

# BUSINESS PARTNER SUSTAINABILITY STANDARDS

# Introduction

At Oetiker, our values define who we are and how we act. The Oetiker Code of Conduct, rooted in our values, outlines the basic rules for decision-making and specifies what is in violation of legal, ethical and moral norms. Oetiker expects its employees, business partners and all stakeholders connected to the company to act in a way that is consistent with the values and with the Code.

The standards described in this document are the specific requirements not only for all of Oetiker's direct business partners but also for their suppliers worldwide. Oetiker's expectations of conduct in the areas of human rights, labor standards, business ethics, environmental protection and safety are outlined. The underlying principles are also incorporated into the terms of the contracts with business partners.

Oetiker expects business partners to communicate these requirements to their employees as well as to their own suppliers and to ensure compliance. Oetiker chooses its business partners carefully. It is expected that business partners comply with contractual requirements and applicable laws and regulations, as well as act in a way that is consistent with Oetiker's principles and values.

# Value people

## HUMAN RIGHTS AND EMPLOYMENT PRACTICES

Business partners prohibit any form of modern slavery (forced, bonded or compulsory labor), child labor (under the legally applicable minimum employment age) and human trafficking. Business partners must take reasonable measures to ensure that all of their employees understand the terms of their employment; and employees must have the freedom to terminate their employment, provided they give reasonable notice.

Business partners shall not engage in exploitative or abusive practices nor restrict personal movement. Excessive recruitment fees, confiscation of identity documents and/or passports, withholding of wages, abusive working conditions, debt bondage, violence or any other kind of exploitation or abuse is not permitted.

Business partners must respect and comply with applicable laws and collective bargaining agreements, on working and resting hours, including overtime working hours, wages, and applicable leave regulations. Employees should be permitted to discuss working conditions openly with management without fear of punishment. Our business partners respect freedom of association and the right to form interest groups. They grant their employees the right to articulate their interests within the framework of the labor laws in force in their country.

Business partners are obligated to ensure equal opportunity of employment and avoid all forms of discrimination. Discrimination against employees, for instance on the basis of race, national origin, skin color, religion, ideology, political or union activity, gender, sexual orientation, age, disability, disease or pregnancy, is prohibited.

## HEALTH AND SAFETY

As employers, business partners shall ensure health and safety in the workplace that meet or exceed applicable legal standards and shall support the continuous advancement and improvement of working conditions. Business partners shall ensure that employees are not exposed to potential safety hazards, by identifying and controlling them through proper design and/or preventative maintenance and safe work procedures.

If hazards cannot be adequately controlled, appropriate personal protective equipment including access to first-aid supplies should be provided. Safety information should be available to educate and train about safety hazards.

Business partners shall have adequate emergency preparedness procedures in place. Emergency plans, fire safety, response and evacuation procedures shall be implemented and drills conducted to ensure preparedness.

## Global, long-term perspective

Oetiker conducts business with a global, long term perspective, preserving a more than 75 year heritage as a family business. Planning, investing and decision-making is focused on the sustainability of the company, rather than maximizing short-term gains. Upholding the highest ethical standards and complying with all relevant laws and regulations is part of securing the long-term sustainability of the company.

### BUSINESS ETHICS

Business partners must respect and comply with all applicable fair trade, competition and anti-trust laws and regulations and shall not have any anti-competitive discussions or enter into any anti-competitive agreements, including illegal price-fixing, market sharing, customer allocation or other illegal restrictive practices, at any level of the production or distribution chain.

Business partners must strictly prohibit all forms of bribery, corruption, embezzlement and extortion and to have a zero tolerance policy towards such practices. This includes accepting or offering gifts - in any form including money, trips, jobs, orders or favors - in exchange for favorable treatment e.g. to improperly influence a business decision or obtain a business advantage.

Business partners must avoid conflicts of interest and operate honestly and ethically throughout the supply chain, making decisions based on objective information without being influenced by personal or selfish financial interests.

Business partners must respect confidential information and intellectual property rights by safeguarding against misuse, mishandling, counterfeit, theft, fraud or improper disclosure in accordance with applicable law and the contractual terms.

## ENVIRONMENT

Business partners should implement measures to reduce their carbon footprint, energy use, water use, wastes, and other emissions to air, water and soil.

Monitoring and documenting consumption is critical to identify improvement opportunities. This applies to the complete product life cycle as well as to all materials used. Chemicals and other substances, which are potentially harmful substances if released into the environment, must be identified.

A management system for hazardous materials must be established to enable safe handling, transport, storage recycling, reuse, and disposal of such materials. Business partners should monitor, track and document the composition of their packaging material which becomes waste at Oetiker in order to facilitate steps towards circular economy, e.g. utilizing non-complex materials and/or materials for which there are locally established recycling markets available.

The sourcing of raw materials must be conducted in a responsible manner, with outright rejection of 'conflict minerals' that have been extracted and traded in such a way that contributes to human rights abuses, severe environmental damage or funding for conflicts. Business partners must exercise adequate due diligence to make a reliable determination of the origin and source of raw materials and to ensure that conflict minerals are not contained in the products manufactured by business partners.

## Compliance

Oetiker reserves the right to take reasonable steps to verify that our business partners comply with these standards. Oetiker will contact our business partners beforehand to agree on the scope, time and place of such controls.

Any breach of these standards constitutes a deterioration of the relationship between Oetiker and its business partners. In such cases, Oetiker reserves the right to demand clarification of the facts and initiation of countermeasures. In the event that the business partner should fail to provide evidence that appropriate corrective action has been initiated within a reasonable timeframe, or if the breach of these standards is so severe that Oetiker cannot be reasonably expected to continue the business relationship, Oetiker reserves the right to terminate the relationship without prior notice and rescind any associated contracts or agreements.

This document (OEGR-G-0014 Supplier Code of Conduct) is controlled as part of the Oetiker management system. This Code was reviewed and approved by the Oetiker Executive Board on 7 December 2020 in its initial release. The Code is reviewed every year or as needed by the Head of Procurement.

