



## **Mondi's Code of Conduct for Suppliers**

### **Executive Summary**

Mondi is aware of its corporate responsibility towards people, communities, and the environment. Our corporate conduct and sustainable development performance is governed by our Business Integrity Policy, our Code of Business Ethics, and our Sustainable Development Policies.

#### **Definition**

At Mondi, suppliers are defined as companies or persons manufacturing goods, trading with goods or rendering services, including suppliers of all materials and services, contractors, consultants, outsourcing services, distributors and business partners.

#### **Scope**

All Mondi Group companies and business units worldwide, including joint ventures where we have a controlling interest, are required to apply this Code to their suppliers of all goods and services irrespective of the jurisdiction in which they operate and the laws applicable to such jurisdiction (where this Code represents a higher standard). Where we have a non-controlling interest, we encourage the application of this policy with our business partners. We expect our suppliers to apply similar requirements for their own supply chain.

#### **Policy**

Our Code of Conduct for Suppliers (the 'Code') sets out minimum standards and expectations for environmental, social and ethical performance for all our suppliers. It refers to international standards such as the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the International Labour Organization (ILO)'s Core Conventions, United Nations Environment Programme and the 10 Principles of the United Nations Global Compact. This Code should be implemented in conjunction with our Business Integrity Policy, our Code of Business Ethics, and our Sustainable Development Policies.

The Code states clearly the key principles and values that direct our conduct and support our values, policies and principles. It encourages all those with whom we do business to observe the same principles. Mondi expects its suppliers to meet the relevant local, national and regional laws and international treaties, to treat their employees fairly with dignity and respect, to provide a safe and healthy work environment, to act in an environmentally responsible manner and to conduct business with honesty and integrity.

This Code of Conduct for Suppliers refers to following key focus areas for suppliers:

1. Legal Compliance
2. Product Safety, Environment and Climate
3. Safety and Occupational Health
4. Labour and Human Rights
5. Business Ethics

The requirements for suppliers in relation to these focus areas are outlined in the full Code of Conduct for Suppliers, which can be found at the [Mondi Group website](#)



## **Mondi's Code of Conduct for Suppliers**

### **Introduction**

Mondi is aware of its corporate responsibility towards people, communities, and the environment. We support the global sustainable development agenda. Our corporate conduct and sustainable development performance is governed by our Business Integrity Policy, our Code of Business Ethics, and our Sustainable Development Policies.

Responsible sourcing is a powerful tool for driving sustainable values and practices throughout the value chain. We aim to build strong proactive and long-term working relations and partnerships with our suppliers and promote responsible conduct along our supply chain, creating long-term value for both Mondri and its stakeholders. Sustainability is an integral principle of supplier management in Mondri and we view our suppliers as critical to our success.

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Each of these key focus areas is explained in more detail in the appendices to this Code.

### **Compliance**

We seek to do business with suppliers and other business partners who share our values and high standards of sustainable and ethical business behaviour.

The expectations contained in this Code will influence our decision whether to enter into or extend existing business relationships; however we understand that not all of our suppliers will immediately meet every requirement of this Code. If a supplier is not able to meet our minimum requirements, we will work with them to implement appropriate corrective actions, and reserve the right to suspend sourcing from the supplier until we are satisfied with their performance. Suppliers who deviate persistently or in a significant way from these requirements will be excluded from business with Mondy.

### **Monitoring and review**

Mondy has a supplier relationship management system in place to ensure there is a consistent process for the selection, evaluation, monitoring and management of Mondy's suppliers. This system uses a risk-based approach to assess suppliers against the requirements of this Code and is based importantly on the country from which the product or service is provided.

Using a risk-based approach, we will evaluate new suppliers before Mondy enters into a business relationship with them. Additionally, a selected number of existing suppliers will be periodically assessed and reviewed. These suppliers will be selected based on Mondy's own internal measurement of potential risk in any of the five areas of this Code.

Such an evaluation will initially take the form of a self-assessment questionnaire. If the assessment of a supplier raises any concerns or issues, which require clarification, Mondy will collect further information from the supplier. Appropriate to the scale and nature of concerns raised, this may take the form of requesting further information, a telephone conference or meeting. In addition, Mondy reserves the right to request to undertake an on-site audit of the supplier where required. Should any non-compliances be confirmed, corrective actions will be agreed upon to ensure that compliance is reached.

Should Mondy become aware of any instances of non-compliance through any other means, we reserve the right to investigate the supplier as appropriate.

### **Sanctions**

Should any instances of non-compliances be identified, we will agree appropriate action on a case-by-case basis. Failure to take corrective action may result in suspension or termination of the supplier contract/business relationship.

### **Responsibility of Supplier**

Suppliers shall be aware of all sites and companies involved in their production and supply network, and should, upon request, be able to provide Mondi with adequate details of the supply chain for the goods and/or services supplied to Mondi. Suppliers are responsible for ensuring that their employees, representatives and subcontractors understand and comply with the requirements of this Code.

Suppliers must be able to provide relevant information, in a timely manner, to demonstrate compliance with this Code upon request, and should immediately inform Mondi if the supplier or a third party, employed on behalf of the supplier, is unable to comply with the Code or if there are any material changes that may affect the requirements of this Code.

The supplier shall permit Mondi to verify compliance with this Code through meetings, teleconferences or on-site audits if required.

### **Reporting non-compliances**

If a Mondi or supplier employee has any reason to suspect non-compliance with this Code, they have a duty to raise their concern and report the non-compliance.

Any suspected misconduct can be reported via Speakout, the confidential service for Mondi employees and external partners to report and raise concerns about any behaviour or activities which may conflict with Mondi's business ethics and values. Speakout is operated by an independent organisation and is available 24 hours a day, seven days a week, by dialling a free phone number or emailing [Mondi@getintouch.com](mailto:Mondi@getintouch.com). Please refer to the Mondi website for your local number.

Mondi will review and follow up on that information reported with the relevant supplier as appropriate. A register will be maintained by Mondi's Internal Audit department of all recorded instances.

Mondi will not tolerate any form of retaliation against anyone raising concerns in good faith. If you report your concerns and seek advice in good faith, you will always be supported by Mondi.

### **Code of Conduct for Suppliers Review**

This Code will be reviewed at least every three years or, when necessary, more frequently, to consider and incorporate any evolving environmental or social considerations.

Suppliers will be notified of any changes to this Code.

### **Queries**

Should you have any questions regarding this Code please contact:

Beatrix Praeceptor, Chief Procurement Officer

Email: [beatrix.praeceptor@mondigroup.com](mailto:beatrix.praeceptor@mondigroup.com)

## **APPENDIX 1 LEGAL COMPLIANCE**

Mondi operates in a global environment and we maintain compliance with local, national and regional laws and regulations and act in accordance with all international treaties and agreements.

We require our suppliers to:

- As a minimum, comply with all relevant local, national and regional laws, regulations and treaty agreements in the countries where they operate. These include, but are not restricted to: the UK Bribery Act, the UK Modern Slavery Act, the EU Timber Regulation and the U.S. Lacey Act.
- Where our Code represents a higher standard than the local, national or regional laws, we expect our suppliers to follow this Code. Conversely, when local, national or regional laws are more restrictive than this Code, we expect our suppliers to follow those local, national or regional laws.
- Comply with the applicable provisions of the national and international (re-) export control laws and regulations, including, but not limited to, the (re-) export regulations of the Republic of Austria, the European Union and the United States of America. Furthermore, our suppliers shall check and ensure by appropriate measures that the products provided and/or services rendered are not violating any embargo of the European Union, the United States of America and/or the United Nations, including any restrictions on domestic transactions or anti-circumvention legislation. We also require from our suppliers that the regulations of all relevant sanctions lists of the European Union, United States of America, and/or the United Nations regarding business transactions with companies, persons or organizations stated thereon are complied with.

## **APPENDIX 2 PRODUCT SAFETY, ENVIRONMENT AND CLIMATE**

Mondi expects suppliers to share our values with regard to environmental performance, climate change and product safety (as set out in our Sustainable Development Policies) and to act in an environmentally responsible manner.

We encourage suppliers to reduce the environmental impact of their operations and safeguard natural resources.

We require our suppliers, appropriate to nature of the business, to:

- Comply with all relevant laws, regulations and environmental permits.
- Strive to comply with international and industry standards and best practices.
- Work to minimise environmental impacts to land, water, biodiversity and air and optimise use of natural resources, including energy and water.
- Have in place a relevant and up-to-date environmental management system (according to an international standard such as ISO 14001 or similar) to identify, control and mitigate significant environmental impacts.
- Have in place an environment and climate change policy.
- Have in place a set of goals, commitments and/or actions that ensure continuous improvement in environmental performance.
- Have in place an energy and climate change programme that includes goals for improving efficiency. Mondi prefers transportation modes with lower emissions and aims to optimise its logistics to limit indirect greenhouse gas emissions.
- Have in place a strategy that focuses on avoiding effects on biodiversity and ecosystem services, and identifies and manages any effects that do occur with the aim of achieving at least No Net loss (NNL), and preferably, some net gain.
- Understand and address water risks and opportunities as well as shared water challenges in the local catchment.
- Implement a water stewardship programme that includes goals for maintaining a sustainable water balance, achieving good water quality and ensuring good water governance.
- Handle environmental violations and complaints systematically and communicate them to Mondi, if affected.
- Proactively work to prevent emergencies and if they do occur, and have in place systems and processes to adopt suitable preventive and corrective measures.
- Meet the quality and safety standards for all their products and services required by applicable law.
- Manage their hygiene and product safety risks throughout the entire supply chain.
- Have in place a quality management system in accordance with an international standard such as ISO 9001.
- Use raw materials of known origin and ensure the traceability of raw materials and finished products.
- Provide Mondi with up-to-date material safety data sheets, as applicable, and any other relevant documents and information requested by Mondi.

**For wood, virgin fibre, recycled fibre and finished fibre based products supplied to Mondi, suppliers are required to:**

- Address the requirements of the EU Timber Regulation (EUTR), the U.S. Lacey Act and any other relevant regulations.
- Implement risk-based due diligence processes that enable adequate control of their supply chain and traceability of the origin of the wood and wood-derived raw materials, and that verify adherence with these requirements.
- Demonstrate that they originate from FSC™ or PEFC™ or a credible alternative. If this is not possible, all non-certified fibre must meet Controlled Wood standards as a minimum. Wood from the following sources is not accepted:
  - Illegally harvested wood
  - Wood harvested in violation of human rights or the traditional and civil rights of indigenous peoples
  - Wood harvested in forests where high conservation values are threatened
  - Wood harvested in forests being converted to plantations
  - Wood originating from GMOs (Genetically Modified Organisms)
- Not source from forests in which there are knowingly any activities against the principles of the International Labour Organization (ILO)'s Core Conventions.

## APPENDIX 3

### SAFETY AND OCCUPATIONAL HEALTH

We require suppliers to:

- Comply with all applicable safety standards, including governmental requirements, operations- and facility-specific safety requirements, and contractual requirements.
- Provide their employees and contractors with a secure, safe and healthy working environment for all their employees and contractors.
- Have in place reasonable and necessary actions, including but not limited to safety procedures and personal protective equipment, to reduce the risk of accidents, injuries and exposure — especially where hazardous materials are present.
- Have in place an occupational health and safety policy of their own.
- Have a documented health and safety management system, which provides for continuous monitoring and improvement of the working environment.
- Demonstrate senior management's commitment to occupational health and safety.
- Ensure that operational controls such as rules and procedures are in place and communicated to all employees.
- Ensure that its employees and contractors receive regular and appropriate occupational health and safety training.
- Report and investigate all health and safety incidents.
- Measure and monitor occupational health and safety hazards and performance.
- Conduct regular workplace inspections and audits.
- Have emergency preparedness and response procedures in place.
- Where applicable, provide safe and healthy residential facilities, with relevant local law as a minimum.

## **APPENDIX 4 LABOUR AND HUMAN RIGHTS**

Mondi expects its suppliers to provide a safe and fair working environment for its employees and contractors and to observe and respect internationally recognised human rights as described in the International Labour Organization (ILO)'s Core Conventions, United Nations Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and the United Nations Global Compact.

We require suppliers to:

- Employ workers who are legally authorised to work in their facilities and are responsible for validating employees' eligibility to work through appropriate documentation. If required by local law, all employees of a Mondri supplier must have employment contracts. All work shall be voluntary, and workers shall be free to leave work or terminate their employment upon reasonable notice.
- Treat all employees and contractors fairly and respectfully and to prohibit discrimination or harassment on the grounds of gender, marital or parental status, ethnic or national origin, social background, sexual orientation, religious belief, political affiliation, age, disability, or union membership.
- Encourage and promote an inclusive work environment which provides equal opportunities for all, irrespective of their gender, marital or parental status, ethnic or national origin, social background, sexual orientation, religious belief, political affiliation, age, disability, or union membership.
  - Provide their employees fair wages, benefits and working hours that meet legal or industry standards as a minimum.
  - Respect the right of their employees to form and join trade unions of their choice and to bargain collectively without fear of retaliation.
  - Not tolerate any instances of child labour (any person below the age of 15) and ensure that special protections are in place for young workers (those below the age of 18 and above legal minimum working age).
  - Ensure their workplaces are kept free of harassment, harsh treatment, violence, intimidation, corporal punishment, mental or physical coercion, intimidation and verbal or sexual abuse, threats of violence as a method of discipline or control such as retaining employees' identification, passports, work permits or deposits as a condition of employment.
  - Not tolerate any forms of inhumane treatment of employees or contractors.
  - Not tolerate any modern slavery (slavery, forced, compulsory or bonded labour, servitude or human trafficking).
  - Duly map its human rights impacts whenever the need for such action is agreed.
  - Have in place adequate remedial mechanisms in case of any human rights violations.
  - Notify Mondri immediately in writing if it becomes aware or has reason to believe that it or any of its officers, agents or companies operating within its own supply chain has breached any of the above requirements.

## **APPENDIX 5 BUSINESS ETHICS**

Regrettably, bribery and corruption is a feature of corporate and public life in many countries across the world. Even the suggestion of corruption may damage the reputation of a company or Group and affect its ability to do business. Mondi is aware of its corporate responsibility and supports the actions being taken to create sustainable corporate integrity.

Mondi does not tolerate any form of bribery or corruption by Mondi employees, suppliers and those with whom Mondi does business. All our employees are required to avoid any activities that might lead to, or suggest, a conflict of interest with the business of the Mondi Group.

We require suppliers to:

- Conduct their business in an open and transparent manner, and in accordance with standards set out in all applicable international and national laws and regulations, while recognising that Mondi's requirements may sometimes exceed those standards. Suppliers shall obey all antitrust and other competition laws.
- Not tolerate any form of bribery or corruption and to neither give nor accept bribes nor permit others acting on its behalf to do so.
- Not tolerate facilitation payments in any form to third parties not legally entitled thereto. Mondi will seek to eliminate the practice of facilitation payments in countries in which it does business.
- Conduct all its dealings with governments and public officials in a transparent and ethical way, promoting honest and constructive engagement. Suppliers will not offer, promise or provide money or any benefit to a government or public official in the commercial market place.
- Not make any political donations, contributions or incur any political expenditure, in any form, whether to political parties and causes, or to support individual candidates, anywhere in the world.
- Not offer, give or receive any gifts or hospitality which is intended, or may be construed, as a bribe, or which may place, or be perceived to place Mondi (directly or indirectly) under an obligation towards the party offering or giving such gift or hospitality, regardless of local custom. Mondi employees shall always pay for their own travel and accommodation when visiting suppliers or attending conferences.
- Inform Mondi if any Mondi employee has a financial interest in the supplier's business, which might cause a conflict of interest. Additionally, if a supplier learns of any material non-public information while working for Mondi, they must not share that information with others or use it for market trading.
- Protect all Mondi equipment, property and information from loss, disclosure or misuse and ensure that they are not provided for the personal or discretionary use of customers, public officials and in dealings with the private sector. All information relating to Mondi must be kept private and confidential, and all relevant privacy laws in handling and/or processing data must be respected.



## Mondi's Code of Conduct for Suppliers

### Acknowledgement Form

I (the supplier) acknowledge receipt of this updated version of Mondy's Code of Conduct for Suppliers (the 'Code') and confirm that I have read and understood the requirements as set out in the Code.

*Name of supplier organisation:*.....

*Date:*.....

*Name of person completing the acknowledgement:*.....

*Position:*.....

*Note: Suppliers are responsible for ensuring that their employees, representatives and subcontractors understand and comply with the requirements of this updated version of the Code. From time to time Mondy reserves the right to verify supplier compliance with the Code of Conduct. Verification could take the form of periodic self-assessments and/or on-site reviews/audits. Where on-site reviews/audits are required, Mondy will provide appropriate notice to the supplier.*