



/Translation from the Lithuanian language/

APPROVED

By the Resolution of the Board of
AB Grigeo Group of 29 October 2024
(Minutes No 24/13 of the Board Meeting of
29 October 2024)

SUPPLIER CODE OF CONDUCT OF AB GRIGEO GROUP

1. GENERAL PROVISIONS

- 1.1. The Supplier Code of Conduct of AB Grigeo Group (the '**CoC**') describes the values, principles, and standards of conduct that the companies of AB Grigeo Group expect from their suppliers in their business.
- 1.2. AB Grigeo Group, which consists of AB Grigeo Group (the '**Company**') and its subsidiaries, including but not limited to UAB Grigeo Hygiene, UAB Grigeo Tissue, Grigeo Tissue Sp. z o.o., UAB Grigeo Paper Packaging, UAB Grigeo Packaging, UAB Grigeo Baltwood, AB Grigeo Klaipėda, UAB Grigeo Recycling, SIA Grigeo Recycling, AT Mena Pak and others (the '**Group**'), adheres to the highest ethics standards in their operations. Therefore, the Group expects adherence to similar standard from its suppliers in the Group's supply chain (the '**Supplier**').
- 1.3. In the present CoC, a Supplier shall be any natural person or legal entity which provides products or services to a company of the Group, as well as the Suppliers' sub-suppliers.

2. GENERAL REQUIREMENTS

- 2.1. Suppliers shall adhere to all laws and regulations regulating their activity as well as the requirements of this CoC.
- 2.2. Suppliers shall ensure that their employees, sub-suppliers and third parties operating on their behalf would not violate this CoC.
- 2.3. The Supplier shall have implemented systems enabling employees or third parties to submit complaints or notices relating to human rights, environmental or other violations.
- 2.4. In order to improve traceability of the value chain, the Supplier shall provide information on traceability of its products upon request by the Group.

3. HUMAN RIGHTS

- 3.1. The Supplier shall respect and guarantee human rights and freedoms as defined in the Universal Declaration of Human Rights of the UN General Assembly, the Convention for the Protection of Human Rights and Fundamental Freedoms of the Council of Europe, the conventions of the International Labour Organisation and other human rights and freedoms recognised in international and national law.
- 3.2. Suppliers shall:
 - 3.2.1. not use the labour of children under the age of 16 and shall immediately terminate their cooperation with any sub-suppliers if it is found that they use the labour of children under the age of 16. Suppliers shall not employ any person below the minimum age of legal

employment capacity under the national laws applicable to the Supplier. Persons between the ages of 16 and 18 may be employed only in strict compliance with the laws;

- 3.2.2. fully recognise their employees' right to organise, belong to a union and bargain collectively;
- 3.2.3. not use any forms of forced or compulsory labour;
- 3.2.4. not use corporal punishment, or any other forms of psychological or physical coercion, violence, nor shall it use a system of public warnings or punishments;
- 3.2.5. not discriminate against any employee;
- 3.2.6. treat all employees fairly and respectfully;
- 3.2.7. pay employees at least the minimum wage and applicable overtime wages defined by national laws or any collective agreements applicable to the Supplier;
- 3.2.8. shall compensate employees fairly for the work they perform, taking into account the individual's functions, qualification, experience, the quality of the work performed, and the results achieved;
- 3.2.9. not exceed maximum working hours permitted under national laws and collective agreements and shall strictly adhere to and ensure at least minimum rest hours to employees in accordance with applicable regulations. Working hours should not exceed 48 hours per work week on a regular basis;
- 3.2.10. unless regulated otherwise by applicable laws, shall provide all employees with at least one rest day in seven consecutive working days;
- 3.2.11. shall not permit persons under the influence of alcohol, narcotic, psychotropic or toxic substances to work or be present at the place of business of the Supplier.

4. OCCUPATIONAL HEALTH AND SAFETY

- 4.1. Suppliers shall adhere to all laws and regulations regulating occupational health and safety.
- 4.2. Suppliers shall ensure safe working conditions for their employees in accordance with regulatory requirements.
- 4.3. Suppliers shall identify, investigate, and notify relevant institutions of any accidents and incidents in accordance with applicable regulations, and shall implement a culture of zero tolerance to employee safety violations and accidents.
- 4.4. Suppliers shall prepare occupational health and safety manuals with regard to the specifics and dangers of the work performed by their employees and shall inform their employees and ensure adherence to said manuals.
- 4.5. Suppliers shall identify, assess, and manage procedural and occupational risks, prevent failures, accidents, and occupational diseases, monitor occupational health and safety, implement advanced and digital technologies and work methods that reduce occupational health and safety risk factors.
- 4.6. Suppliers shall periodically instruct and train their employees in order to ensure employee safety in all operations.

5. ENVIRONMENTAL IMPACT

- 5.1. Suppliers shall adhere to applicable environmental laws, other regulations, rules and standards.
- 5.2. Suppliers shall take responsibility for the environmental impact of their activities and shall:
 - 5.2.1. Make sure that environmental issues are addressed in accordance with the highest international standards, using the best available manufacturing practices and tools, and the most efficient processes to minimise environmental impact.
 - 5.2.2. Aim to reduce the use of raw materials and natural resources and ensure efficient use thereof.

- 5.2.3. Aim to reduce the waste related to their operations and ensure that it is appropriately sorted and processed.
- 5.2.4. Take into account the impact of their activities on the climate and aim to reduce greenhouse gas emissions.
- 5.2.5. Ensure that its employees have adequate knowledge and experience in relation to environmental issues, as well as resources to enable them effectively to meet their responsibilities.
- 5.2.6. Ensure that written instructions covering all processes with potential environmental impacts, such as the storage and handling of hazardous materials, are available and that the relevant information is communicated to all employees involved.
- 5.2.7. Proactively work to prevent emergencies and ensure the capacity to react appropriately to such events, by analyzing, identifying, and adopting suitable preventive and corrective measures.
- 5.2.8. Identify and immediately resolve environmental breaches, notify them to parties concerned.
- 5.2.9. Provide the Group with up-to-date material safety data sheets (MSDS or SDS), as applicable, and any other relevant documents and information requested by the Group.

6. RESPONSIBLE BUSINESS

- 6.1. Suppliers shall conduct their operations responsibly, transparently, in good faith and in compliance with regulations and best business practices.
- 6.2. Suppliers' operations shall conform to ethical, environmental, and social sustainability requirements throughout the supply chain.
- 6.3. Suppliers shall not engage in practices that restrict or threaten to restrict competition, shall pay their taxes as required, and shall be transparent as regards payment to their employees and partners.
- 6.4. The Group is strongly opposed to all forms of corruption, bribery, and payoff, therefore:
 - 6.4.1. The Group shall always pay for their employees' or representatives' travel, accommodation, and related costs when the Group's representatives visit the Supplier or go to conferences, reference plants etc.
 - 6.4.2. Suppliers are prohibited from giving the Group's representatives gifts of any value, providing unpaid services or other benefits, offering to cover their expenses, giving personal discounts for purchasing or payment of expenses, where that could be considered unreasonable or inappropriate with regard to possible or existing business transactions.
- 6.5. The Suppliers' representatives shall comply with regulatory requirements, act transparently, in good faith, and in compliance with the principles of confidentiality and cooperation.
- 6.6. Suppliers shall transparently and accurately record and disclose details of their business activities, corporate structure, financial situation, and performance in adherence to regulations applicable to the Suppliers.

7. PRODUCT SAFETY

The Supplier commits to supply raw materials that comply with the applicable product safety legislation and regulations.

- 7.1. Requirements for chemical substances:
 - 7.1.1. Chemical substances must have a REACH declaration. The supplier is obliged to supply only legal, registered chemicals with SDS (Safety Data Sheets).
 - 7.1.2. The ingredients must not contain substances that are on the Candidate List of Substances of Very High Concern (REACH candidate list – SVHC).

- 7.1.3. It shall not contain substances that are on the Substances of Very High Concern list (SIN list).
- 7.1.4. Must not contain azo dyes.
- 7.1.5. Must not contain PFAS, PFOS.
- 7.1.6. Must not contain mineral oils (MOAH/MOSH).
- 7.1.7. Must not contain nanomaterials.
- 7.1.8. Must not contain flame retardants (penta-BDE, octa-BDE, deca-BDE).
- 7.1.9. Must not contain PVC and PVDC.
- 7.1.10. Must not contain triclosan.
- 7.1.11. Must not contain DINP, DIDP, DNOP.
- 7.1.12. Must not contain tin stabilizer.
- 7.1.13. Must not contain bisphenol A diglycidyl ether (BADGE), its aqueous derivatives or chlorohydrins.
- 7.1.14. Must not contain persistent organic pollutants (in accordance with the Stockholm Convention on Persistent Organic Pollutants (EU) 2019/1021).
- 7.1.15. Must not contain phthalates (DEHP/DBP/BBP/DINP/DIDP/DnOP/DIBP/DEHA/DnHP/DnDP/DAP).
- 7.1.16. Must not contain cadmium and cadmium compounds (not more than 100 mg/kg).
- 7.1.17. Must not contain lead (not more than 0,05 %).
- 7.1.18. Must not contain polycyclic aromatic hydrocarbons (PAHs).

7.2. Requirements for packaging materials:

- 7.2.1. Must comply with Directive 94/62/EC of the European Parliament and of the Council of 20 December 1994 on packaging and packaging waste (Directive 94/62/EC) (must be recyclable, the sum of cadmium, mercury, lead and hexavalent chromium in the packaging must not exceed 100 ppm).
- 7.2.2. For packaging materials intended to be in contact with food, a declaration of conformity is mandatory (as proof that the packaging material is suitable for contact with food).

7.3. Additional requirements:

- 7.3.1. Raw materials must be delivered with a shelf life of at least 6 months.
- 7.3.2. The Supplier undertakes to provide all documents, certificates and evidence proving the conformity of the company with the applicable product safety legal requirements and regulations.
- 7.3.3. The Supplier commits to regularly check and evaluate its suppliers' documentation and certificates to ensure reliability and compliance with standards.
- 7.3.4. The Supplier commits to report any product safety problems or incidents, e.g. related to the supplied raw materials.

8. THE SUPPLY OF COMMODITIES INCLUDED IN THE EUROPEAN PARLIAMENT AND COUNCIL REGULATION (EU) 2023/1115 AND CORRESPONDING PRODUCTS TO THE COMPANIES OF THE AB "GRIGEO GROUP

- 8.1. The Supplier undertakes to supply raw materials and products that comply with the requirements of the European Parliament and Council Regulation (EU) 2023/1115:
 - 8.1.1. Raw materials and products are deforestation-free;
 - 8.1.2. Raw materials and products have been produced in accordance with the relevant legislation of the country of production;

- 8.1.3. A due diligence statement has been submitted for them.
- 8.2. The Supplier undertakes to provide all necessary information to the companies of the Group for proper and thorough risk assessment and traceability assurance.
- 8.3. The Supplier undertakes to provide information about products or raw materials at least once a year and each time changes occur in the supply chain.
- 8.4. The Supplier undertakes to immediately and prior to selling products or raw materials notify about any changes in the supply chains.

9. CoC ENFORCEMENT, LIABILITY AND NOTIFICATION

- 9.1. Suppliers shall collect accurate, timely and relevant information on how they comply with the CoC requirements and shall provide such information and explain their compliance with CoC requirements upon a reasonable request by the Group.
- 9.2. The Supplier shall immediately notify a Group company with which it has contractual relationships about any cases of non-compliance with this CoC.
- 9.3. The Group reserves the right to verify Suppliers' compliance with the requirements of the CoC.
- 9.4. If the Group finds that a Supplier does not meet the requirements and expectations set out in this CoC, the Group will offer guidance specifying which issues need to be corrected or improved. The Supplier must then promptly take corrective actions. Suppliers shall actively take action to remedy any cases of non-compliance to CoC requirements found or identified by them or the Group and shall seek to remedy them immediately within a reasonable period. The Group nevertheless reserves the right to cancel outstanding orders, suspend future orders, or terminate the contract with the Supplier in case of a material breach of this CoC.