the authority of the Board of Management.

The audit teams examine local processes and assess whether these are suitable for reaching defined objectives and values. Where weaknesses are revealed, the teams specify remedial measures and systematically track their implementation.

Every year, Corporate Internal Audit develops a risk-based audit plan covering all divisions and functions, building on its own risk analyses to do so. The audit teams discuss the audit findings and agree on measures for improvement with the audited organizational units and their management. The Board of Management is regularly informed of the findings, while the Supervisory Board is provided with a summary once a year.

Progress and results during the year under review

During the year under review, 241 regular audits and about 90 follow-up audits were conducted on site, including audits related to compliance issues or to compliance with the Supplier Code of Conduct in procurement processes. In addition to verifying compliance with the codes of conduct, the audits also check whether the agreed measures have been implemented as required. We also examined the processes used in the Employee Opinion Survey.

Internal audit planning and execution



Supply chain resilience

As a global logistics company, we too are affected by a large number of developments that impact our business processes and the resilience of our supply chains, and that may also affect our reputation or our employees and their families. As global trade grows, so does the risk that our globally networked supply chains become targets of criminal activity, such as cyberattacks on our extensive IT networks.

We have made extensive preparations for these challenges, taking a variety of approaches to safeguard our business operations even in a crisis. We use our Group-wide security management system, which is certified according to ISO 28000, to protect our employees, the goods entrusted to us by our customers, and our own tangible and intangible assets.

“WE’RE WELL-PREPARED. WE’RE READY TO TAKE ACTION IN A CRISIS.”

Frank Ewald

Head of Corporate Security and Crisis Management

Organization

- The Internal Security Steering Committee coordinates and manages all strategic security activities and initiatives and reports to the Operations Board on current security-related developments and activities.
- The specialists in the Counter-crime Working Group analyze current crime phenomena affecting our supply chains, implement crime-prevention measures and investigate security-related incidents.

- Our team of security analysts at the Global Security Situation Center (GSSC) uses defined indicators to identify and assess strategically relevant risks and trends. Changes in the operating situation are tracked in near real time. Security reports and trend reports are regularly presented to management and discussed by the Board of Management.

Corporate security bodies



Progress and results during the year under review

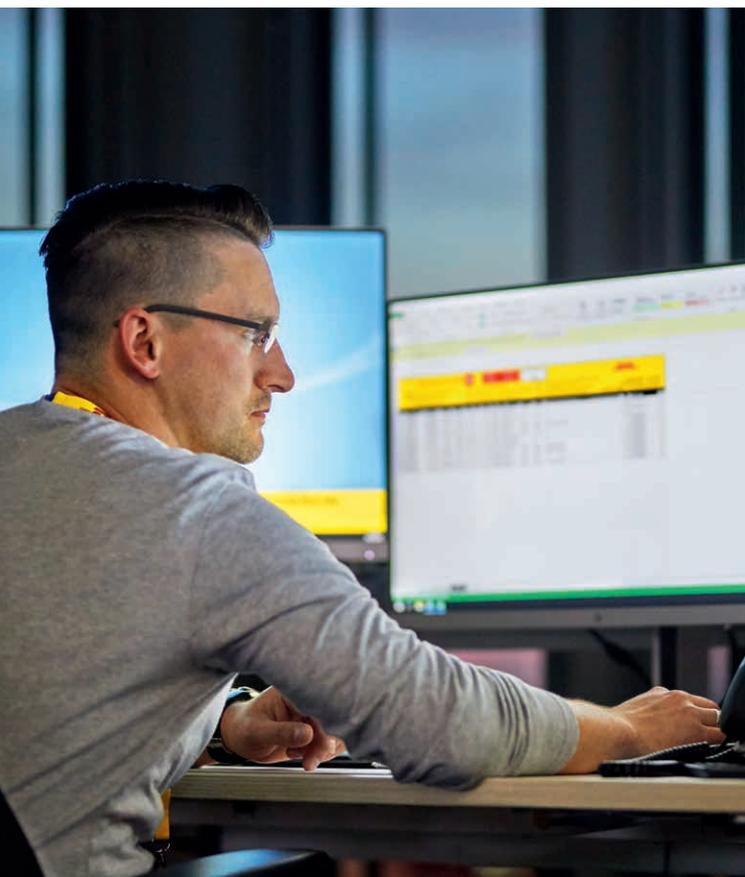
Our security experts supported Internal Audit in its audits of divisional security management systems. We have also continued our dialogue with security authorities, and are actively involved in national and international security bodies and institutions. Our expertise not only allows us to contribute to security policy solutions but also to establish Deutsche Post DHL Group as a relevant security partner. Beyond these issues, we focused primarily on the use of **AI** and of digitalization, automation and robotics. Additionally, we held cross-functional workshops in which crisis situations including cybercrises and pandemics were simulated.

Protecting IT systems

Our systematic IT management protects the Group's IT systems from unauthorized access or manipulation and ensures uninterrupted availability and secure, reliable operations.

Our guidelines and procedures for safeguarding our IT systems are based on the international standard in this area, ISO 27002. The three central IT locations are certified to this standard. In addition, four central functions – Group Risk Management, IT Audit, Data Protection and Corporate Security – monitor and assess IT risk on an ongoing basis. Employees are granted access to our systems and data only to the extent required to perform their tasks.

Systems and data are backed up regularly, and critical data are replicated in the data centers. We operate data centers at various locations around the world in order to prevent complete system outages. Additionally, by performing regular software updates we can fix potential security vulnerabilities and protect system functionality.



Compliance

As a global logistics provider, we operate in a wide range of countries with very different political systems, laws and cultural values. Acting in an ethically and legally irreproachable way in our dealings with business partners, shareholders and the public is a key factor in our company's reputation and the basis for Deutsche Post DHL Group's lasting success. Ensuring legally compliant conduct in our business activities and when dealing with our employees is an essential task of all of the Group's management bodies. In this section, we also report on the material issues of preventing corruption and bribery, and data protection and data security.

Systematic compliance management

Corruption causes more than just financial damage. The intangible, abstract and scarcely measurable harm done by corruption is just as serious. The World Economic Forum estimates that corruption causes several trillion US dollars of economic losses, while the World Bank says that businesses and individuals pay bribes worth more than a trillion US dollars a year.

We observe all applicable international anti-corruption standards and laws, such as those set out in the UN Global Compact, the US Foreign Corrupt Practices Act and the UK Bribery Act. We are also a member of the World Economic Forum's Partnering Against Corruption Initiative. The rules for ethical conduct defined in our codes of conduct are set out in greater detail in our Anti-Corruption Policy, which also defines how to deal with donations and gifts to political parties and government institutions.

Our compliance organization focuses on preventing violations of our own standards and of the legal requirements. Our compliance management system implements clear lines of responsibility and reporting structures, and effective monitoring mechanisms throughout the Group. Our objective is to be proactive and to prevent the rules being breached or ignored by providing clear communication and guidance. Creating a culture of openness around compliance issues is pivotal to the success of the measures we undertake.

Organization and reporting

The Chief Compliance Officer is responsible for the design of the compliance management system. He is assisted in this task by the Global Compliance Office, which establishes Group-wide standards for compliance management and supports corresponding activities in the divisions. Each division has a compliance officer, who can draw on additional local resources and who reports regularly to the divisional board of management in question. All activities by, and reporting content from, the compliance officers in the divisions and from the Global Compliance Office are included in the quarterly report to the Board of Management and the annual report to the Supervisory Board’s Finance and Audit Committee. Compliance issues also form part of the audits commissioned by the Board of Management and performed by Corporate Internal Audit.  Page 44

direction and future development. The main focus is on topics such as bribery and corruption, antitrust and competition law, and fraud and embezzlement. Insights gained from compliance audits and reported violations are also used to continually improve and enhance the system.

Reporting suspicious activity

We want our employees to be alert to potential compliance violations and to report any suspicion of them to their managers or via the compliance hotline. A special web application and the hotline, which is available in roughly 150 countries and in 30 different languages, are available 24/7 for this purpose. Compliance violations can be reported by name or anonymously, where this is permitted by local law. External whistleblowers can use a form on the Group website.  Page 42

Elements of the compliance management system

Continuous analysis of the Group’s specific risk profile is of fundamental importance for determining the system’s

All reported violations are handled confidentially. We follow up on every tip and uncompromisingly pursue serious evidence of violations. Internal media are used to ensure that all employees are aware of the reporting systems and

Elements of the compliance management system



procedures available to them as well as whom to contact within the local compliance organization. Information regarding relevant compliance violations is included in the reports to the Board of Management and the Supervisory Board's Finance and Audit Committee.

Raising awareness of compliance issues

We expect our managers to lead by example and to communicate our corporate culture, principles and values to both employees and business partners. Managers and employees whose work puts them at greater risk undergo training, which includes online components. This modular training course includes units on the Code of Conduct, anti-corruption matters and competition law. Depending on their function, employees are required to complete either the entire curriculum or selected training modules.

Results in the year under review

We updated our training materials and courses as planned to reflect the policy changes we made in the previous year and rolled them out in the Group. In addition, we developed other training courses for specific target groups. We used our Group-wide information campaign marking International Anti-Corruption Day on December 9, 2019, to inform employees and managers about anti-corruption measures.

In the year under review, a total of 241 regular audits that were either directly or indirectly related to compliance were conducted by Corporate Internal Audit. A number of ad hoc audits were also performed. The audits supplement the Group-wide monitoring system and support ongoing compliance activities. They help to identify additional compliance risks and to continuously enhance the compliance program. Their findings are also used to review existing audit criteria for topicality and completeness.

Export controls & foreign trade

Cross-border transactions involving goods and services are often subject to a wide range of legal requirements. The framework for customs, export controls and sanctions is becoming increasingly complex. Violations are usually subject to criminal prosecution – both in the EU and at the international level. We have formulated Group policies and implemented appropriate organizational structures, processes and internal control systems to ensure that our international transportation services consistently comply with these steadily growing and regionally varying requirements. We review and optimize them on an ongoing basis and give our employees regular training to ensure ongoing compliance with the law – not only for ourselves but also for our customers and business partners.



“MANAGERS AND EMPLOYEES CAN LEAD BY EXAMPLE BY EXERCISING DUE CARE WHEN DEALING WITH THIRD PARTIES.”

Melanie Kreis
Board Member
Finance

Data protection & security

As digitalization increases across all spheres of life, individuals’ right of self-determination with respect to personal information is also becoming more and more important. As a multinational company whose business model is based on connecting people and exchanging information, some of which is sensitive, we believe we have a special responsibility to protect personal data. Many countries around the world have already set out the requirements for processing personal information in data protection legislation. Businesses face the challenge of having to familiarize themselves with these sometimes very different requirements in order to process personal data in compliance with the regulations concerned.

Our Data Privacy Policy sets out the global minimum standards for the Group. This enables our employees throughout the Group to handle personal data in accordance with the legal requirements, while strengthening our reputation as a reliable partner for our customers and a trustworthy employer. Through our active involvement in key internal and external specialist bodies, we help shape national and international data privacy requirements on an ongoing basis while monitoring their impact on our own business.

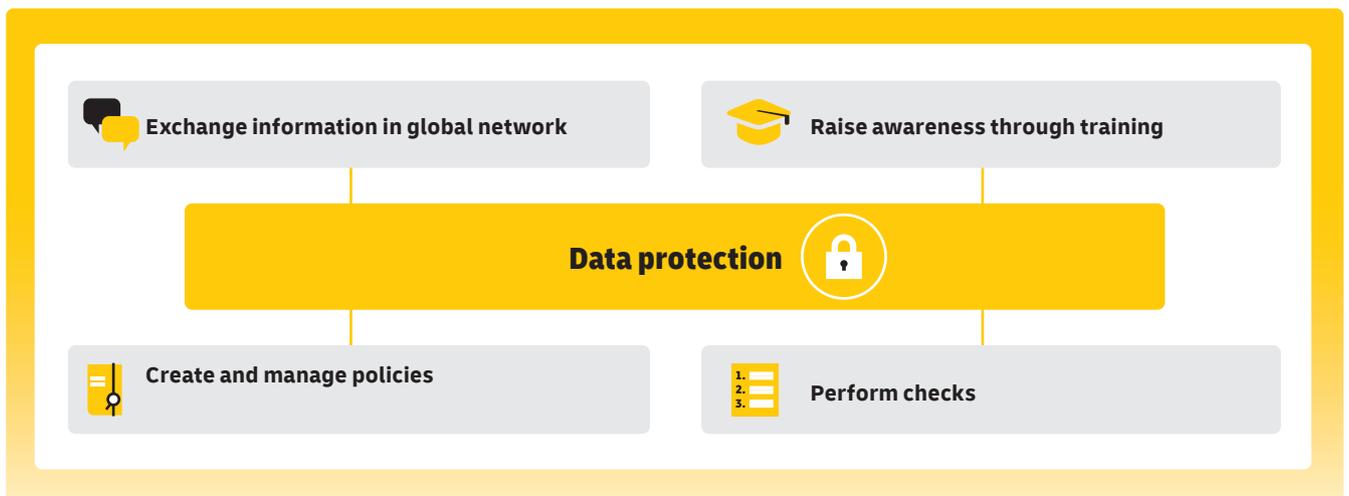
Our Data Privacy Policy sets out basic principles regarding the treatment of personal data and provides information on the rights of data subjects, including the right to information about stored data or to its deletion. Other guidelines derived from this policy outline processes and requirements for specific topics in greater detail; these include the processing of human resources data and direct marketing and e-commerce activities.

Data protection management

The Corporate Data Protection Officer monitors implementation of the Data Privacy Policy, and is supported in this task by data protection officers, advisers and coordinators at all sites and at all levels of the Group. Legal advice, a comprehensive training program and our internal audits ensure compliance both with our Data Privacy Policy and with national data protection regulations. Implementation of our Data Privacy Policy is also subject to regular external third-party review.

The “Protecting IT systems” section of this report provides information on the technical measures we take to protect both personal and business data from unauthorized access, disclosure or manipulation. High data protection standards are integral to our brand. Equally, our stakeholders consider data privacy to be critical to our business success. Our data privacy

Data protection management system



management system, consisting of the following elements, enables Group-wide compliance with the relevant standards:

- A global network of data privacy experts and advisers on all levels ensures that knowledge and information on relevant data privacy issues are shared.
- Online training courses raise awareness for this topic among employees; these courses are mandatory for managers. In addition, we offer on-site courses and customized programs for employees in certain functions, such as sales staff. An additional training module is also available as part of the Certified initiative. Data privacy guidelines and policies are reviewed on an ongoing basis and updated as necessary.
- We perform annual audits to verify compliance with the Group Data Privacy Policy and locally applicable requirements. Privacy impact assessments are also conducted with local contacts on the basis of detailed questionnaires.

Results & progress in 2019

The mandatory privacy impact assessments and documentation requirements were standardized by means of a software solution – our privacy portal – in 2018, and serve as a fundamental basis for our data protection management system. The functionality of the portal has been extended and process steps improved. A research tool was also developed and integrated into the data protection network. The contracts used to commission intragroup service providers (processing by a processor) and the associated processes were also optimized and simplified.

An additional online training module enables employees to familiarize themselves more easily with the key requirements of the European Union's GDPR. In addition, we provided information about selected data protection issues in various communications campaigns. A data protection module was also rolled out for the Certified initiative and added to the course catalogue as planned; it is now available in more than ten languages.



Working with suppliers

Our ability to successfully manage our global supplier network is a critical competitive factor. Our supplier relationships are regulated by our Supplier Code of Conduct. Suppliers signing contracts with Deutsche Post DHL Group must undertake to comply with the company's environmental goals and ethical values, and are encouraged to implement the same standards in their own supply chains. Supplier management is a key component of our procurement process, along with the operational tasks performed by Corporate Procurement. It enables us to improve the security of supply and add value by working closely together, and helps us above all to implement our standards in the supply chain. The main focus of supplier management is on those strategically relevant suppliers who play a key role in value creation at the Group. We offer our employees comprehensive training designed to sensitize them to the risks that can arise in the procurement process.

Managing and measuring success

Corporate Procurement sets the standards for procurement processes, is responsible for designing the Corporate Procurement Policy and defines the selection process for suppliers. As head of a central Global Business Services function, the Chief Procurement Officer reports directly to the Chief Executive Officer.

Annual procurement expenses in 2019 amounted to around €11.4 billion. This includes the costs of upgrading our fleets and sites. In addition to being responsible for central procurement measures, Procurement staff advise the divisions on calls for tender (e.g. when acquiring airplanes) down to the point at which contracts are signed, and on supplier management. The standards applicable to all procurement measures are defined in the Corporate Procurement Policy and as such are binding for all Group companies.



Anchoring values in our supply chain

- **Employee development**
- **Target for 2019:** Perform Certified initiative training. Status: Achieved
- **Target for 2020:** Continue Certified initiative training
- **Include environmental and social standards as a binding selection criterion for the supplier selection process**
- **Target for 2019:** Prepare rollout throughout the Group. Status: Achieved
- **Target for 2020:** Implement standards throughout the Group. Follow-up measures are to be developed over the course of the year

Supplier management

An objective selection process incorporating risk assessment

The goal of our standardized, multistep selection process is to ensure that, right from the tender stage, only bidders who share our values are invited to participate.

Suppliers can use our interactive training module on the Supplier Code of Conduct in advance to learn about our requirements.



In line with our Corporate Procurement Policy, preference is given to suppliers and transportation service providers with high environmental and social standards. We also use external supplier evaluations for this and have defined threshold values in order to enable the highest possible quality and objectivity during tendering procedures.

Our four-step process for evaluating strategic partners



Ongoing supplier screening

A standardized supplier monitoring and evaluation process is an integral component of our procurement platform, which we use to manage all procurement processes throughout the Group. Suppliers assigned to certain risk categories in our Anti-Corruption Policy are evaluated regularly as part of our due diligence screening. Our activities are also aligned with external standards, such as those defined by the United Nations, in order to take country-specific factors into account more effectively.

The results of the evaluation are documented and stored on the procurement platform. All Procurement staff have simultaneous access to complete supplier profiles so that all can make decisions based on the same information. This ensures that suppliers who pose an increased legal compliance or reputational risk for the Group or who fail to demonstrate ethical pricing practices are not considered for contracts.

BUILDING MUTUALLY BENEFICIAL LONG-TERM RELATIONSHIPS

Building lasting relationships

When signing contracts, we aim to enter into long-term, mutually beneficial relationships with our suppliers – relationships that will allow us to learn from one another and develop together. To achieve this, we systematically evaluate supplier relationships using a multistep process. Where we identify suppliers with competencies that are of particular importance for our business – such as innovators in the fields of green technologies and IT – we intensify our dialogue with them, with the aim of working together to develop innovative ideas.

Raising staff awareness

We specially train Procurement staff to sensitize them to the risks involved in procurement negotiations – such as corruption and anticompetitive practices – so that they are equipped to identify these early on and to resolve conflicts in line with our policies. As part of our Group-wide Certified initiative, we offer a training module that was jointly developed by

Corporate Procurement, Corporate Security, Corporate Legal and Compliance. In the course of this two-day workshop, participants learn how to correctly apply the Supplier Code of Conduct, the Anti-Corruption Policy and the Competition Compliance Policy. Employees from other areas can also take part in the training as a way to enhance their knowledge and skills. Additionally, the interactive training module for suppliers is mandatory for Procurement staff.

Identifying and pursuing violations

As a matter of principle, we trust our suppliers and business partners to comply with the terms of our agreements and only monitor compliance using random checks. Suppliers are mainly selected for such checks on the basis of their economic and strategic significance for the Group and the results of our risk assessment. Group functions such as HR and Compliance are included in this decision.

If we receive specific information that a supplier has violated our agreements or the provisions of the Code, we review the situation and prepare an action plan with specific implementation deadlines. Depending on the severity of the violation, these measures can also include terminating the business relationship.

Results & progress in 2019

We focused on preparing the rollout of the selection criteria throughout the Group in the year under review. All divisions now have access to our centralized procurement management system. This means that all compliance officers across the divisions can also access the questionnaires completed by the suppliers. As a result, everything is now in place to enable Group-wide verification of our requirements for all suppliers. Internal Audit is involved in the processes.