

Code of Conduct for suppliers to Bong

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This Code of Conduct for suppliers to Bong (the “**Code of Conduct**”) is based on the Sustainability Report of Bong and the UN Global Compact and outlines the minimum standards that Bong’s suppliers shall comply with when doing business with Bong, in addition to complying with all applicable laws, regulations and industry standards. The Code of Conduct also applies to Bong’s affiliated companies. Bong reserves the right to make reasonable changes of this Code of Conduct during the cooperation. In this case, Bong expects its suppliers to accept and comply with such reasonable changes.

The Code of Conduct shall apply to all suppliers of Bong (below “**Suppliers**”).

Compliance with law, regulation and industry standards

- The Supplier is required to comply with all laws, regulations and industry standards of the applicable jurisdiction(s) where there is production for Bong.

Business ethics and prohibition of corruption and bribery

The Supplier is required to:

- Conduct its business in accordance with the highest ethical standards.
- Strictly comply with all laws and regulations on bribery, corruption and prohibited business practices.

Respect for human rights

The Supplier is required to:

- Work for equal opportunities and equal treatment of its employees regardless of their race, nationality, social origin, sexual orientation, political or religious conviction, gender or age.
- Respect each individual person.
- Not employ anyone against his/her will
- Not tolerate forced or prison labor
- Not subject employees to any form of compulsion, coercion or human trafficking.
- Not tolerate mental cruelty, threats, oppression sexual harassment or discrimination.
- Not tolerate behavior (including gestures, language or physical contact) that is pursuing, threatening, abusive or exploitative.
- Comply with all laws and regulations of the applicable jurisdiction(s) in regards to compensation) and maximum working hours
- Recognize and uphold the right to freedom of association and collective bargaining permitted by law.
- Neither discriminate nor favor members of employee organizations or unions.
- Respect the privacy of employees and third parties and securely maintain personal data, unless required by law, only disclose such personal data to individuals with authorization to receive such data.

Prohibition of child labor

- The Supplier is required to not use child labor (as defined by the ILO, child labor is work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development) and comply with the minimum age stipulated by the laws of the applicable jurisdiction(s).

Health and safety of employees

The Supplier is required to:

- Provide prerequisites for occupational health and safety.
- Provide training and ensure that all employees working on the subject of safety is knowledgeable in the area.
- Establish and apply an adequate safety management system.

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Environmental Conservation

The Supplier is required to:

- Do its utmost to reduce negative environmental impact of its business and carry out environmental protection that complies with the laws of the applicable jurisdiction(s) and international standards.
- Minimize environmental impact and mitigate harmful effects as well as improve environmental protection measures including, but not limited to, minimizing of waste and emissions.
- Establish and apply an appropriate environmental management system.
- Adhere to the restrictions concerning chemical substances made by the European Chemicals Agency under the framework of REACH.

Implementation and non-compliance

- It is the responsibility of each Supplier to comply with the requirements stipulated in this Code of Conduct and to pass on and ensure compliance with this Code of Conduct in its supply chain.
- The Supplier is required to promote and consider compliance with this Code of Conduct when selecting suppliers.
- The Supplier shall audit its own business to ensure compliance with the Code of Conduct and immediately report any risk of non-compliance with this Code of Conduct to Bong and take necessary corrective actions promptly as advised by Bong.
- Bong reserves the right to carry out unannounced inspections and/or to appoint a third party to carry out inspections to ensure compliance with the Code of Conduct, including the right to have access to all facilities, books and records relevant for the observance of compliance with the Code of Conduct. If such an inspection reveals less than full compliance, the Supplier is obligated to take corrective actions promptly.
- If the Supplier fails to comply with this Code of Conduct, Bong reserves the right to immediately terminate the cooperation, agreement or business relationship between Bong and the Supplier.

The Supplier's declaration

The Supplier hereby confirms that:

- We have received the Code of Conduct and hereby commit ourselves, in addition to our obligations under the supply agreements with Bong, to comply with the principles and requirements stipulated in this Code of Conduct.
- We agree and acknowledge that Bong or its designated third party at any time can perform unannounced inspections (audits) to verify compliance with the Code of Conduct in our business.
- We will use our best efforts to deploy the contents of the Code of Conduct to our suppliers and ensure compliance with this Code of Conduct in the supply chain.
- We agree that this declaration is subject to the substantive laws under which the contract between Bong and us is closed.

Date and place of signing

Signature

Name (please print), Stamp Function

This document must be signed by an authorized representative of the company and returned to Bong within 30 working days of receipt.

Date: 17-05-2017