**\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*E-Mail an Hoffmann Group\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\***

**Von:** BHRRC Central & Eastern Europe & Central Asia <[ceeca@business-humanrights.org](mailto:ceeca@business-humanrights.org)>   
**Gesendet:** Donnerstag, 18. August 2022 11:54  
**An:** PR Hoffmann Group <[Presse@hoffmann-group.com](mailto:Presse@hoffmann-group.com)>  
**Cc:** Marketing-UK <[Marketing-UK@hoffmann-group.com](mailto:Marketing-UK@hoffmann-group.com)>  
**Betreff: [EXT] Invitation to respond – Ukraine & Russia human rights due diligence survey**

To: Martin Reichenecker – Hoffmann Group

Cc: Marc Trube – Hoffmann Group

Dear Martin Reichenecker,

Since the Russian invasion of Ukraine on 24 February 2022, [Business & Human Rights Resource Centre](http://www.business-humanrights.org/) has been [closely monitoring the concerning situation](https://www.business-humanrights.org/en/latest-news/ukraine-global-outrage-over-russian-invasion-leads-to-sanctions-demands-for-businesses-to-divest/) and the private sector’s response.

As set out in the UN Guiding Principles on Business and Human Rights (UNGPs), in situations of armed conflict business should conduct enhanced human rights due diligence to identify, prevent, and mitigate heightened risks and adopt a conflict-sensitive approach due to the severe risk of gross human rights abuses. Businesses must also avoid contributing to violations of international humanitarian law.

**Invitation to respond**

For this reason, we invite Hoffmann Group to respond to the questions attached about your human rights due diligence related to your company’s operations and/or investments in Russia and/or Ukraine. The purpose of this survey is to increase transparency of business human rights due diligence practices related to the Russian invasion of Ukraine, including gaps and examples of good practice. Under the UNGPs, companies also have a [responsibility to share information](https://shiftproject.org/wp-content/uploads/2015/03/Shift_HRDDinhighriskcircumstances_Mar2015.pdf) about how they address risks and impacts with external stakeholders as part of their human rights due diligence. This is even more important in high-risk circumstances.

We have divided the attached questions into two main sections: companies operating or investing in Ukraine and companies operating or investing in Russia. Please send us responses to the section(s) that are relevant for your company **by no later than Friday, 9 September your end of day.** Company responses will be made publicly available (as we receive them) on the Resource Centre website, which receives 3 million visitors per year, and shared through our Weekly Update, which is sent to 20,000 opinion leaders worldwide. We will also note which companies did not respond.

**About the Resource Centre**

[Business & Human Rights Resource Centre](http://www.business-humanrights.org/) is an independent non-profit organisation that tracks the human rights impacts of over 10,000 companies in over 180 countries. We welcome 3 million visitors to our digital action platform every year, which includes links to reports about positive initiatives by companies as well as reports about concerns that have been raised by civil society. For further details, please see the [“About us” section](http://business-humanrights.org/en/about-us) of our website.

Please do not hesitate to get in touch if you require any further information. We look forward to receiving your response.

Sincerely,

Business & Human Rights Resource Centre

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| The Resource Centre provides information on the human rights impacts of thousands of companies worldwide  UK Registered Charity Number 1096664 | US tax-exempt 501(c)(3) | |

**Business & Human Rights Resource Centre Survey Questions**

**For companies operating or investing in Ukraine**

We do not have operations and investment in Ukraine

**Nature of involvement**

1. How long has your company or subsidiary been operating or investing in **Ukraine**? In summary, can you briefly describe the nature, sector, scale, and geographic area of these operations or investments?

**Assessing risks**

1. How is your company enhancing its due diligence to identify, prevent, and mitigate heightened human rights risks and comply with international humanitarian law?
   1. What measures is your company taking to ensure it relies and acts upon robust monitoring of the situation, including through consultation with your workers, affected communities, human rights groups, and/or humanitarian organizations?

**Mitigating risks and tracking effectiveness**

1. What measures is your company or subsidiary taking to ensure that your business relationships, products, services, operations, or other actions do not contribute to Russian military activities or occupation in Ukraine (including Crimea and occupied parts of Donetsk and Luhansk Oblasts)?
2. Is your company or subsidiary planning to scale-down or suspend your operations in **Ukraine**? If so, what are the immediate and longer-term steps that your company has taken or is prepared to take to mitigate the negative impacts of this decision on affected communities and your workers?
3. What steps is your company or subsidiary taking to ensure that your risk prevention and/or mitigation measures do not negatively impact Ukrainian civilians?

**Exercising leverage**

1. Is your company or subsidiary taking any other actions to promote respect for humanitarian law, human rights, democracy, and peace in Ukraine?

**For companies operating or investing in Russia**

**Nature of involvement**

1. How long has your company or subsidiary been operating or investing in Russia?

In summary, can you briefly describe the **nature, sector, scale,** and **geographic** **area** of these operations or investments?

In 2003 we started doing business in Russia, and in 2006 we opened our subsidiary in Sankt Petersburg. The subsidiary is a pure sales entity comprising ~180 employees (as of January 2022) and limited warehouse space. Our business model is to supply industrial companies with consumables such as standard tools (e.g. hammer, screwdriver, cutting tools), personal protective equipment (e.g. hearing protection) as well as factory furniture (e.g. workbenches). This means we neither supply products or components that are suitable to build weapons nor do we supply these sanctioned industries directly or indirectly. Our business is in line with all laws and regulations and relies on a rigorous control system (see question 5).

**Assessing risks**

1. How is your company **enhancing its due diligence** to identify, prevent, and mitigate heightened human rights risks and **comply with international humanitarian law**?

* 1. What measures is your company taking to ensure it relies and acts upon robust **monitoring of the situation**, including through **consultation with your workers, affected communities, human rights groups, and/or humanitarian organizations**?

As a supporter of the UN Global Compact, we adhere to the UN Guiding Principles and act responsibly based on these principles. From the beginning of the situation in Ukraine we were closely monitoring all developments with dedicated responsibilities, hereby fully involving our Russian colleagues. From that close alignment we had an understanding what the consequences of an immediate exit would have especially on our local staff, including risks for our management in Russia. In addition, we follow a rigorous control system on our business activities, preventing breaches of laws and regulations (see question 5). All our employees worldwide are fully aware of the required standards and fully comply with those.

**Mitigating risks and tracking effectiveness**

1. As the situation in Ukraine unfolds, is your company or **subsidiary planning to cease operations in or divest from Russia**? If so:
   1. What have been the key considerations informing this decision and did you consult with your workers and/or other affected stakeholders as part of your decision-making process?

Since the beginning of the conflict in Ukraine we have reduced our operational business in Russia to a minimum and have been conducting an intensive review of all options, including exit the Russian market. The assessment and realization of adequate options are ongoing.

* 1. What are the **immediate and longer-term steps** that your company has taken or is prepared to take to mitigate any negative impacts of your exit on affected **communities and your workers, including addressing any loss of income**?

The primary reason we have not liquidated our Russian subsidiary in the past is because we bear responsibility for our local employees and management team. To mitigate negative effects on individuals remains a priority also for further steps.

1. If your company or subsidiary chooses **to continue operating in Russia**, what human rights due diligence has been undertaken and how are you planning to mitigate harm in Ukraine?

Regarding Ukraine, on an individual and local basis we have provided humanitarian support by collecting and transferring goods and financial funds to humanitarian organizations in the Ukraine.

1. What kind of due diligence measures does your company use to **ensure that it does not have any business relationships with sanctioned Russian individuals and entities**? **Beyond sanctions compliance**, how does your company ensure that it does not have any business relationships with individuals or entities with a track record of rights violating conduct?

Hoffmann Group is committed to conducting business in a sustainable and responsible manner – in the interest of the company, its staff and the general public. Our Code of Conduct is based on the principles of the United Nations Global Compact (UN Global Compact) and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work.

More specifically, Hoffmann has always behaved in accordance with the rules: To comply fully with all embargoes, sanctions and other trade restrictions and to exclude critical supplies, we have introduced a very rigid set of rules for export controls many years ago.

As a result of the annexation of the Krim in 2014, global regulations for trade with Russian companies were tightened. We immediately implemented the new requirements appropriately in our rules and regulations, and in 2014 we stopped supplying sanctioned industries in Russia. Furthermore, our controls stipulate that our subsidiaries as well as our distribution partners and customers must confirm in writing that goods delivered by us will neither be routed to a critical end use nor be redelivered to sanctioned areas.

Beyond these global surveillance measures we have implemented in Russia an even stricter set of rules including e.g. the detailed audit of holding structures and name variations. In February 2022 we further intensified our measures and stopped making delivery commitments to Russian customers.

**Exercising leverage**

1. How does your company intend to use your **leverage to protect the rights of your workers and communities affected by your operations in Russia**, including freedoms of association and expression?

We respect human rights and human dignity and are committed to upholding and protecting them. We believe in diversity as a competitive advantage, respect the dignity of all people, and are committed to upholding and protecting human rights*.* In this spirit, freedom of association and expression is always protected in all our Hoffmann entities worldwide.

1. Is your company **providing any support to Russian activists** who are taking action against the war and in support of democracy and peace in Ukraine?

On an individual and local basis we have provided humanitarian support by collecting and transferring goods and financial funds to humanitarian organizations in the Ukraine.