

SUPPLIER CODE OF CONDUCT

INTRODUCTION

Pentas Moulding B.V. requires a high standard of business integrity from our organization and our employees. This Supplier Code of Conduct complements our standard by defining the minimum standards we expect our suppliers to adhere to.

This Code supports our continuing commitment to respect human rights and uphold international standards, including the United Nations (UN) Guiding Principles on Business and Human Rights.

1. Scope and application

All suppliers are expected to meet the requirements of this Code in order to supply goods or services to Pentas Moulding B.V. and any relative companies. This requirement is incorporated into our contractual arrangements with suppliers.

In addition, suppliers should:

- Take steps to ensure that all their employees and contract workers understand and adhere to the requirements of this Code, including (where appropriate in terms of the nature of supplier and the goods or services provided) maintaining adequate policies, procedures, training and support.
- Promote adherence to the requirements of this Code within their own supply chain by making it available to their own new and existing sub-suppliers.

2. Compliance

We recognize that certain suppliers will face legitimate challenges in immediately meeting every facet of this Code. As our ultimate goal is to drive the continuous improvement of standards within our supply chain, we are committed to working with such suppliers over time to help them achieve adherence with the requirements of this Code.

In the event of a non-compliance with any of the requirements of this Code, Pentas reserves the right to require the supplier in question to:

- Demonstrate material progress towards compliance with the requirement(s) in question within a defined and reasonable time period; and/or
- Bring itself into full compliance with the requirement(s) in question within a defined and reasonable time period.

In the event of serious, material and/or persistent non-compliance, or where suppliers otherwise demonstrate inadequate commitment, persistent inaction or a lack of improvement, we reserve the right to terminate the business relationship (and any contracts associated with it) with the supplier in question.

3. Contacting Pentas Moulding B.V.

Any information that suppliers are required to report to Pentas under this Code, should be communicated to:

- The supplier's usual Pentas contact partner; or
- The Pentas Purchasing dept. by email (purchasing@pentas.nl) or by phone +31 546 577155.

4. Legal compliance

We expect our suppliers to comply with all relevant laws and regulations, and to act in an ethical manner.

As such, suppliers must:

- Comply with all applicable laws and regulations wherever they operate.
- Promptly notify Pentas of any criminal or civil legal actions brought against them.
- Promptly notify Pentas of any fines or administrative sanctions brought against them which relate in any way to the requirements set out in this Code.

5. Respecting human rights

Pentas is committed to applying the UN Guiding Principles on Business and Human Rights and, by extension, respecting human rights in our own operations and our supply chain.

As such, we expect our suppliers to conduct their operations in a way that respects the fundamental human rights of others, as affirmed by the Universal Declaration of Human Rights. This includes (but is not limited to) their own workers and people working for their sub-suppliers.

Suppliers should seek to identify potential and actual adverse human rights impacts related to their activities and business relationships. They should take appropriate steps to ensure their operations do not contribute to human rights abuses and to remedy any adverse impacts directly caused, or contributed to, by their activities or business relationships.

For their own employees and contract workers, we expect suppliers (at a minimum) to:

- Provide equal opportunities to, and fair treatment of, all workers including migrant labour.
- Work to eliminate any form of harassment and bullying within the workplace, whether it is of a sexual, verbal, non-verbal or physical nature.
- Provide a safe working environment, adopt procedures to identify and address workplace health and safety risks, implement safe working practices, and provide (where rele-

vant) appropriate personal protective equipment to prevent occupational injuries or illnesses.

- Ensure operations are free from child labour. Specifically, not employing anyone under the age of 18 in any work that is considered hazardous, or anyone under the age of 15 (or below the legal age for finishing compulsory schooling – whichever is higher) in any capacity. In the case of child labour in farming, certain exceptions apply – as detailed in the box below.
- Ensure operations are free from exploitation of labour. Specifically, ensuring their operations are free from forced, bonded, involuntary, trafficked or unlawful migrant labour.
- Ensure the right to freedom of association. Specifically, ensuring all workers are able (subject to applicable laws) to exercise their right to freedom of association and collective bargaining, including the right to be represented by recognized trade unions or other bona fide representatives.

6. Environmental sustainability

We are committed to pursuing best practice in environmental management and reducing the impacts of our business on the natural environment both in our own operations and in our wider supply chain.

As such, we expect suppliers to:

- Identify, understand and actively work towards minimizing their impacts on the natural environment. Where relevant, these include (but are not limited to) impacts relating to their emissions to air, water and land, use of materials, natural resource consumption and waste management practices.
- Where practicable, manage, monitor and (where requested) provide available information to Pentas relating to their environmental performance.
- Integrate environmental considerations into their product design and/or provision of services.
- Provide Pentas (where requested) with reasonable assistance as we seek to reduce the environmental impacts of our products and services.

7. Business integrity

Suppliers are required to avoid conflicts of interest in their business dealings and to operate with full transparency with respect to any circumstances where a conflict does, or may, arise.

As such, suppliers must:

- Avoid situations where their personal and/or commercial interests, or the interests of their officers or employees may, or may appear to, conflict with the interests of Pentas.
- Disclose to Pentas if any Pentas employee may have any interest of any kind in their business or any economic ties with them.

- Inform Pentas of any situation that is, or may be seen as, an actual or potential conflict of interest as soon as the conflict arises, and to disclose to Pentas how it is being managed.

These provisions are not intended to prevent suppliers dealing with Pentas competitors where it is legitimate and appropriate for them to do so.

8. Bribery and corruption

It is unacceptable for any supplier (or their employees and agents) to be involved or implicated in corrupt practices.

As such, suppliers must:

- Never offer, promise or give any gift, payment or other benefit to any person (directly or indirectly), to induce or reward improper conduct or illegitimately influence any decision by a public official to their or Pentas advantage.
- Never solicit, accept or receive any gift, payment or other benefit from any person (directly or indirectly) as a reward or inducement for improper conduct.
- Never make facilitation payments directly or indirectly with regard to Pentas business, other than where it is strictly necessary to protect the health, safety or liberty of any employee and/or contract worker.
- Maintain effective controls to ensure that improper payments are not offered, made, solicited or received by third parties on their or Pentas behalf.

9. Gifts and entertainment

Offering and accepting business entertainment or gifts is perfectly acceptable when what is given is modest, reasonable, appropriate and lawful. However, suppliers must not offer or accept business entertainment where to do so would constitute, or would be perceived as constituting, corrupt activity.

As such:

- Suppliers are expected to respect Pentas policy on entertainment and gifts when doing business with Pentas.
- The exchange of entertainment and gifts is prohibited during any tender or competitive bidding process involving Pentas.
- Suppliers must not, through the provision of any gifts or hospitality, seek to influence any public official on Pentas behalf by providing any advantage either to that official or to any person at his or her request or with his or her assent or acquiescence.

10. Sanctions

Suppliers should ensure they conduct their business in compliance with all lawful international sanctions regimes.

As such, suppliers must:

- Fully comply with all lawful sanctions regimes affecting their business.
- Implement effective internal controls to minimise the risk of any non-compliance with relevant sanction regimes, including training and support for their employees and contract workers.

11. Reporting Concerns

Suppliers are expected to support the identification, investigation, addressing and reporting of suspected or actual breaches of the requirements of this Code.

As such, suppliers must:

- Have effective procedures in place to enable their employees and contract workers, in confidence and without fear of reprisal, to ask questions, raise concerns and/or report suspected or actual breaches of the requirements of this Code – either to the supplier itself or directly to Pentas.
- Promptly investigate any credible concerns about suspected or actual breaches of the requirements of this Code and take appropriate action to avoid any potential breaches taking place, and/or minimise the impact of, and stop, any actual breaches.
- Report any suspected or actual breaches of the requirements of this Code to Pentas as soon as they become aware of them via the contact details on page 1.

12. Compliance Monitoring

Pentas reserves the right to verify new and existing suppliers' compliance to the requirements of this Code through internal and/or external assessment mechanisms.

As such, suppliers must:

- Provide all reasonable cooperation with any verification activity linked to this Code (whether carried out by Pentas or by third parties engaged by Pentas), including the granting of independent access to relevant personnel, sites, documentation and data.

** This is notwithstanding legitimate restrictions applicable to commercially sensitive and/or confidential information – in such cases (and where such information is believed to be of material relevance to verification activity), suppliers should work with Pentas to try to identify mutually acceptable mechanisms for its safe and legitimate disclosure.

ATTACHMENT TO SUPPLIER CODE OF CONDUCT: FREQUENTLY ASKED QUESTIONS

INTRODUCTION

All suppliers are expected to meet the requirements of the Code in order to supply goods or services to Pentas Moulding or affiliated company.

This document provides answers to suppliers' frequently asked questions with regards to this.

1. Where can I get a copy of the Supplier Code of Conduct?

The Supplier Code of Conduct is available to download at www.pentead.nl, alongside the General terms and Conditions.

2. Why has Pentas introduced the Supplier Code of Conduct?

We have always had a long-standing commitment to operating to the highest standards of corporate conduct.

We also have a commitment to respect human rights and uphold international standards, including the United Nations (UN) Guiding Principles on Business and Human Rights.

The Supplier Code of Conduct supports our work to strengthen our approach and provide more clarity for suppliers on the minimum standards we expect them to adhere to.

3. How will the Code be applied?

We already expect our suppliers contractually to commit to comply with the applicable Pentas standard terms and condition of purchase. This contractual obligation now also includes the Supplier Code of Conduct.

4. Are there any new expectations or requirements in the Code for Pentas suppliers?

We have always expected all our suppliers to comply with all relevant laws and regulations.

This code simply clarifies those expectations and requirements into one clear and direct supplier-facing document.

5. My company already has its own Codes/Standards/Policies covering similar areas to Pentas Supplier Code of Conduct. Does Pentas expect its Code to supersede our own?

Pentas expectation is for suppliers to meet the "requirements of" the Code. Therefore, if your company or organisation already covers such requirements within its own Codes, Standards or Policies then this fulfills this expectation.

However, if there are some requirements within the Code that are not already covered within your company's own standards, then you are expected to apply these at a minimum or adopt similar standards of your own.

6. What actions are we now expected to take with regards to the Code?

You should review the Code to ensure your company is meeting the minimum requirements in order to supply goods or services to Pentas Moulding. This could include reviewing your own policies, standards, codes and procedures to ensure each area of the Code is covered.

If you identify any areas of non-compliance, then you are expected to take steps / develop action plans to address them. Please immediately inform Pentas and discuss your action plan.

In addition, you should:

- Take steps to ensure that all your company employees and contract workers understand and adhere to the requirements of the Code, including (where appropriate in terms of the nature of supplier and the goods or services provided) maintaining adequate policies, procedures, training and support.
- Promote adherence to the requirements of the Code within your own supply chain by making it (or your own company's equivalent Code) available to your own new and existing sub-suppliers.

7. How will compliance be monitored?

As detailed in the Code, we reserve the right to verify new and existing suppliers' compliance to the requirements of the Code through internal and/or external assessment mechanisms. This may include asking your company to complete a self-assessment questionnaire, and/or undergo an on-site audit.

Your company is also expected to support the identification, investigation, addressing and reporting of suspected or actual breaches of the requirements of the Code by:

- Having effective procedures in place to enable your employees and contract workers, in confidence and without fear of reprisal, to ask questions, raise concerns and/or report suspected or actual breaches of the requirements of the Code – either to your company itself or directly to Pentas.
- Promptly investigating any credible concerns about suspected or actual breaches of the requirements of the Code and taking appropriate action to avoid any potential breaches taking place, and/or minimise the impact of, and stop, any actual breaches.

- Report any suspected or actual breaches of the requirements of the Code to Pentas as soon as you become aware of them via:

- The supplier's usual Pentas contact partner; or
- The Pentas Purchasing dept. by email (purchasing@pentas.nl) or by phone +31 546 577155.

8. What happens if areas of non-compliance are identified?

As detailed in the Code, our ultimate goal is to drive the continuous improvement of standards within our supply chain. As such, we are committed to working with suppliers over time to help them achieve adherence.

In the event of a non-compliance with any of the requirements, we reserve the right to require your company to:

- Demonstrate material progress towards compliance with the requirement(s) in question within a defined and reasonable time period; and/or
- Bring itself into full compliance with the requirement(s) in question within a defined and reasonable time period.

In the event of serious, material and/or persistent non-compliance, or where suppliers otherwise demonstrate inadequate commitment, persistent inaction or a lack of improvement, we reserve the right to terminate the business relationship (and any contracts associated with it).

9. What can we expect with regards to the self-assessment and audit process?

As part of our supply chain due diligence process, we assess supplier risks associated with human rights and corruption based on the country and commodity/ sector in which they operate.

If this process identifies your company as having a site or operation with a potentially high risk¹, we may contact you to complete a **self-assessment questionnaire**. The questionnaire is structured around the key areas of the Supplier Code of Conduct and asks what policies, procedures and practices your company has in place to manage such risks.

For example, it may ask if areas such as equal opportunities, forced labour, health and safety, or bribery and corruption are defined by corporate codes of conduct, policies or standards. Or, in the child labour section, a question may ask if you have processes in place to verify the age upon hire of all employees and contractors.

The questionnaire can be completed through an online portal (for which you will be provided with access details) and should take no more than two hours to complete.

If the results of the questionnaire identify any areas of concern, we may ask (depending on the severity) for you to either:

- a) Work with Pentas to develop action plans to address the particular area(s) and demonstrate material progress towards compliance within a defined and reasonable time period; or

b) Undergo an on-site audit (whether carried out by Pentas or by third parties engaged by Pentas). If any areas of concern are identified through the audit, you will be expected to work with Pentas to develop action plans to address the particular area(s) and demonstrate material progress towards compliance within a defined and reasonable time period.

10. My company has already been audited for Pentas in the last 12 months – will this be taken into account?

Yes, if your company has already been audited in the last 12 months, then it will **not** be necessary for you to complete a self-assessment questionnaire or be audited again.

11. How often can we expect to have to complete the self-assessment questionnaire and/or be audited?

Only suppliers identified as part of our supply chain due diligence process as having potential high-risks associated with human rights and corruption will be asked to complete a self-assessment. The frequency of this will depend on the results of the first self-assessment your company completes.

For example, if your completed questionnaire shows a good level of management proficiency to deal with these risks, then you will only be asked to complete another questionnaire every three years.

If areas of concern are identified, then we may ask for you to complete another questionnaire the following year to assess your progress in addressing these areas.

Audits will only take place if major areas of concern are identified through the self-assessment.

12. How often can we expect to have to complete the self-assessment questionnaire and/or be audited?

Only suppliers identified as part of our supply chain due diligence process as having potential high-risks associated with human rights and corruption will be asked to complete a self-assessment. The frequency of this will depend on the results of the first self-assessment your company completes.

For example, if your completed questionnaire shows a good level of management proficiency to deal with these risks, then you will only be asked to complete another questionnaire every three years.

If areas of concern are identified, then we may ask for you to complete another questionnaire the following year to assess your progress in addressing these areas.

Audits will only take place if major areas of concern are identified through the self-assessment.

13. When we entered into our business arrangement with Pentas, we were not required to meet these requirements. As long as we continue to fulfill the obligations under our existing contract or agreement, why should we have to change our business practices now to meet these new requirements?

We have always expected all our suppliers to comply with all relevant laws and regulations. As detailed in our response to question 3, this includes an expectation contractually to commit to comply with this code.

The Code simply clarifies those expectations and the specific requirements which relate directly to suppliers into one clear and direct document.

These requirements are therefore entirely consistent with our existing expectations of our suppliers.

14. What if local laws in the country in which we operate contradict the requirements of the Code?

We expect our suppliers to comply with all relevant laws and regulations. The requirements of the Code are the minimum standard we expect all suppliers to adhere to and should be applied even when they are stricter than local laws – provided this does not constitute a contravention of local law or criminal act.

If local laws are stricter than, or override, the requirements of the Code, then we expect suppliers to abide by those laws.

15. But will we be penalized for being non-compliant in areas beyond our control, such as in countries in which the right to freedom of association and collective bargaining are restricted by law?

No, we will not penalize any supplier for such circumstances – first and foremost you should comply with all relevant laws and regulations.

However, where local laws contradict internationally recognized human rights, as detailed in the UN Guiding Principles on Business and Human Rights, we encourage suppliers to strive to find alternative means to meet these standards.

For example, where the right to freedom of association and collective bargaining is restricted by law, your company can allow alternative measures to enable workers to gather independently to discuss work-related matters and present workers' concerns to management (e.g. employee councils, workplace committees etc.).

16. We are a small company and so don't have the same level of formal governance or management procedures as larger organisations – will this result in non-compliance?

No. The self-assessment takes into account smaller companies which may not have the same level of formal governance or management procedures.

For example, you will not be non-compliant if you don't have a formal health and safety policy, but you will still be expected to have practices in place to protect the safety of your workers, such as appropriate fire and emergency evacuation procedures in place at all sites (i.e. fire alarms, smoke detectors, sprinkler systems, fire extinguishers, clearly marked emergency exits which are free of obstructions etc.).

17. My company/organisation has sites/facilities in several countries. Will the self-assessment and/or audit be for our whole organisation or particular sites/countries?

Our supply chain due diligence process assesses supplier risks associated with human rights and corruption based on the country and commodity/sector in which they operate.

Therefore, as it's country specific, the self-assessment and/or audit will be specific to all sites/facilities in that country only and not the parent-company or whole organisation.

If the parent or Group company has Codes/Standards/Policies or practices/procedures in place which apply to **all** sites/facilities/subsidiaries (i.e. across the Group), then these can be included in the response to the questionnaire.