Desmedt Supplier Code of Conduct

Introduction

"Since 1889 – for four consecutive generations – Desmedt has specialised in the production of self-adhesive labels, also known as our next-generation labels. Right from the founding of our company, the emphasis has been on continuous innovation and care for people and the environment. This includes continuously optimising our printing process to use less energy, emit less CO_2 and use raw materials more sparingly.

Equally important is caring for employees and our commitment to sustainable economic growth. In everything we do, we are guided by our company's core values: **integrity, dedication, respect for people and the environment, passion, eagerness to learn and creativity.** They create the context in which we put the focus on our customer. Accepting our social responsibility is crucial in this regard. We are committed to working with all our partners in an honest, responsible and transparent way that is in line with our values and sustainability strategy.

This Supplier Code of Conduct is an important tool in this regard. The Code of Conduct forms an integral part of Desmedt's General Purchase Conditions for the supply of goods and services. With this Code of Conduct, we also translate our in-house ethical principles to our suppliers. In this way, we aim to reduce the impact on people and planet throughout our supply chain and help ensure that crucial rules and standards are adhered to throughout the supply chain."

- Henri Köhler, CEO

Our main principles

Our code is based on the principles of the UN Global Compact. It contains internationally agreed principles regarding ethical behaviour, health, safety, human rights and the protection of climate and the environment. The Code of Conduct applies to all our suppliers, both of goods and services.

If a principle in this Code of Conduct deviates from local laws or other standards, the stricter rule must be applied. We also ask our suppliers to impose a similar code of conduct on their own partners to enable the entire supply chain to move forward.

We will regularly review this Code of Conduct to ensure that its contents remain in line with our strategy and objectives. Changes to the Code of Conduct will always be communicated to suppliers.

Our suppliers are expected to comply with this Code of Conduct at all times.

HUMAN RIGHTS

- **Respect for human rights**
  Our suppliers support and respect internationally recognised human rights, and are not complicit in violations thereof. In case of a risk in the supply chain, for example, caused by a subcontractor, we ask our suppliers to take appropriate measures.

- **Working environment and working conditions according to international regulations**
  Our suppliers treat their employees fairly, equally and with respect. All forms of physical, verbal or sexual abuse are prohibited, as are harassment and threats. We ask our suppliers to take strict action against discrimination based on race, national origin, religion, age, disability, gender, marital status, sexual orientation, political beliefs, union membership and so on. Everyone has the same rights in terms of recruitment, remuneration, promotion, dismissal or retirement, training and holidays.

TERMS OF EMPLOYMENT

- **Protection of health and safety**
  The health and safety standards and other standards used must comply with all local laws and safety regulations (or international standards, if local legislation is too weak or not properly enforced). Vulnerable employees, such as young people, pregnant women or people with disabilities, are afforded extra protection. Suppliers will provide systems to avoid health and safety risks or at least detect them promptly. They take measures to prevent work-related accidents, injuries or illnesses to the maximum extent possible and provide medical assistance. Finally, all employees undergo regular health and safety training.

- **Reasonable working hours and a fair wage**
  Our suppliers pay their employees a fair wage that follows the standards set out in collective labour agreements (CLAs). Wages are paid promptly, regularly and fully in legal tender and reflect the employee's skills and level of education. In addition, the wage is based on normal working hours. Those working hours comply with national legislation and possible additional agreements.

- **Employment security**
  Temporary work, agency work and involuntary part-time work shall be avoided as much as possible. The subcontracting system must not be used to undermine the rights of employees. Employees have the right to understandable information about their rights, responsibilities and terms and conditions of employment. Before accepting a job, they must know the working hours, pay and payment terms.

- **Voluntary labour and respect for the age limit**
  We do not tolerate any form of forced, compulsory or child labour. Under no circumstances may our suppliers hire children under the age of 15. If the country in question imposes a higher age limit, that must be respected. Employees are free to terminate their employment at any time, provided they give reasonable notice.

- **Freedom of association**
  Our suppliers respect the rights of their employees to form a union, join or not join a union, and bargain collectively.

CLIMATE, ENVIRONMENT AND FOOD SAFETY

- **Reduce the environmental impact of business activities**
  We expect our suppliers to identify the impact of their activities – on the community, natural resources and the environment – and to establish policies, procedures and measures to prevent or reduce that impact. Energy and resources must be used as efficiently as possible. We expect our suppliers to switch to environmentally friendly, more sustainable raw materials or resources whenever reasonably possible.

- **Lowering CO_2 emissions**
  Since 2020, Desmedt has been a certified carbon-neutral company. It is important to us that our suppliers share that same goal. We expect our suppliers to take proactive measures, as Desmedt has done, to reduce their CO_2 emissions. If the data is available, we ask our suppliers to report transparently on their carbon emissions.

- **Promoting environmentally friendly technologies**
  We expect our suppliers to proactively notify us when more sustainable alternatives are available for existing products, services or technologies.

- **Respecting legal standards for food safety**
  Our suppliers also respect all legal food safety standards. We expect suppliers to proactively inform us of any (potential) food safety risk or hazard.

ETHICAL CONDUCT

- **Legal and ethical business practices**
  Any form of corruption, such as bribery, extortion, embezzlement or fraud, is strictly prohibited. This also includes inappropriate sums of money or other incentives. Suppliers will maintain accurate, correct information about their activities, structure and performance.

- **Privacy and confidentiality**
  Personal information about employees, business partners, customers and consumers must only be collected and used responsibly. In doing so, all laws and regulations concerning privacy and information security must be followed.

What happens in case of violations?

We reserve the right to monitor compliance with this Code of Conduct, for example by means of self-assessment questionnaires. Those questionnaires are required to be completed, signed and delivered to Desmedt. Any inspections can be carried out by an independent third party.

If a supplier fails to comply with the Code of Conduct, at first, we will ask them to take appropriate action. Together with the supplier, we will draw up an improvement plan with clear deadlines. If a supplier fails to comply with the Code of Conduct and the consequences of a breach are irreparable, Desmedt may terminate its contract with the supplier without compensation.

Supplier's declaration

By signing below, the supplier agrees to comply with Desmedt's Supplier Code of Conduct.

Company: .....

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Name: .....

Position: .....

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Date: .....

Signature:

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