

Supplier Code of Conduct & Requirements



Background and validation

Boxon Supplier Code of Conduct & Requirements is built on Boxon Group Code of Conduct. This document outlines standards to ensure that working conditions at Boxon's suppliers are safe, that workers are treated with respect and dignity, that manufacturing processes are environmentally responsible, and that business is conducted in an ethical manner.

Boxon fully complies with the UN Global Compact 10 principles. Within the scope of these basic principles and the ISO 20400 standard, we set the basis for a functioning Sustainable Procurement System. The purpose of this document is to ensure that the above principles and corresponding requirements are met within the context of the cooperation with our suppliers. The present Supplier Code of Conduct is a formal part of and supplement to the Boxon Supplier Policy. The supplier confirms by signature having read the document and to follow the required principles in any business relationship with Boxon.

Our company fully complies with Boxon's code of conduct.
In charge of policy: VP Procurement & Supply - Patrick Fernandes
Approved by: CEO - Pia Jeppsson



Boxon CEO name and signature

Date: _____

Supplier name and signature

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Basic requirements

Boxon expects that suppliers adhere to all applicable laws, rules and regulations and strive to exceed both international and industry best practices.

Boxon recognizes that conformance with all of the standards established in this Code of Conduct is a dynamic rather than static process and encourages supplier to continuously improve their workplace conditions.

Evaluation and follow-up

Supplier will be asked to provide information as required by Boxon regarding the standards in this Code of Conduct. Based on this information, the supplier will be evaluated, and the results will be measured and compared. Boxon must have the opportunity to conduct on-site evaluations and inspections of the supplier's facilities to review progress in relation to these standards.

Boxon encourages the supplier to evaluate and monitor their sub-suppliers, since information regarding the compliance of these parties with this Code of Conduct might be required by Boxon.

Boxon supplier code of conduct

The provisions of this Code of Conduct set forth the minimum standards and qualifying standards of all suppliers with whom Boxon conducts business and their sub-suppliers in the supply chain. The suppliers shall ensure that their relevant sub-suppliers meet the principles in this Code of Conduct, or relevant set of principles.

Standards & Requirements

The applied standards that suppliers are expected to meet are based on the 10 principles of the UN Global Compact. They also refer to Boxon's CSR statement and Boxon's formalized goals to be achieved by 2025.

The standards are classified as follows:

-  **Human Rights & Labor**
-  **Environment**
-  **Business Ethics**

Human Rights & Labour

Protecting the people who are directly or indirectly affected by our business activities is one of Boxon's highest priorities. Without exception, all suppliers must respect and support internationally proclaimed human rights and ensure that they are complicit in human rights violations in any way, not even indirectly.¹

Boxon shares the values based on conventions of the UN and the International Labour Organisation, which are summarized in the international standard SA8000 by Social Accountability International. These regulations include:

- Health and safety of employees.
- Working hours, wages and salaries
- The absolute ban on child and forced labour
- Freedom of association and the right to collective bargaining
- Any form of discrimination and discipline

All suppliers are expected to equally endorse the above regulations.

¹ General Declaration of Human Rights – UN-Doc. 217, UN Human Rights Charter.

² 27 principles of the Rio Declaration on Environment and Development, decided upon by the United Nations Conference on Environment and Development (UNCED), Rio de Janeiro, 1992

Requirements

▪ **Labor**

Boxon requires its suppliers to prohibit any use of forced, bonded or indentured labor or involuntary prison labor, and embrace employment practices consistent with ILO conventions pertaining to forced labor.³ All work, including overtime, must be voluntary and workers should be free to leave upon providing reasonable notice. Suppliers shall also not require that workers surrender personal certificates and identifications, such as government-issued identification, passports or work permits, as a condition of employment.

▪ **Child labor**

Boxon requires its suppliers not to engage in any practice inconsistent.⁴ The minimum admission to employment of work shall not be less than the age of completion of compulsory schooling, normally not less than 15 years or 14 where the local law of the country permits, preferably to the highest age. Additionally, all young workers (below 18) must be protected from performing any

work that is likely to be hazardous or to interfere with education or that may be harmful to health, physical, mental, social, spiritual or moral development. All suppliers shall comply with all laws and regulations governing child labor and apprenticeship programs.

- **Discrimination**

Boxon requires that its suppliers do not tolerate any form of discrimination in hiring and employment practices on the grounds of age, color, national origin, religion, sex, disability or other characteristics protected by applicable law. ⁵

- **Harassment, harsh or inhumane treatment**

Boxon requires its suppliers to create and maintain an environment that treats all employees with dignity and respect and does not use any threats of violence, sexual exploitation or abuse, verbal or psychological harassment or abuse. No harsh or inhumane treatment, coercion or corporal punishment of any kind is tolerated, nor is there to be the threat of any such treatment.

- **Freedom of association and collective bargaining**

Boxon expects its suppliers to recognize and respect the rights of employees to freely associate, organize and bargain collectively in accordance with the laws of the countries in which they are employed, as well as core ILO conventions. (6) Boxon recognize the importance of open communication and direct engagement between workers and management and suppliers must respect the rights of workers to associate freely and communicate openly with management regarding working conditions without fear of harassment, intimidation, penalty, interference or reprisal.

- **Working hours**

Boxon expects its suppliers to comply with all applicable requirements governing working hours as established by local law. Working hours should never exceed 60 hours per week, including overtime, except in emergency or unusual situations. Suppliers must ensure that all overtime work is voluntary and compensated at the prevailing overtime rates. Suppliers are encouraged to ensure that workers are provided with one day off in every seven-day week.

- **Compensation**

Boxon expects its suppliers to comply, at a minimum, with all laws and regulations relating to wages and including those pertaining to minimum wages, overtime wages, piece rates and other elements of compensation, and to provide legally mandated benefits.

▪ **Health and safety**

Boxon expects its suppliers to follow all relevant legislation, regulations and directives in the country in which they operate, or at any other location where production or work is undertaken, to ensure a safe and healthy workplace. Suppliers should strive to implement recognized management systems and guidelines, such as OHSAS 18001. The supplier is expected to ensure, at a minimum, reasonable access to drinking water, sanitary facilities, fire safety, emergency preparedness and response, industrial hygiene, adequate lighting and ventilation, management of occupational injury and illness and machine safeguarding. These same standards apply to any dormitory or canteen facilities.

³ Forced Labor Convention, (C.29-1930) and Abolition of Forced Labor Convention, (C.105-1957)

⁴ the rights set forth in the Convention EC 2000 (364-01)

⁵ See ILO Conventions 100, 111, 158 and 159

⁶ Freedom of Association and Protection of the Right to Organize Convention, (C. 87- 1948) and Right to Organize and Collective Bargaining Convention, (C. 98-1949).

Environment

As a global company, we are aware that in times of climate change and high industrial utilization, the ecological footprint, especially in Europe and North America, continues to grow. The packaging sector in particular has a specific responsibility. In this context, Boxon claims to proactively promote the sustainability dialogue.

Our objectives and measures result from the convictions that we derive from our corporate responsibility. We base our activities on the 2015 Paris agreement and the sustainability goals (SDG'S) formulated by the United Nations, the ten principles of the UN Global Compact, to which we are committed. Sector-specific areas arise in particular in the area of forestry and the manufacture of plastic products. The origin of the products, raw materials, additives and further processing are therefore of great importance. In this context, when selecting our suppliers, we attach great importance to responsible handling of the areas mentioned. In addition, emissions caused by production processes, transport and distribution must be kept as low as possible. Boxon looks at the emissions at every stage of the supply chain and expects its suppliers to continuously optimize emissions from their facilities.

Boxon expects its suppliers to have an effective environmental policy and to comply with existing legislation and regulations regarding the protection of the environment. Where possible, suppliers should support a precautionary approach to environmental matters, undertake initiatives to promote greater environmental responsibility and encourage the diffusion of

environmentally friendly technologies that implement sound lifecycle practices. Suppliers should strive to implement recognized management systems and guidelines, such as ISO 14001 and where applicable FSC.

Requirements

- **Environment policy**

Boxon requires its suppliers to have an environmental policy statement.

- **Chemical and hazardous materials**

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

- **Minimize waste, maximize recycling**

Wastewater and solid waste generated from operations, industrial processes and sanitation facilities is to be monitored, controlled and treated as required prior to discharge or disposal. Other types of waste are to be reduced or eliminated at source or through such practices as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials.

- **Air emissions**

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone-depleting chemicals and combustion of by-products generated from operations are to be characterized, monitored, controlled and treated as required prior to discharge.

- **Greenhouse gas emission**

The supplier shall strive to reduce greenhouse gas emissions caused by its business operations, primarily carbon dioxide (CO₂) emissions. The monitoring and documentation of CO₂ emissions associated with Boxon's share of production will be encouraged. Information about CO₂ management shall be provided to Boxon on request.

- **Energy management**

Energy management with focus on minimizing the waste of energy shall be applied in all suppliers' business operations.

Business Ethics

Boxon expects its suppliers to adhere to the highest standard of ethical conduct: Any form of corruption is rejected, and extortion or bribery will not be tolerated. Any violation of this principle can lead to the termination of the business relationship and will be reported to national and /or international authorities.

Requirements

- **Corruption**

Boxon requires its suppliers to respect local law and not engage in any form of corrupt practices, including extortion, fraud or bribery.

- **Conflict of interest**

Boxon suppliers are required to disclose to Boxon any situation that may appear as a conflict of interest and disclose to Boxon if any Boxon employees under contract with Boxon may have an interest of any kind in the supplier's business or any kind of economics ties with the supplier.

- **Gifts and hospitality**

Boxon accepts gifts or entertainments if they are consistent with common business practices, are not excessive in value and cannot reasonably be construed as a bribe or payoff and if they do not violate applicable law.

However, Boxon will not accept any benefit intended for a Boxon employee to facilitate the supplier's business with Boxon.

Non-compliance

In the event of non-compliance with the qualifying standards at the time of signing a contract with Boxon, all Boxon suppliers are expected to provide established targets and action plans to ensure conformity to the qualifying standards.

Any breaches of the agreements in this Code of Conduct lead to an in-depth evaluation and, if possible, the first approach is to find a solution together with the supplier. If improvement cannot be stated after an adequate period of time, the business relationship can be terminated.