



# Supplier Code of Conduct

Version October 2022

SIG Group AG, including all of its subsidiaries and controlled shareholdings (“SIG“), strives to be a leader in packaging systems for liquid food and beverages. Ethics and Compliance as set out in [SIG’s Code of Conduct](#) are key factors to achieving SIG’s business goals and securing SIG’s long-term business success.

SIG expects all its suppliers to adhere to equivalent strict working standards, human rights and business ethics. This Code of Conduct for Suppliers (“Supplier Code of Conduct”) sets out our expectations towards our suppliers in these areas.

The Supplier Code of Conduct forms an integral part of any agreement between SIG and its suppliers. In case of non-compliance, SIG reserves the right to terminate with immediate effect any agreement with the respective suppliers.

## **1. Compliance with applicable laws and regulations, business ethics**

All of SIG’s suppliers shall comply with applicable laws and regulations, and are expected to act responsibly, sustainably and with integrity.

SIG does not tolerate corruption or bribery. Under no circumstances shall a supplier directly or through intermediaries, offer, promise or provide any inappropriate benefits directly or indirectly to a government official, or to any person or entity in the private or commercial sector in order to obtain or retain a business or any other advantage.

However, appropriate and reasonable gifts, entertainment or hospitality may be offered or provided which are customary in the circumstances, provided that no obligation could be, or be perceived to be, expected in connection with the gift, entertainment or hospitality.

The suppliers are committed to the principles of lawful and free competition under observation of the relevant national and international legislation.

The suppliers shall comply with all applicable laws and regulations implementing embargoes, sanctions or similar restrictions imposed by the United Nations, EU or other national or supra-national bodies.

Suppliers shall not engage – directly or indirectly – in any form of money laundering.

Suppliers shall comply with applicable laws and regulations related to conflict minerals sourced from conflict-affected or high-risk areas.

In the course of making business decisions or carrying out their job responsibilities, the suppliers’ employees shall avoid conflicts of interests between personal interests and the interests of the business and its business objectives.



## **2. Human rights**

Suppliers shall conduct their businesses in a manner that respects human rights. They are expected to act in accordance with the United Nations Guiding Principles on Business and Human Rights, the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, as well as the OECD Guidelines for Multinational Enterprises and are encouraged to conduct human rights due diligence.

## **3. Free choice of employment, no forced labor**

Suppliers shall not use forced labor, including bonded, indentured or involuntary prison labor, or engage in any form of forced labor, modern slavery or human trafficking. They shall comply with all applicable anti-slavery and human trafficking laws, statutes, regulations and codes from time to time in force including but not limited to the Modern Slavery Act 2015 in any part of their supply chain.

There shall be no unreasonable restrictions on employees' freedom of movement. Employees are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer without penalty if reasonable notice is given as per the employee's contract.

Employees migrating for the purpose of work shall not be required to pay recruitment fees or other related fees for their employment.

Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

## **4. No child labor**

Suppliers shall neither use nor tolerate child labor. They shall observe the relevant ILO standards, United Nations Guiding Principles on Business and Human Rights und OECD Guidelines for Multinational Enterprises.

Young persons under 18 shall not be employed at night, in hazardous conditions or work overtime.

## **5. Fair labor conditions, working hours and minimum wages**

SIG expects its suppliers to ensure fair labor conditions to all employees.

Suppliers shall ensure that their employees work in compliance with all applicable laws and regulations and benchmark industry standards, whichever affords greater protection. They shall not require more than 48 regularly scheduled work hours and 12 voluntary overtime hours per week. Employees shall be allowed at least one day off after six consecutive days of work, and any overtime worked shall be voluntary and compensated at premium rate. Where a supplier's practices do not meet such international standards, the supplier should identify the root causes and work to improve its practices.



Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.

All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.

Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

## **6. Regular employment**

To every extent possible work performed shall be on the basis of recognized employment relationship established through national law and practice.

Obligations to employees under labor or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labor-only contracting, subcontracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

## **7. Occupational health & safety**

To minimize the risk of workplace incidents, occupational illnesses and other health problems to the extent possible, the suppliers shall comply with all applicable statutory requirements as well as national and international safety rules and standards.

Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.

Suppliers shall provide a safe and healthy workplace for all their workers and strive to provide an incident-free environment where occupational injuries and illnesses are prevented. In addition, suppliers shall provide access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage. Accommodation, where provided, shall be clean, safe and meet the basic needs of the workers. The conditions shall comply with applicable national laws and international health and safety standards.

## **8. Freedom of association**

Suppliers shall respect the rights of workers, as set forth in applicable local laws and regulations, to freely form or not form, to join or not join, labor unions, seek representation and join workers' councils, to organize and to bargain collectively and individually. Workers shall be able to communicate openly with management regarding working conditions without threat of reprisal, intimidation or harassment.



## **9. Non-discrimination, no harassment**

The supplier shall provide a working environment free of discrimination, harassment, intimidation, or coercion, including in hiring, compensation, access to training, promotion, termination or retirement on the basis of any category protected by either applicable legal requirements or specific corporate policy, such as race, ethnicity, color, national origin, religion, age, disability, gender, marital status, pregnancy, sexual orientation, gender identity or expression, union membership or political affiliation, and veteran status.

Suppliers are encouraged to promote a diverse workforce.

## **10. Food and product safety**

SIG employs best practices for storage and distribution of food packaging products. The procedures of its suppliers for materials used in food contact packaging in regard to food safety, packaging and distribution should meet or exceed industry standards.

The safety of products provided by the suppliers should also be protected by adequate security measures at all stages of production, packaging, storage and distribution in order to prevent tampering or contamination.

## **11. Environment**

The supplier shall run its business in a way which protects and preserves the environment. This includes amongst others the maintenance of natural resources, the avoidance of the use of dangerous or hazardous substances to the extent possible and a responsible handling of wastes.

The supplier shall in particular comply with all applicable national and international environmental legislations and obtain all necessary environmental permits to run their business.

Apart from that, the supplier declares to be aware of SIG's environmental commitments and principles and to comply with these. SIG's environmental commitments and principles can be found on our website under <http://www.sig.biz/responsibility/way-beyond-good>.

## **12. Confidentiality and privacy**

Suppliers may from time to time be provided with or have access to confidential business information, trade secrets, formulations, recipes, specifications or other sensitive information which belongs to SIG.

The suppliers shall keep all such information strictly confidential and shall only disclose it to those individuals within their own organizations with a need to have the information. The suppliers shall not disclose such information to any other party without the written consent of SIG.

Suppliers shall comply with applicable data privacy laws and regulations.



### **13. Supply chain**

Suppliers are expected to communicate and apply the principles set out in this Supplier Code of Conduct throughout their supply chain.

### **14. Implementation**

With prior notice, SIG reserves the right to verify the Supplier's compliance with the Code.

### **15. Grievance mechanism**

Any issue or concern can be reported in accordance with the reporting channels as set out in SIG's Code of Conduct (available on our [website](#)). Grievances can be made anonymously where permissible under applicable law and without fear of retaliation.

Suppliers are expected to offer an appropriate grievance mechanism for reporting issues or concerns without fear of retaliation.

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