



MM Supplier Code of Conduct

Information for the reader

In the following Supplier Code of Conduct, the italic text represents information on Mayr-Melnhof Karton AG and its affiliated companies (hereinafter: MM Group) and its principles for the respective topic in order to strengthen transparency in the dialog with suppliers. The normal text reflects the expectations the MM Group has from its suppliers.

This document is subject to continuous improvement and is updated regularly.

MM Supplier Code of Conduct

Introduction

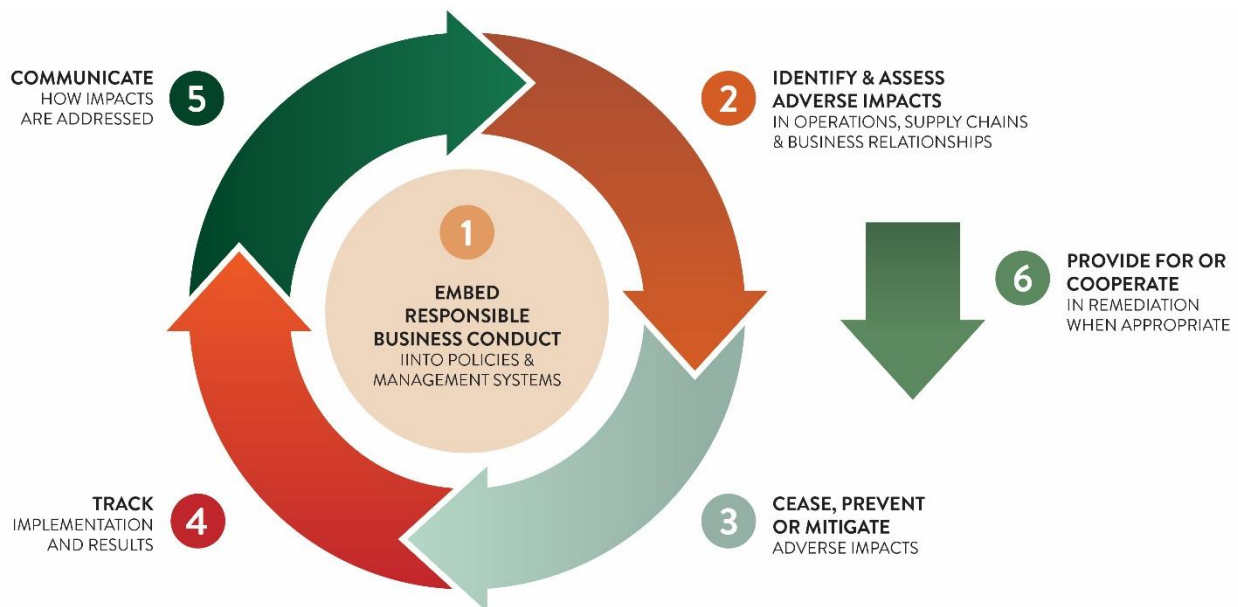
The MM Group is dedicated to fostering responsible and sustainable business practices across the entire value chain, including its own operations as well as its upstream and downstream value chain. We want to emphasize that workers who are not employees and whose work is controlled by the MM Group are equally included.

We commit to fair and ethical relationships with our suppliers. Our MM Supplier Code of Conduct, an extension of the MM Code of Conduct, serves as a foundation for our collaboration. You can access the MM Code of Conduct at our official website: <https://www.mm.group/>.

It is important to recognize that for established supplier relationships, the mandates of this code serve as complementary and not as substitutes for any existing legal or contractual obligations between suppliers and the MM Group.

General Obligations

Embedded within this Supplier Code of Conduct are the fundamental principles that represent the minimum standards suppliers must comply with. We are committed to upholding these principles and expect the same of our suppliers as well as their suppliers, with special emphasis on adhering to the ILO core labour standards, the Guiding Principles of the UN Global Compact Initiative, and the principles outlined in the OECD Guidelines for Multinational Enterprises. These principles form an integral part of our supplier selection process and are subject to continued monitoring efforts. Our commitment to upholding and respecting internationally recognized human rights at the highest corporate level is underpinned by our Policy Statement on Human Rights. To support our commitments and ensure compliance in the context of





minimum safeguards, we have based our due diligence processes on the following structure, based on the OECD Guidelines for Multinational Enterprises:

At the MM Group, we extend our commitment to ethical and legal standards to our whole value chain and we expect our suppliers to commit to the following principles.

- **Code of Conduct Alignment**
Suppliers must adhere to the principles outlined in this Supplier Code of Conduct or an equivalent Code of Conduct they may have in place.
- **Chain of Compliance**
Suppliers must ensure that their suppliers and sub-suppliers also adhere to the principles defined in this code. A comprehensive commitment to compliance extends through every tier of the supply chain.
- **Regulatory Adherence**
Suppliers must uphold relevant laws and regulations of the countries where their operations are conducted.
- **Transparent Documentation**
Suppliers must maintain transparent documentation to affirm compliance with laws, regulations, and the ethical requirements in this code.

Respect for Human and Labour Rights

The MM Group commits to upholding and respecting internationally recognized human rights as mentioned in the General Obligations. In the context of human and labour rights, the focus lies on the OECD Guidelines for Multinational Enterprises as well as the UN Universal Declaration of Human Rights, the ILO core labour standards, and the International Bill of Human Rights. We have implemented a dedicated Global HR Policy that is committed to upholding the standards of human rights across our global workforce. The MM Group is reporting on ethical issues, including child labour, forced labour and discrimination incidents. In the event of an incident, we confront suppliers and stakeholders, including our downstream value chain, regarding the specific incidents and ensure the implementation of measures to avoid similar incidents in the future. We monitor the progress against these measures and provide adequate remedy up to the termination of the contract with the supplier.

As part of our mission to ensure ethical practices throughout our operations and value chain, suppliers are expected to conduct thorough human rights due diligence, proactively identifying and addressing potential adverse impacts.

- **Prohibition of Forced Labour and Child Labour**
Suppliers must unreservedly reject any form of forced labour or discrimination. This stance extends to child labour, with a firm commitment against it within our own company and among our business partners. Suppliers must adhere to international standards, particularly ILO Conventions C 138 and C 182, ensuring that their employees meet the minimum age requirements mandated by law.
- **Fair Recruitment Practices**
The MM Group uses only specified, reputable employment agencies to source labour and will ensure that equality, diversity and inclusion is applied. Suppliers must comply with ethical



recruitment practices and relevant regulations. We emphasize that the costs of recruitment should be borne by the employer, not the worker. In cases where workers have paid recruitment fees, immediate effective remedies, including compensation and rehabilitation, are mandated. Workers' rights to leave their employer without undue constraints and to be free from deposits, payments, or surrender of identity papers must be safeguarded.

- **Working Hours and Remuneration**

Working hours should adhere to local laws or standards that offer the utmost protection to workers. Employees must be granted adequate time off as permitted by national law. Fair compensation, meeting or exceeding national minimum wage legislation, is a non-negotiable requirement for workers, whether directly or indirectly contracted by the supplier. The MM Group commits to pay a living wage for all employees in line with our commitment to fair pay. Suppliers must demonstrate an equivalent dedication. Key suppliers must establish an equivalent wage commitment for their own employees and must provide corresponding documentation by the year 2025. Suppliers must ensure that migrant workers are treated fairly and their rights are respected.

- **Freedom of Association and Collective Bargaining**

Respect for employees' rights to freedom of association and collective bargaining is paramount. Suppliers must commit to these rights and recognize employees' ability to form and join unions.

- **Modern Slavery**

The MM Group opposes all forms of modern slavery, encompassing slavery, servitude, forced and compulsory labour, and human trafficking. Suppliers must commit to implement appropriate policies, processes, and procedures to identify and eliminate instances of modern slavery within their operations and supply chains.

- **Anti-Harassment, Non-Discrimination and Equal Opportunities**

Suppliers must combat all forms of discrimination and harassment based on gender, race, skin colour, religion, age, national or ethnic origin, disability, or sexual orientation. Suppliers must uphold the principle of equal treatment when assessing employees and applicants. Our commitment to diversity and inclusion extends to our suppliers, who are encouraged to actively include small and diverse suppliers in their base and partnerships.

- **Respect for Privacy**

We emphasize the importance of protecting personal data of employees, customers, sub-suppliers, and other business partners. Suppliers must establish technical and organizational safeguards to ensure compliance with relevant data protection regulations.

- **Trainings on Human and Labour Rights**

The MM Group performs employee awareness trainings on human and labour rights issues. These trainings align with the principles outlined in this chapter. Supplier must follow this commitment and integrate employee awareness trainings into their actions to collectively contribute to a business environment that advocates human and labour rights standards.



Occupational Safety and Health (OSH)

The MM Group promotes safety and health at work in order to protect all of its employees, temporary workers and visitors to the MM Group. Thus, we have established a distinct Safety Policy ([available here](#)), committing to safety and health legislations and standards that are applicable to the MM Group and all its subsidiaries. Our vision is “creating a safe workplace by applying a prevention approach”. In this context, we review our safety policy annually and safety performance monthly to meet the safety vision.

We expect the same commitment of our suppliers to uphold OSH standards throughout our value chain.

- **Compliance with Legislation and Standards**
Suppliers must meet or exceed all the relevant safety and health legislation and standards, establishing a safety climate through a shared perception where “all should return home safe every day”.
- **Safety Training**
Suppliers must provide appropriate safety training for their personnel. By equipping employees with the necessary information, knowledge, and skills, you contribute to maintaining a safe and secure work environment.
- **Monitoring and Documentation**
Suppliers must monitor and document their OSH performance diligently. This includes tracking incidents, near misses, and other relevant data to identify potential hazards and the ability to take preventive action before they result in incidents or accidents.
- **Incident Reporting and Investigation**
In the unfortunate event of an OSH incident, suppliers must promptly report and thoroughly investigate the matter. This proactive approach to incident management helps prevent future incidents and strengthens the overall safety culture.

Responsible Business practices

At the MM Group, we embrace responsible business practices as integral to our commitment to ethical conduct and sustainability. We counter the risk of possible non-compliance with standards, laws, rules of conduct and, if applicable, voluntary declarations, through a variety of measures: We subject our internal and external processes to continuous monitoring and, in this context, continuously verify that our business conduct complies with applicable legal provisions, in cooperation with external experts. Organizational guidelines that apply throughout the MM Group provide our employees with clear guidelines on compliance and lawful conduct. These guidelines are supplemented by training, especially in complex areas such as competition law, data protection and information security. Significant violations of laws and regulations in the environmental, social and economic areas are queried via our reporting platform.

We hold our suppliers to the same high standards and expect them to adhere to the following principles in their operations.

- **Anti-Corruption and Anti-Bribery**
We insist on a strict policy against bribes or any form of unlawful payment or financial benefit. Suppliers must align with regulations against corruption and bribery and establish robust policies, procedures, and controls to prevent fraud, theft, embezzlement, and financial misstatement. Transparency is key, and any incidents must be immediately reported to us.



- **Conflicts of Interest**

The MM Group expects its suppliers to avoid any conflict of interest relating to financial interests or other arrangements with MM Group's employees that may be considered inappropriate. Any potential conflicts of interest, including associations with our employees or their immediate family members, should be disclosed transparently before engaging in business relationships. To ensure integrity, accepting gifts or benefits that could lead to conflicts of interest must be avoided, with exceptions for customary hospitality and nominal gifts.

- **Anti-Money Laundering**

Suppliers must adhere to regulations against money laundering and have stringent processes in place to prevent illicit funds from entering the legal economic cycle. Combating the financing of terrorism is paramount, and any incidents must be reported to us.

- **Fair Competition and Market Conduct**

Ensuring unrestricted, fair competition is of utmost importance in all the countries where our suppliers operate. MM expects its Suppliers to avoid any business practices which have as their object or effect the prevention, restriction or distortion of competition. Engagement in associations and information exchange must be for legitimate reasons and comply with applicable laws.

- **Trade Compliance**

Suppliers must adhere to **all applicable** import and export controls, sanctions, and other trade compliance laws. Accurate and truthful information must be provided to customs and authorities as required.

- **Quality and Product Safety**

The quality and safety of supplier products must meet legal and industry standards, aligning with our standards and customers' high expectations. This is particularly vital in maintaining product and food safety while upholding hygiene standards.

- **Information Technology and Data Protection**

We prioritize the ethical and legal use of information systems and data protection. The selection of appropriate, secure and effective suppliers is key to our business strategy. The MM Group has established a supplier due diligence assessment procedure, which forms part of the MM Group's Information Security Policy and is based on ISO 27001:2013, ISO 27002:2013, and other good practices. The procedure is intended to ensure that sufficient actions are taken and research completed to reach a reasonable judgement about whether a potential supplier is desirable.

Following our practices, suppliers must also implement robust IT security measures to protect data and information and ensure adequate supplier assessment procedures. Personal data must be processed in compliance with relevant data protection regulations.

- **Business Continuity Management**

Suppliers must recognize and mitigate risks related to business continuity in both production and the value chain. Preparation for emerging global risks like pandemics, natural disasters, cyberattacks, and terrorism is also expected.

- **Controversial Weapons**

We oppose any involvement with controversial weapons such as antipersonnel mines, cluster munitions, chemical weapons, and biological weapons. This commitment extends not only to our investments but also to our suppliers, who must likewise commit to these safeguards. We ensure that neither our business operations nor our supply chain includes companies engaged in the manufacture or sale of these weapons.



- **Trainings on Responsible Business Practices**

The MM Group performs employee awareness training on responsible business practices, including mandatory information security awareness trainings for all employees, aligning with the principles outlined in this chapter. These trainings are integral to upholding our commitment to ethical and responsible business conduct, fostering a fair and respectful workplace. We encourage our suppliers to integrate similar initiatives into their operations, collectively contributing to a business environment that advocates human rights and labour standards.

Community Engagement

The MM Group recognizes that our business has a significant impact on the communities in which we operate. We value the well-being and rights of these communities and are committed to engaging with them in a manner that promotes positive social and economic development. Also, the MM Group actively pursues goals centred around diversity and inclusion with regard to our employees as well as small and diverse businesses.

As we continue to build relationships based on transparency, respect, and collaboration, we expect our suppliers to uphold these principles.

- **Small and Diverse Businesses**

We extend this expectation to our suppliers, encouraging them to supporting and engaging with small and diverse suppliers.

- **Respecting Land Rights**

Suppliers must honour the land tenure rights of impacted communities, abiding by the principle of free, prior, and informed consent.

- **Mitigation of Negative Impact**

Suppliers must contribute to the positive social and economic growth of affected communities, enriching their quality of life and engage in open and productive conversations with communities, addressing concerns and collectively devising solutions. Suppliers must proactively mitigate any adverse effects arising from their operations in communities, considering environmental, social, and economic dimensions.

Environmental Responsibility

Our dedication to preserving and supporting natural ecosystems goes beyond the boundaries of our own practices at The MM Group. Anchored in our MM Policy of Forests and Natural Ecosystems ([available here](#)), this integrated approach allows us to minimize environmental impacts across the MM Group. We have established a dedicated Decarbonisation Strategy to achieve our Science Based Targets aligned with limiting global warming to 1.5 degrees by 2031 by implementing appropriate measures.

As part of our shared commitment to environmental responsibility, we expect our suppliers to embrace the following principles in their operations.

- **Regulatory Compliance and Impact Assessment**

Suppliers must not only adhere to relevant environmental regulations and standards but also assess how their operations and sourcing impact the environment.



- **Environmental Permits, Approvals and Diligence**
Suppliers must acquire, maintain, and update all necessary permits, approvals, and registrations. Operational and reporting mandates associated with these authorizations must be followed diligently.
- **Continuous Improvement**
Suppliers must establish a comprehensive evaluation process that supports progression and results in a reduction in environmental impact.
- **Greenhouse Gas (GHG) Emissions Reduction**
Suppliers must establish operational control, monitoring, and reporting mechanisms to decrease greenhouse gas emissions throughout their operations and value chain. This includes addressing GHG emissions under Scope 1, 2, and 3.
- **Biodiversity and Resource Efficiency**
Suppliers must commit to safeguarding biodiversity, maintaining responsible use of raw materials, energy, and water.
- **Environmental Incidents**
Suppliers must systematically manage and communicate environmental incidents and complaints to the MM Group if affected. Suppliers must also appoint a designated representative who oversees environmental improvements, embedding a culture of sustainability within their operations.
- **Data Sharing for Assessments**
Upon request, suppliers must provide environmental performance data for assessments, product life cycle evaluations, and product declarations.
- **Deforestation Mitigation**
Suppliers using materials in context with deforestation must either source low-risk materials or present a plan aligned with EU Deforestation Regulations (EUDR) timelines.
- **Trainings on Environmental Responsibility**
The MM Group performs employee awareness trainings on environmental issues aligned with the principles outlined in this chapter. These trainings are instrumental in upholding our commitment to environmentally responsible business practices. We encourage our suppliers to integrate similar initiatives into their operations to minimize the carbon footprint and promoting sustainable practices.

Supplier Assessments

In our commitment to responsible business practices, the MM Group places great emphasis on accountability and transparency. To ensure compliance with this Supplier Code of Conduct, the MM Group conducts systematic supplier assessments based on dedicated supplier self-assessment questionnaires.

The MM Group retains the right to verify the adherence of our suppliers to the principles outlined in this Supplier Code of Conduct. We expect our suppliers to align with these principles and proactively participate in the following.

- **Self-Assessments**
Suppliers must complete self-assessment questionnaires, ensuring alignment with our principles. This cooperative approach to verification plays a central role in upholding our shared dedication to ethical standards.



- **Labour Provider Assessments**

Suppliers who rely on labour providers are required to establish a process for conducting annual compliance assessments. The aim is to ensure compliance with labour and human rights standards. By conducting a thorough risk assessment, suppliers must determine what level of assurance is necessary. In instances where the risk associated with recruitment is elevated, it is upon suppliers to contract third-party audits.

Monitoring

At the MM Group, we take proactive steps to ensure the adherence of our suppliers to ethical standards. The following processes strengthen this dedication to monitoring and accountability.

- **Whistleblowing Policy**

We have established a reporting channel to facilitate the disclosure of breaches related to the provisions of this Supplier Code of Conduct, internal guidelines, MM Group regulations, and legal requirements. This confidential reporting channel, in line with Directive (EU) 2019/1937, is accessible at <https://mmgroup.integrityline.com>. Reports received are meticulously investigated, ensuring compliance with legal mandates. Our commitment to safeguard whistleblowers is paramount; any form of retaliation against individuals who highlight violations will not be tolerated. Suppliers and any of its employees must immediately report any non-compliance with this Supplier Code of Conduct to the MM Group.

- **360° Supplier Risk Methodology**

To assess supplier risks comprehensively, we use a risk methodology (360° Risk Scoring) in our Supply Chain Intelligence Tool. Through it, we evaluate an array of risk categories encompassing climate-related and CSR concerns in our upstream value chain. From pollution to land conflicts, and even deforestation, our daily supplier screening process integrates past incidents into our evaluation. In the event of actual incidents, we engage suppliers through a multi-tiered mechanism: We address the specific incident directly, request preventive measures from the supplier, and subsequently monitor the progress of these measures to ensure effective resolution.

The foundation of our partnership is the shared commitment to responsible practices. In this regard, we expect our suppliers to follow our ethical compliance standards and carry out diligent monitoring within their operations. This includes the following key obligations in order to share commitment to responsible practices.

- **Traceability and Transparency**

Suppliers must establish and uphold a traceability system that not only adheres to legal standards but also ensures effectiveness. This system must enable traceability back to the source, providing the MM Group with visibility to this information as necessary. Suppliers must abstain from engaging in any activity that compromises the integrity of the materials they provide and bear the responsibility of evaluating their value chains for potential risks of adulteration and substitution.

- **Comprehensive Controls**

Suppliers must anticipate implementing robust controls that guarantee the fulfilment of the principles outlined in this Supplier Code of Conduct. Furthermore, a steadfast commitment to continuous enhancement in accordance with these requirements is imperative.



- **Remediation and Compliance**

Suppliers must not only acknowledge instances of non-compliance but also take effective measures to remedy any non-compliance promptly.

While the main contract between the MM Group and suppliers may include separate termination clauses, it is important for both parties to understand that a violation of this Supplier Code of Conduct may be considered a material breach of the main contract. This entitles MM to terminate the main contract.

Legal notice

This Supplier Code of Conduct contains the fundamental mind set of the MM Group. However, it cannot be understood to be the basis for demanding a certain type of behaviour from the MM Group or for establishing contractual claims against the company.

MM Integrity Line

Should you identify misconduct or non-compliance with this Supplier Code of Conduct or unlawful behaviour that concerns the MM Group, the welfare of MM Group employees as well as external contractors or other stakeholders, we request you to report this through the MM Integrity Line (completely anonymously, if you wish): <https://mmgroup.integrityline.com>

Should you have any questions

If you have any questions about this Supplier Code of Conduct, please contact: sustainability@mm.group

This document is valid without signature.

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