

# Code of conduct for suppliers and business partners

As of: October 2023

## Our self-conception

As a specialist in packing solutions we have been convincing our customers every day for over 70 years now by constantly reviewing our actions, seeing customer wishes as challenges and fulfilling orders and requirements in a timely and practical manner. We are committed to ecologically, ethically and socially responsible corporate management. We strive to optimize our actions and our products in terms of sustainability. In line with our holistic approach, we expect our suppliers to actively contribute to this.

The Nette Code of Conduct for suppliers and business partners provides the framework for our daily decision-making processes. Nette GmbH is a member of the UN Global Compact and acts in accordance with the ten basic principles (see appendix). We are furthermore guided by the principles of the Ethical Trading Initiative Base Code. Our Code of Conduct for suppliers and business partners provides guidance in business dealings and strengthens responsible, transparent and respectful business relationships. Nette GmbH reviews the content of the Code of Conduct at regular intervals and adapts it to the current requirements and needs.

The compliance with the applicable laws, regulations and guidelines of all countries, in which we are operating is a matter of course for Nette GmbH employees and part of our social responsibility. We respect the principles of the Universal Declaration of Human Rights, the guidelines on the Rights of the Child and Business Conduct, the United Nations Guiding Principles on Business and Human Rights as well as the conventions and recommendations of the International Labor Organization (ILO) and are committed to monitoring these standards in our supply chains. We also expect our suppliers and business partners to comply with and implement these values, e.g. to be willing to

participate in audits and take the necessary improvement measures or passing on the Code of Conduct (CoC) to subcontractors.

At the same time, we expect efforts to review negative impacts of business activities on the human rights of external stakeholders, such as property or land rights, the right of security, etc. and to reduce respectively avoid them where necessary.

## Our requirements

### Social responsibility

#### Protection of children and teenagers

We expect our supplies and business partners to reject any form of child labor. The country-specific legal age regulations are complied with at all times. Children and teenagers under the age of 18 may not be employed at night or under dangerous conditions. The minimum working age must not be less than the age of completing compulsory education and in no case less than 15 years. These guidelines and procedures must comply with the provisions of the relevant ILO standards (see ILO Conventions 79, 138, 142 and 182).

#### Free choice of work | No forced and slave labor | No human trafficking

Furthermore, we expect our business partners and suppliers to reject all forms of human trafficking, forced and slave labor as well as exploitation. The work of the employees is freely chosen. Physical abuse of discipline, threats of physical abuse, sexual or other harassment, verbal abuse or other forms of intimidation are not tolerated.

As far as possible, the work performed is based on a recognized employment relationship that is established in accordance with national law and practice.

The company shall ensure that obligations to employees under labor law or social security law arising from the regular employment relationship are not circumvented through the use of temporary employment contracts, subcontracts, homeworking arrangements or through training programs that have no real intention of imparting skills or creating a regular employment

relationship. Furthermore, the company shall ensure that such obligations are not circumvented through the excessive use of fixed-term employment contracts.

With these requirements, we refer to ILO Conventions 29 and 105.

#### Fair pay

Remuneration is at least in line with national legal standards or industry benchmark standards, depending on which amount is higher. The company assumes responsibility for ensuring that wages are living wages and are sufficient to cover basic needs and provide a certain amount of disposable income.

The basis on which workers are paid is communicated to employees on an ongoing basis in the form of a pay slip.

Deductions from wages as a disciplinary measure and deductions from wages that are not allowed under national law are not permitted without the express consent of the employee concerned. All disciplinary measures are documented transparently.

With these requirements, we refer to ILO Conventions 26 and 131.

#### Compliance with working hours and rest breaks

Working hours comply with national laws and industry standards, whichever provides better protection for employees.

The weekly working hours must not exceed 48 hours per week. At least there must be one day off per 7 days. Any overtime work is voluntary and must not exceed 12 hours per week and is not required on a regular basis. (see ILO Conventions 1 and 14).

#### Freedom of organization and assembly

The company respects the rights of employees to freedom of association and collective bargaining in accordance with applicable laws and regulations. This means that employees have the right to join or form trade unions of their choice and to engage in collective bargaining and to form a works council.

Workers must be able to communicate openly with management without fear or reprisal or harassment.

With these requirements, we refer to ILO Conventions 87, 98, 135, 154.

#### Equal opportunities | anti-discrimination

We expect our business partners and suppliers to act independently of race, ethnic origin, gender, religion, ideology, disability, age or sexual identity in their dealings with employees, customers and competitors and to create a working environment free of discrimination, prejudice and harassment (see ILO Conventions 100, 111 and 159).

The personal dignity, privacy and personal rights of each individual are respected.

## Responsibility for people and environment

#### Occupational health and safety

The business partners and suppliers of Nette GmbH undertake to ensure that employees in the companies and in the supply chain have access to a safe and hygienic working environment that takes into account all specific hazards. Nette GmbH considers access to clean toilet facilities, drinking water and sanitary facilities for storing food to be a matter of course.

Furthermore, appropriate precautions are taken to prevent accidents and damage to health that arise from work, are associated with work or occur during work. Regular and documented health and safety training courses are held for employees of the companies and in the supply chain, as well as inspections of equipment and vehicles used. Anomalies and hazards are reported immediately. Nette GmbH reserves the right to request appropriate evidence of this.

With these requirements, we refer to ILO Conventions 155 and 164.

#### Complaints mechanism

The supplying company is responsible for establishing an effective complaints mechanism at company level for individuals and communities that may be affected by adverse impacts.

### Sustainable action

Nette GmbH expects its business partners and suppliers to be committed to protecting the environment and the health and safety of all employees, customers and the communities in which they operate.

The use and consumption of resources during production and the generation of all types of waste, including water and energy, must be reduced or avoided. This is done either directly at the point of origin or through procedures and measures, e.g. by changing production and maintenance processes or procedures within the company, by using alternative materials, by making savings, by recycling or by reusing materials.

### Climate and environmental protection

Sustainable trade focuses on the protection of resources and the early avoidance of wasting resources, e.g. by using renewable energies, reducing air pollution and the consumption of raw materials, minimizing energy and water consumption, waste and waste water and reducing greenhouse gases. This applies equally to production, administration and trade. Nette GmbH expects the application of a documented environmental management system according to DIN EN ISO 14001 or other adequate standards (EMAS; ISO 50001). Regardless of an externally certified environmental management system, we require our suppliers to comply with the following environmental aspects.

Wastewater from operational procedures, production processes and sanitary facilities must be typified, monitored, checked and, if necessary, treated prior to discharge or disposal. In addition, measures should be introduced to reduce the generation of wastewater.

Emissions from operations (air and noise emissions) and greenhouse gas emissions must be typified, routinely monitored, checked and, if necessary, treated before they are released. The company is also required to monitor its emission control systems and is required to find cost-effective solutions to minimize any emissions.

Suppliers shall follow a systematic approach to identify, handle, reduce and

responsibly dispose of or recycle solid waste. Chemicals or other materials that pose a risk if released into the environment shall be identified and handled in a manner that ensures safety during handling, transportation, storage, use, recycling or reuse and disposal. Any kind of illegal disposal of waste is prohibited. The prohibitions on the export of hazardous waste in the Basel Convention of March 22, 1989, as amended, must be observed.

For the conflict minerals tin, tungsten, tantalum and gold, as well as for other raw materials such as cobalt, the company establishes processes in accordance with the Organization for Economic Cooperation and Development (OECD) guiding principles for fulfilling the duty of care to promote responsible chains for minerals from conflict-affected and high-risk areas and expects the same from its suppliers. Smelters and refineries without appropriate, audited due diligence processes should be avoided.

Nette GmbH reserves the right to request the CO2 footprint for the products, services and processes supplied to Nette GmbH. The collection, calculation, evaluation and communication of the relevant CO2 data (Scope 1-3) should be carried out in accordance with the applicable standards of the Greenhouse Gas Protocol (GHG Protocol).

On request, Nette GmbH must be provided with the corresponding (qualified) certificates for its efforts to protect the environment and the climate.

## Corporate responsibility

### Fair competition

The standards of fair business, fair advertising and fair competition must be observed. All applicable antitrust and competition laws in this context must be applied. Agreements on prices and conditions as well as agreements that serve to restrict competition or divide up markets and customers are rejected. These principles are also ensured in the supply chain.

### Confidentiality | Data protection

The protection of data and privacy is essential in times of digitalization and is therefore a top priority. The business partners and suppliers of Nette GmbH

comply with the laws on data protection and information security and the official regulations when collecting, storing, processing, transmitting and passing on personal information. The companies ensure that personal data of employees, customers and business partners is not collected without the express consent of the data subjects or legal permission.

#### Protection of intellectual property

The transfer of knowledge and know-how takes place in such a way that the intellectual property of third parties (industrial property rights (patents, trademarks, etc.), copyright protection (software, image rights, etc.)) is protected. The intellectual property of third parties may only be used if corresponding rights of use have been granted.

#### Integrity | Anti-bribery and corruption

The business partners and suppliers of Nette GmbH apply the highest standards of integrity to all business activities. All forms of bribery, corruption, extortion and embezzlement are prohibited and will not be tolerated. In order to comply with anti-corruption laws, companies must implement appropriate procedures for monitoring and enforcing standards.

For Nette GmbH, it goes without saying that the acceptance of gifts and benefits by employees is prohibited.

#### Anti-money laundering

The company is committed to combating money laundering and takes measures to ensure that it is not misused as a means of money laundering. The integrity of contractual partners is checked before contracts or transactions are accepted or confirmed. Irregularities and suspicious behavior are reported immediately.

#### Trade and customs regulations

Nette GmbH complies with the valid and applicable trade regulations. This includes sanctions, export and import controls, customs law and anti-boycott regulations. We expect the same from our business partners.

## Implementation and testing

Our business partners undertake to ensure compliance with the requirements described herein and to pass them on within their own company and to their own suppliers and business partners along the entire value chain. In doing so, we recognize that our suppliers and business partners use alternative approaches to implementation or their own documents (e.g. Code of Conduct) to implement the Nette requirements.

We expect our suppliers and business partners to identify risks within the supply chain and to take appropriate measures to eliminate them. In the event of suspected violations and to safeguard supply chains with increased risks, Nette GmbH is informed promptly and, if necessary, regularly about the violations and risks identified and the measures taken.

Nette GmbH regularly checks compliance with the requirements and principles of conduct set out in this Code by means of self-disclosure and as part of supplier qualification.

If the employees of Nette GmbH discover a violation of the "Code of Conduct for Suppliers", the companies concerned will be informed immediately in writing and given a deadline to initiate appropriate measures to eliminate the violations. If an adjustment is not possible in the foreseeable future, the supplying company must immediately notify Nette GmbH in writing and, together with Nette GmbH, draw up a concept to end or minimize the violation. If the grace period does not bring any improvement, Nette GmbH shall be entitled to break off the business relationship and terminate all contracts. The statutory right to extraordinary termination without setting a grace period, in particular in the case of violations that are considered very serious, remains unaffected, as does the right to compensation.

A web-based internal whistleblower system is available. The purpose of the whistleblower system is to receive reports of violations of laws, guidelines and this Code of Conduct.





You can reach the whistleblower system at:

<https://nette-deutschland.hintbox.de>

### Declaration of consent

By signing this document, you as a supplier and business partner of Nette GmbH undertake to act responsibly and to comply with the principles and requirements listed. Furthermore, you will communicate the contents of this Code of Conduct to your employees, agents and subcontractors in a comprehensible manner and take all necessary precautions for the implementation of the requirements.

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Place | Date | Signature management

## Annex

### Ten principles of the UN Global Compact<sup>1</sup>

#### **HUMAN RIGHTS**

1. Companies should support and respect the protection of international human rights within their sphere of influence.
2. Companies should ensure that they are not complicit in human rights abuses.

#### **LABOUR**

3. Companies should uphold the freedom of association and the effective recognition of the right to collective bargaining.
4. Companies should uphold the elimination of all form of forced and compulsory labor.
5. Companies should uphold the elimination of child labor.
6. Companies should uphold the elimination of discrimination in respect of employment and occupation.

#### **ENVIRONMENT**

7. Companies should follow the precautionary principle in dealing with environmental problems.
8. Companies should take initiatives to promote greater environmental awareness.
9. Companies should accelerate the development and dissemination of environmentally friendly technologies.

#### **ANTI-CORRUPTION**

10. Companies should work against corruption in all its forms, including extortion and bribery.

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<sup>1</sup> Office of the UN Global Network Germany (UN GCD): <https://www.globalcompact.de/ueber-uns/united-nations-global-compact> (As of 06.11.2023).