

DECLARATION OF PRINCIPLES ON RESPECT FOR HUMAN RIGHTS AND THE ENVIRONMENT

OUR PRACTICED VALUES

As a packaging manufacturer with more than sixty years of tradition, we are aware of our special responsibility. Papier-Mettler KG is expressly committed to respect and protect human rights and the environment and to comply with the relevant regulations.

Sustainability has always been an integral part of our corporate philosophy and business activities. As an internationally active, independent and owner-managed company, we are only successful in the long term if ecology, economy and social issues are in harmony.

Specially developed quality processes form the basis for our exceptional quality guarantee - from the receipt of raw materials through production to the delivery of our products. Audits and certificates such as SEDEX, BRC and the Blue Angel emphasise our standards in terms of ethics, hygiene and sustainability. Many of our products have been awarded the FSC and PEFC certificates. Maximum process and product safety play a major role at Papier-Mettler, as does the **avoidance of environmental risks**. For this reason, the raw materials used are checked for their suitability, food safety and ecological impact before production begins. We always ensure that our impact on the environment and climate is minimised and that our products make a positive contribution to environmental and climate protection for our customers. Our employees¹ are also encouraged to contribute to the protection of the environment and climate through their individual behaviour.

The values that have been practised in our company for decades, such as reliability, down-to-earthness, family orientation and sustainability, have always characterised our success. We are also aware of our **social responsibility**. Acting in accordance with ethical and social principles and sourcing ethically sound products and services are among our principles, which are set out in our Code of Conduct. **Avoiding human rights risks** is a top priority for us. As a medium-sized family business, we are naturally committed to a **ban on child labour and forced labour**. **Fair and appropriate wages** correspond to our self-image and form the basis of the appreciation we show our employees. We grant our employees **equal opportunities** and **do not tolerate discrimination** on the basis of ethnic and national origin, gender, nationality, religion and world view, age, sexual orientation or political opinion. We bear responsibility for the health and safety of all employees. We therefore take appropriate measures to minimise the risk of accidents and damage to the health of our employees. We respect the right of employees to **freedom of association** within the framework of applicable law.

OUR MEASURES

Global procurement and sales markets offer opportunities, but also present us with challenges. We see human rights and environmental risk management as an ongoing process. We therefore constantly analyse our own business practices and business relationships in order to identify existing and impending risks. We describe our expectations of our employees and suppliers in our codes of

¹ For better readability, the generic masculine is used in the text. However, all genders are always meant.

conduct. As part of the operational implementation of our human rights and environmental due diligence processes, we have also agreed to apply the measures listed below.

RISK MANAGEMENT AND RISK ANALYSIS

The basis of due diligence is knowledge of the potential and actual adverse human rights risks and impacts of our business activities along the value chain. With the help of our risk analysis, we will identify relevant human rights and environmental risk areas from our own business activities and direct business relationships. To identify risks, parts of our group of companies are already members of the Business Social Compliance Initiative (BSCI), which sets common standards, provides support and training programmes for suppliers and organises joint audits.

Within our risk analyses, we take into account the interests of employees in our direct business area and in our supply chains, as well as all those who may be exposed to a human rights or environmental risk as a result of our business activities. We will carry out our risk analyses annually and on an ad hoc basis. The results of our risk analyses are continuously incorporated into the corporate decision-making processes with regard to internal business strategies and supplier selection. We appoint a central human rights officer to monitor the risk management system and other tasks.

PREVENTIVE MEASURES

Based on the risk analyses carried out in the future, targets and measures are defined at appropriate points, which are adapted and scrutinised in the event of new results and findings. Immediate risks to people and the environment in the supply chain are averted by taking immediate action. In the event of serious and immediate risks to people and the environment, we work with the direct supplier to develop an action plan to reduce or eliminate the risk. If the developed action plans are not implemented, we reserve the right to terminate the business relationship with the direct supplier.

If we determine that our business activities contribute to or are associated with potential or actual human rights violations, we endeavour to take appropriate remedial action through the responsible bodies.

Our processes and results with regard to imminent or actual risks and the subsequent measures are appropriately documented and stored by us and are essentially included in the annual reporting to the Federal Office of Economics and Export Control in accordance with Section 10 (2) LkSG.

COMPLAINTS MECHANISM

Appropriate complaints management is an important part of our human rights strategy. Complaints procedures enable individuals or groups affected by negative impacts on human rights to raise their concerns. Potential negative effects can thus be recognised at an early stage and contained through appropriate measures. We have implemented a complaints procedure through which em-

ployees and other potentially affected groups of people can report violations of human rights and environmental concerns at any time. The rules of procedure published here explain the reporting process. All reported information is processed as part of a transparent and predictable process for all parties involved, in which the confidentiality and anonymity of the whistleblowers is maintained.

OUR EXPECTATIONS OF OUR SUPPLIERS

As a company with international business relationships, we see it as our responsibility to ensure human rights and environmental protection along our supply chains. We organise our cooperation with suppliers on the basis of the legal regulations applicable in Germany and the EU and in accordance with international standards for sustainable procurement. Our suppliers are also selected on the basis of their compliance with human rights and environmental protection goals.

Our Code of Conduct for our suppliers sets out the requirements for our suppliers with regard to sustainability criteria and human rights. We expect our suppliers to comply with the applicable legal regulations on occupational safety at their workplaces in order to prevent accidents and damage to health. We require our suppliers to create and maintain fair working conditions without the use of any form of forced labour or child labour.

If a business partner is found to have violated a human rights or environmental law, we will define appropriate measures as soon as we become aware of this. These can be, for example, the elimination of the cause through preventive measures or working towards appropriate remedial action and must be implemented by the supplier as a prerequisite for further cooperation.

The Management

Michael Mettler
(Managing Director)