

Business Partner Code of Conduct



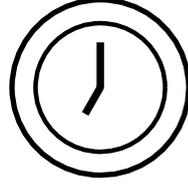
The rights of freedom of association
and collective bargaining



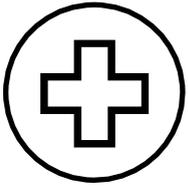
No discrimination



Fair remuneration



Decent working hours



Occupational health and safety



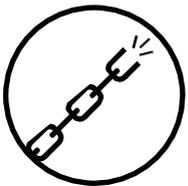
No child labour



Special protection for young workers



No precarious employment



No bonded labour



Protection of the environment



Ethical business behaviour

I. Preamble

The CWS Group understands Corporate Responsibility as an integral part of its business model. We are committed to the environment, to people, and society in every part of the CWS world, including our supply chain.

In line with the CWS values - People, Integrity, Sustainability, Quality, Passion for Service, and Drive for Results -, our principles for responsible sourcing are to:

1. Provide a safe, healthy, and fair workplace.
2. Offer sustainable services by handling natural resources with care and improving our environmental profile even more to minimise the impact on the environment.
3. Conduct our business with responsibility, integrity, and respect, maintaining high ethical standards.

II. Introductions

The CWS Code of Conduct outlines the principles and values that reflect the beliefs of the CWS Group and the expectations we have for our business partners.

This Code of Conduct is based on international standards¹, such as the UN Guiding Principles for Business and Human Rights, the OECD Guidelines for Multinational Corporations, the International Labour Organization (ILO) Core Labor Standards, and the Ten Universal Principles of the UN Global Compact. It applies to all CWS Group suppliers and other business partners (i.e. any third party providing services directly or indirectly to CWS or acting on behalf of CWS), all herein referred to as “business partners”, and it is expected to be passed along the supply chain by our suppliers and business partners to all

involved subcontractors and relevant partners to ensure that working conditions in the supply chain are safe, that workers are treated with respect and dignity, and that our supply processes are environmentally sustainable, and compliant with laws and ethical standards.

Additionally, it ensures compliance with the corporate duty of care in the supply chain.

CWS business partners are required to comply with the principles set out in this document and fulfill their responsibilities regarding the issues covered. It is also expected that our business partners will raise awareness among their own employees regarding the contents of this Code of Conduct and reinforce their commitment to comply with it.

In case of a violation or suspicion of a violation of the CWS Code of Conduct, business partners are obliged to report it. Notifications should be made with due regard for the legitimate interests of the supplier or its subcontractor and the rights of their employees, particularly data protection and the protection of business secrets. Furthermore, business partners must make their employees aware of the existence of the CWS Compliance HelpLine and how to access it.

¹ This Code of Conduct is inspired by the amfori BSCI CoC, reflecting its principles and values. As a signatory of amfori BSCI, CWS Supply GmbH, a company in the CWS Group, endorses amfori BSCI CoC.

III. Our values

The principles set out in this CoC represent the aspirational goals and minimum expectations that the CWS Group has with regard to its supply chains' conduct. By adhering to the CWS Group Code of Conduct and communicating it to their supply chain, CWS Group's business partners commit to these core values:

• **Strive for continuous improvement**

CWS Group business partners commit to implementing the Code of Conduct through a step-by-step development approach to ensure continuous improvement of working conditions within their organisations. The CWS Group and its business partners are committed to further detailing the root causes of any adverse human rights impacts, particularly when sourcing from high-risk regions or sectors. To embed this responsibility, companies should act with due diligence and develop the necessary management systems, policies and procedures to a reasonable extent to effectively prevent and address any adverse human rights impacts identified in the supply chain.

• **Foster Cooperation**

Collaboration is essential in relationships with business partners, especially those who need support to improve. CWS Group reaffirms its efforts to act collaboratively and influence social change in its supply chain and expects the same in return. This requires a collaborative approach in which each company: a) engages its respective business partners; b) takes all reasonable and appropriate actions within its sphere of influence to implement due diligence in the supply chain; and c) shares information to identify challenges that need to be mitigated in a timely manner.

• **Taking ownership and empowering others:**

A key objective of the CWS Group is to empower its business partners and their suppliers. To achieve this, the CWS Group is dedicated to monitoring its suppliers and expects them to do the same. Developing robust internal management systems is essential for embedding the CWS Group's principles into the corporate culture.

Following this approach of continuous improvement, cooperation, and ownership, termination of a business relationship or individual contract with a business partner who is struggling to implement the Code of Conduct is considered a last resort. However, it may be necessary to terminate a business relationship or individual contract if the business partner fails to act in accordance with the principles set out in the Code of Conduct and/or if the business partner is unwilling to take the necessary measures to fulfill the obligations set out in and/or inherent to the Code of Conduct.

IV. Implementation

• **Adherence to high standards**

Businesses' first obligation is to comply with national laws. In countries where national laws and regulations conflict with the Code of Conduct or set a different standard of protection, companies should seek ways to comply with the principles that provide the highest standard of protection for workers and the environment.

Any business partners that are monitored against the principles set in its Code of Conduct are to show evidence that they take all necessary measures to ensure their own observance of the Code of Conduct and reasonable measures to ensure that all of their business partners involved in the production process(es) observe the Code of Conduct.

V. Commitment to high employment standards

• Freedom of Association and Collective Bargaining.

Business partners are expected to respect the right of workers to form trade unions freely and democratically, avoid discrimination against workers on the basis of their trade union membership, and respect the right of workers to bargain collectively.

In addition, business partners should not prevent workers' representatives from accessing or interacting with workers in the workplace.

In countries where trade union activities are illegal or restricted, business partners should uphold this principle by allowing workers to freely choose their own representatives for dialogue on workplace issues.

• No Discrimination

Business partners shall not discriminate, exclude, or favour any persons on the basis of gender, age, religion, race, caste, birth, social background, disability, ethnic and national origin, nationality, membership in unions or any other legitimated organisations, political affiliation or opinions, sexual orientation, family responsibilities, marital status, diseases or any other condition that could give rise to discrimination. In particular, workers shall not be harassed or disciplined on any of the grounds listed above.

• Fair remuneration

Business partners are expected to ensure that workers receive fair remuneration that provides a decent living for themselves and their families, along with any legally mandated social benefits.

At a minimum, business partners must comply with government-mandated minimum wage laws or industry standards established through collective bargaining, whichever is higher. Wages should be paid promptly, regularly, and fully in legal tender. Partial payment in the form of in-kind allowances is acceptable in accordance with ILO specifications.

Wages should reflect the skills and education of workers and be based on regular working hours. Deductions are only permitted under conditions prescribed by law or established through collective agreements.

• Decent Working Hours

Business partners are expected to ensure that workers do not work more than 48 regular hours per week, without prejudice to the expectations set out below. National laws, industry standards or collective agreements should be interpreted within the international framework established by the ILO.

Overtime should be exceptional, voluntary, paid accordingly, and should not significantly increase the risk of occupational hazards.

In addition, business partners must provide workers with daily rest breaks and at least one day off every seven days, unless collective agreements provide for exceptions.

• Occupational Health and Safety

Business partners shall uphold the right to healthy working and living conditions for workers and local communities, with special protection for vulnerable individuals such as young workers, new and expecting mothers, and persons with disabilities.

They should adhere to occupational health and safety regulations or international standards where local laws are inadequate. Collaboration between management and workers, including through Occupational Health and Safety Committees, is crucial to maintaining a safe work environment.

Business partners should implement systems to detect, assess, avoid, and respond to health and safety risks, and take measures to prevent work-related accidents, injuries, or illnesses. They should also enhance worker protection through compulsory insurance schemes. They must ensure the stability and safety of equipment and buildings, including residential facilities provided by the employer, and safeguard against foreseeable emergencies. Workers should have the right to remove themselves from imminent danger without needing permission. Adequate occupational medical assistance and related facilities must be provided, along with access to drinking water, safe eating and resting areas, and clean cooking and food storage areas. Effective Personal Protective Equipment (PPE) should always be provided to all workers free of charge.

• No Child Labour

Business partners are expected to ensure that they do not employ children below the minimum age for completion of compulsory education, which is at least 15 years, unless exceptions recognised by the ILO apply. They must implement thorough age verification procedures during recruitment that are respectful and non-discriminatory to workers.

This principle aims to protect children from exploitation. Special care should be taken when dismissing children to prevent them from moving into more dangerous work, such as prostitution or drug trafficking. When removing children from the workplace, business partners should proactively identify measures to protect them. Where appropriate, they should also consider providing decent work opportunities for adult members of the families of the children concerned.

• Special protection for young workers

Business partners are expected to ensure that young people do not work at night and are protected from conditions that could be harmful to their health, safety, morals, and development. When employing young workers, business partners should ensure that the work is not harmful to their health or development and that working hours do not interfere with their schooling, vocational training or ability to benefit from educational program. Business partners should establish mechanisms to prevent, identify and mitigate harm to young workers, with particular attention to providing access to effective grievance mechanisms and occupational health and safety training programmes.

• No Precarious Employment

Business partners are expected to ensure that their employment relationships do not create insecurity and social or economic vulnerability for their workers, work is performed on the basis of a recognised and documented employment relationship established in accordance with national law, custom or practice and international labour standards, whichever provides the greater protection.

Prior to the commencement of employment, business partners should provide workers with comprehensible information on their rights, responsibilities and terms, and conditions of employment, including working hours, remuneration, and payment conditions.

Business partners should aim to provide decent working conditions that also support workers, both women and men, in their role as parents or carers, in particular with regard to migrant and seasonal workers whose children may be left behind in their home communities.

Business partners should not use employment arrangements in a way that deliberately fails to meet the true purpose of the law. This includes, but is not limited to, apprenticeship schemes where there is no intention to provide skills or regular employment, seasonal or casual work where it is used to undermine workers' protection, and labour-only contracting. In addition, the use of sub-contracting must not be used to undermine workers' rights.

• **No bonded labour**

Business partners must not engage in any form of servitude, forced, bonded, indentured, trafficked or involuntary labour. They risk being seen as complicit if they benefit from such labour practices used by their partners. Special care must be taken when recruiting and hiring migrant workers, whether directly or indirectly.

Workers should have the right to leave their jobs and terminate their employment freely, subject to reasonable notice.

Business partners must ensure that workers are not subjected to inhuman or degrading treatment, corporal punishment, mental or physical coercion or verbal abuse.

All disciplinary procedures must be documented in writing and clearly explained to workers in an understandable manner.

VI. Protection of the Environment*

Business partners observe this principle when they take the necessary measures to avoid environmental degradation, without prejudice to the specific expectations set out in this chapter.

Business partners should assess significant environmental impact of operations, and establish effective policies and procedures that reflect their environmental responsibility.

Adequate measures should be implemented to prevent or minimise adverse effects on the community, natural resources, and the overall environment and to comply with all applicable laws and regulations and take necessary preparations for future developments. In particular, regardless of their legal implementation, the prohibitions on the export of hazardous waste in the Basel Convention of March 22, 1989, the use of mercury in the Minamata Convention of October 10, 2013, and the handling of persistent organic pollutants in the Stockholm Convention of May 23, 2001, in their respective current versions, is observed by CWS and is expected to be observed by CWS business partners.

Business partners must obtain, maintain and keep all required environmental permits and registrations and follow the requirements of such permits.

Furthermore, we encourage our business partners to strive for continuous improvement in the following areas:

*In addition to the principles of the Code of Conduct in § VI some companies in the CWS Group are DIN ISO 14001 certified and commit to high environmental standards. We therefore want to work with our business partners to set and respect responsible sourcing policies (§ V).

• Hazardous substances

Chemical and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, use, recycling or reuse and disposal.

• Water and Wastewater treatment

Water is a scarce resource in many parts of the world and should be used as efficiently as possible. We therefore encourage our business partners to save resources wherever possible and monitor actively their use of water. If possible, water should be reused or recycled in production. All outgoing wastewater must meet the requirements in local legislation.

• Waste management

Endeavor to reduce the waste generated from all areas in production and administration. Any waste must be taken care of in a responsible manner and in accordance with local law.

• Use of raw materials

The CWS Group strives to reduce the amount of natural resources and raw materials used within its own operations as well as the entire supply chain. We therefore encourage a careful use of resources and expect our Business partners to reduce the use of natural resources and make use of recycled materials wherever possible.

Furthermore, a regular review of all relevant processes and improvements needs to be ensured and documented in writing.

• Use of Energy

The CWS Group aims to reduce its impact on climate change and gain a

clear understanding of greenhouse gas emissions within its supply chain. We expect our business partners to conserve and monitor all energy consumption throughout their processes. Emissions from combustion activities must be identified, monitored, controlled, and treated as necessary before being released.

• Environmental trainings

Continuous improvement in our environmental performance is important to us. People are the key to this process. We therefore encourage our business partners to provide relevant training and information on environmental issues to all employees.

VII. Ethical Business behaviour

Business partners shall comply with this principle by ensuring an ethical business behavior by not engaging in any act of corruption, extortion, embezzlement or any form of bribery. This includes, but is not limited to, promising, offering, giving or accepting improper financial or other incentives.

Business partners must ensure that there is no corruption in any form, including coercion, bribery or influence peddling. All materials and services provided must comply with national and international laws and agreements.

The CWS Group encourages all business partners to adopt and enforce company policies that require compliance with ethical business practices based on these principles.

• Accurate records and reporting

Business partners are expected to keep accurate information regarding their activities, structure and performance, and should disclose these in accordance with applicable regulations and industry benchmark practices.

Business partners should neither participate in falsifying such information, nor in any act of misrepresentation in the

supply chain.

Furthermore, they should collect, use and otherwise process personal information (including that from workers, business partners, customers and consumers in their sphere of influence) with reasonable care. The collection, use and other processing of personal information is to comply with privacy and information security laws and regulatory requirements. CWS confidential information exchanged during the business relationship must be kept confidential. Any unauthorized disclosure should be immediately reported to CWS.

• Gifts and invitations

CWS stresses the importance of avoiding conflicts of interest, particularly when giving and receiving gratuities such as gifts, entertainment and invitations to business events no matter if business or non-business.

This Code of Conduct sets binding standards and provides guidance behaviour with respect to gifts and entertainment to CWS employees.

Invitations, including events, meals, etc., should only be offered to CWS employees if they are appropriate for the occasion and should not be considered to be lavish. Also, they should have a clear professional scope that serve the business interests of the organising company and are characterised by lectures or presentations where products, services or projects are presented. A responsible representative of the inviting company must be present for the duration of the business event. Invitations outside this framework do not constitute a business event and will be declined by CWS employees.

Invitations to other events, such as sporting or cultural events, should also focus on the business aspect. Again, a responsible representative of the inviting company must be present for the duration of the event. The mere provision of an admission ticket to an

event without the presence of an employee of the inviting company must be rejected by CWS employees.

Invitations should be limited to the employee and not to relatives or other private accompanying persons.

Any gifts given to CWS employees should only be sent to the employee's place of work. Business partners should not offer any type of gratuity in secret, e.g. by sending it to a CWS employee's home address, or by omitting complete sender's shipping information.

Giving of money as a gift – even if culturally appropriate – as well as other forms of monetary gifts such as gift cards, vouchers, or prepaid cards, are not accepted by CWS employees and will be rejected.

To avoid any conflict of interest, CWS requests its business partners to refrain from granting gratuities close to a business decision and to adhere to standard business practices. Generally, CWS considers gifts valued up to €50 and meals up to €100 to be appropriate. Local tax restrictions must also be observed.

The proper handling of gratuities is crucial for avoiding conflicts of interest or even the appearance of such conflicts. If a business partner observes any practices by CWS employees that contravene the above regulations, it must be reported via our Compliance HelpLine:

www.speakupfeedback.eu/web/cwsexternal.

• Prevention of Money Laundering and Terrorism Financing

Business partners of CWS must ensure that the applicable legal regulations for the prevention of money laundering and terrorism financing are complied with.

• Compliance with sanctions laws

CWS does not engage in business with entities or individuals listed on any

applicable sanctions lists, including those maintained by the United Nations, European Union, or other relevant authorities. Business partners must ensure full compliance with all applicable economic, financial, and trade sanctions. Additionally, business partners must promptly notify CWS if they or any of their ultimate beneficial owners are added to a sanctions list or become subject to any restrictions under applicable sanctions laws. Business partners are also expected to implement robust due diligence processes to monitor compliance and ensure that their own suppliers and sub-suppliers adhere to these requirements.

• Fair competition

All business transactions must be conducted in compliance with the legal provisions applicable in the respective country to protect fair competition.

Observance of Antitrust Regulations

CWS ensures compliance with the prohibition of cartels, the prohibition of the abusive exploitation of a dominant market position, and the prohibition of unlawful mergers or acquisitions. No illegal agreements with business partners that impair or aim to impair competition may be made. Prohibited are not only written and oral agreements but also concerted practices with the same objective.

CWS also expects their business partners and in particular their suppliers to adhere to fair competition principles and the corresponding legal provisions.

• Whistleblowing System

All conflicts of interest and any violations of rules and laws affecting a CWS Group company should be reported through the company's Compliance [HelpLine](#).

It is imperative that business partners protect those who raise concerns from any form of retaliation. CWS is

committed to ensuring a safe environment for reporting and will not tolerate any retaliation against individuals who come forward with compliance concerns.

• Confidentiality and Intellectual Property

Suppliers must adhere to the highest standards in protecting confidential information, trade secrets and intellectual property. This includes protecting from unauthorised access, use or disclosure all proprietary information, trade secrets, patents, and intellectual property rights entrusted to the Business partners or its partners. Such information may only be used for its intended purpose as defined in contractual agreements and may not be disclosed to third parties without prior written consent.

Business partners are required to implement robust organisational and technical measures to prevent data breaches, loss or misuse of sensitive information. In the event of a security breach or suspected misuse, immediate notification to the CWS is mandatory. Suppliers must comply with all applicable data protection and intellectual property laws and regulations and ensure that their employees and subcontractors adhere to the same standards of confidentiality and integrity.

Date

Name of company

Signature, Company Stamp/Seal

Name

Address

This document must be signed by a duly authorised representative of the company and returned to the CWS Group.