



# Supplier Code of Conduct

## ABOUT THIS CODE

Partnership lies at the heart of our approach and is key to developing shared success through sustainable practices. At CPL Aromas, we are committed to purchasing suitable materials for the safe manufacture of our fragrances. Therefore, we have defined a set of mandatory requirements in health and safety, social, environmental and business integrity practices that form the basis of this policy.

We expect these requirements to be met by our suppliers and service providers. Evidence of compliance to this policy will be requested periodically. Beyond this, we encourage our suppliers to move from the mandatory requirements to good practice and beyond.

Equally working in partnership requires us to ensure that we, our employees and agents also maintain the highest standards of integrity in all our commercial dealings. If a Supplier identifies behaviour by or on behalf of CPL Aromas that fall short of such standards, they are encouraged to report such behaviour to us. This can be done via the whistleblowing page on our website.

## WHO MUST COMPLY WITH THIS CODE?

We expect our Suppliers to comply with the Code, and to ensure that their workers are also fully aware of this Code and comply with it. It is based on the fundamental principles which we expect our Suppliers to achieve in order to establish and maintain a working business relationship with CPL.

1. Suppliers must conduct business lawfully and with integrity
2. Materials must comply with quality requirements and be traceable to source
3. Health & safety of all workers must be protected by labour standards and all workers must be of appropriate working age
4. The protection of sensitive data must be maintained
5. Suppliers must work in a manner that minimises negative environmental impact
6. Suppliers must take responsibility for the actions of their Representatives
7. Suppliers must have in place appropriate training protocols, and ensure that these are regularly reviewed and kept up to date
8. Suppliers must engage in social accountability practices and establish a process of continual improvement

## 1. COMPLIANCE WITH LAWS AND REGULATIONS AND PRIORITY OF STANDARDS

- 1.1 In carrying out its agreement(s) with CPL, Suppliers are required, in addition to complying with the standards set out in this Code, to comply with all applicable laws and regulations of any country where they or their Representatives operate including, but not limited to, the laws and regulations relating to issues addressed in this Code and laws regarding international trade, data protection and anti-trust/competition matters. Suppliers are expected to have a business ethics management plan in place.
- 1.2 CPL mandates that Suppliers will never partake in any form of bribery, corruption, extortion, or embezzlement, including any "facilitation payments". We expect all Suppliers to have adequate procedures in place to prevent bribery in all commercial dealings undertaken.
- 1.3 CPL also expects that any business entertaining or hospitality with CPL is kept reasonable in nature, entirely for the purpose of maintaining good business relations and not intended to influence in any way our decisions about how we award future business. Gifts of insignificant monetary value and entertainment arising out of ordinary corporate hospitality may be accepted by CPL but should occur sparingly and always be legitimate and aligned with company policies and be properly recorded.
- 1.4 Suppliers are expected to comply with all applicable laws, regulations, statutes and codes relating to the prevention of money laundering. To that end, Suppliers are expected to take all necessary steps to ensure that monies received or processed by them have been verified as coming from legitimate sources and do not represent, either directly or indirectly, the proceeds of crime or of trade with individuals or entities in sanctioned countries.
- 1.5 Suppliers must not engage in any activity which constitutes tax evasion, and more specifically in its dealings with CPL, Suppliers must not propose any course of action that would involve the evasion of tax.
- 1.6 Suppliers must comply with all applicable competition laws including but not limited to those relating to collusion and information sharing with competitors, price fixing and rigging bids.
- 1.7 All business and commercial dealings must be transparently performed and accurately recorded in the Supplier's books and records. CPL expects all Suppliers to be committed to preventing, detecting and reporting fraud, including fraudulent financial reporting, and to maintaining culture and records that mitigate any risk of fraud.
- 1.8 Where there are competing standards, in respect of any of these matters, CPL expects Suppliers to adopt best practice and conform to the highest standards that are applicable.

## 2. MATERIALS MUST COMPLY WITH QUALITY REQUIREMENTS AND BE TRACEABLE TO SOURCE

- 2.1 Suppliers must have a fully operational quality management system. The purchasing of materials must be carried out to a set of defined procedures and quality standards. It is our policy that all orders are confirmed in writing clearly defining the product/service required. Product specifications are provided to facilitate this. Verification of the purchased product is not a part of the contract between CPL divisions and their customers.
- 2.2 Sourcing sustainably requires being able to trace purchased goods to source, with access to reliable data regarding origin and processes. Transparency is crucial for assessing and monitoring supply chain risks, and engaging with our suppliers regularly is essential in supporting our policy. We expect our suppliers to join in our commitment to full traceability by having a full knowledge of, and taking ownership and responsibility for, their own supply chains back to the primary production level.

For natural origin ingredients, Suppliers must confirm either the country of cultivation/harvesting, or the country of origin of the essential oil from which the material is extracted. Information should also be collected on the harvesting, cultivation, drying, fermentation processes etc. as well as the process of production, transformation and extraction e.g. distillation, solvent extraction.

## 3. LABOUR STANDARDS AND COMPLIANCE

- 3.1 **Slavery, human trafficking and child labour.** Suppliers must comply with all applicable anti-slavery and human trafficking laws, statutes, regulations and codes that are in force in any part of its supply chain. This includes, but is not limited to, not supporting or engaging or requiring any forced labour, the use of child labour, bonded labour, indentured labour and prison labour.
- 3.2 **Human rights.** Suppliers must comply with all internationally recognised human rights which are understood, at a minimum, as those expressed in the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work that are in force in any part of its supply chain.
- 3.3 **Equal opportunities.** CPL is committed to being an equal opportunities employer. Suppliers must ensure that there is no discrimination in any employment practice, including hiring, compensation, training, advancement, promotion, termination, retirement, or any other employment-related activity. This includes discrimination based on race, caste, colour, national origin, gender, gender identity, sexual orientation, religion, age, marital or pregnancy status, disability, union membership, political affiliation, or any other characteristic unrelated to the worker's ability to perform their job, subject to any accommodations required or permitted by law.
- 3.4 **Freedom of association and collective bargaining.** Suppliers must respect, and not interfere with, the right of workers to decide whether to lawfully associate with groups of their choice, including the right to form or join trade unions and to engage in collective bargaining.

- 3.5 Working environment.** Suppliers must provide employees with a safe, healthy, and sanitary working environment and comply with the health and safety laws in every country where it operates. This includes, but is not limited to, implementing general and relevant industry-specific procedures and safeguards to prevent workplace hazards and work-related accidents and injuries. Where such hazards cannot be fully prevented or controlled, the Supplier shall provide workers with appropriate personal protective equipment to protect against the hazards that are typically encountered in that scope of work.
- 3.6 Wages and remuneration.** Suppliers must compensate all workers with wages, including overtime premiums, and benefits that at a minimum meet the higher of:
- (a) the minimum wage and benefits established under applicable law.
  - (b) collective agreements.
  - (c) industry standards; and
  - (d) an amount sufficient to cover basic living requirements.
- 3.7 Working age:** All workers must be of the appropriate working age. Suppliers must not employ children before they have completed compulsory education and never before the age of 15. Young workers must only perform work outside of school hours and must not do work that deprives them of attending school or that is hazardous or unsafe to their physical and/or mental health and development.
- 3.8 Documented Terms of Employment:** All workers, both permanent and casual, must be provided with employment documents that are freely agreed and which respect their legal and contractual rights.
- 3.9 Working Hours:** Suppliers are expected to comply with all applicable laws, collective bargaining agreements and industry standards on working hours, breaks and public holidays. All overtime work must be on a voluntary basis.
- 3.10 Dignity & Respect:** CPL expects suppliers to treat all personnel with dignity and respect. Suppliers must not engage in or tolerate the use of corporal punishment, mental or physical coercion or verbal abuse of personnel. No harsh or inhumane treatment is allowed.
- 3.11 Grievance Procedures:** All workers must have access to remedial and grievance mechanisms.
- 4. DATA PROTECTION AND INFORMATION SECURITY**
- 4.1** Suppliers must comply with all data protection laws and requirements when processing any personal data on CPL's behalf.
- 4.2** Suppliers are expected to have in place appropriate measures to:
- (a) protect the integrity and confidentiality of information (including information belonging to or supplied by CPL) held on its systems; and
  - (b) ensure that there is no unauthorised access of this data by third parties.

## 5. ENVIRONMENTAL RESPONSIBILITY

### 5.1 Suppliers must ensure that:

- (a) operations comply with all applicable environmental laws, including laws and international treaties relating to (but not limited to) climate change, waste disposal, emissions, discharges and the handling of hazardous and toxic materials.
- (b) the goods that they manufacture (including the inputs and components incorporated into these goods) comply with all applicable environmental laws and treaties; and
- (c) they only use packaging materials which comply with all applicable environmental laws and treaties and, wherever possible, packaging is to be kept to a minimum. Efforts should be made to supply materials in optimal sizes or quantities whenever practical.
- (d) they have in place a suitable environmental management system for managing environmental risks. As a minimum, the system should include the following:
  - (i) an assessment of the environmental impact of all historical, current and likely future operations.
  - (ii) steps to continuously improve environmental performance, reduce pollution, emissions and waste.
  - (iii) measures to reduce the use of all raw materials, energy and supplies; and
  - (iv) raising awareness and training workers in environmental matters.
  - (v) monitoring and measuring of GHG emissions, water usage, waste etc. with plans in place to reduce these over a defined period of time.

### 5.2 In addition to the above, Suppliers of natural raw materials are expected to adopt the following principles:

- a) they must take steps to identify and protect biodiversity, and peat lands (regardless of depth) must be conserved.
- b) best practices must be implemented to maximise yield without negatively impacting the environment or local community.
- c) wild harvesting practices must be managed to ensure sustainable regrowth.
- d) waste and harvest losses must be minimised.
- e) where applicable, soil conservation practices must be in place.
- f) fire must not be used to prepare land.
- g) animal welfare must be respected.
- h) harmful agricultural chemicals must be eliminated, and chemical usage reduced.

## 6. PROCURING AND MANAGING REPRESENTATIVES

- 6.1 When assessing the Supplier's performance against the requirements set out in this paragraph, CPL will have due regard for the risk profile of the transaction, a Supplier's ability to comply with the requirements, and make clear the consequences where the Supplier fails to meet those requirements.

- 6.2 With regard to prospective Representatives, Suppliers are expected to have carried out appropriate due diligence on these Representatives that will form a part of CPL's upstream supply chain. At a minimum, this due diligence must include the following:
- (a) investigations into prospective Representatives' stance, public statements, compliance with applicable laws and other actions on human rights, treatment of workers, bribery, ethical behaviour and the environment.
  - (b) risk assessments for countries from which materials, components or finished goods are sourced; and
  - (c) the prospective Representative's ability to meet the requirements and principles that are set out in this Code.
- 6.3 In its dealings with Representatives, Suppliers must:
- (a) ensure that agreements with Representatives include provisions that require the Representatives to comply with all applicable provisions of this Code, having due regard for the risk profile of the transaction, the Representative's ability to comply with those provisions, and make clear the consequences where the Representative fails to meet those requirements.
  - (b) ensure that they have measures to monitor that those Representatives are complying with all applicable provisions, and that they have systems in place to address any deficiencies or breaches of those requirements; and
  - (c) pay Representatives promptly, with the maximum payment period being 120 days.

## 7. TRAINING

- 7.1 Suppliers must have in place a system of training for workers to ensure that they are aware of the requirements of this Code, and must ensure that this training is regularly reviewed
- 7.2 Suppliers must keep a record of all training offered to and completed by its workers and shall make a copy of this record available to CPL upon request.

## 8. SOCIAL ACCOUNTABILITY AND CONTINUAL IMPROVEMENT

CPL expects suppliers to monitor and assess their performance and aim to continuously improve in line with this Code. Any noncompliance with this policy must be reported to us without delay. We encourage Suppliers to raise concerns about any ethical, compliance, or behaviour issue of a CPL employee or representative, and to report any such concern to us. This can be done by contacting your usual business contact at CPL.

## 9 MONITORING COMPLIANCE WITH THIS CODE

This Code contains principles which necessitate Supplier engagement, involving mutual trust. CPL promotes, as much as possible, transparency and a collaborative relationship with our Suppliers. CPL reserves the right, however, to use our toolkit of due diligence and verification tools to ensure that Suppliers are meeting our expectations and are adhering to this Code. We may at our discretion send out Due Diligence Questionnaires to selected Suppliers requesting that these be completed. Furthermore, we may also request a Supplier third party audit to be undertaken. We retain the right to recognise

certain supply chain certification standards which may at our discretion be taken in lieu of a third-party audit.

## 10 BREACH, REMEDIATION AND TERMINATION

10.1 Where CPL becomes aware of a breach of this Code by a Supplier or its workers, CPL may either:

- (a) immediately terminate its business relationship with the Supplier (including any contracts); or
- (b) require the Supplier to produce a remediation plan specifying the actions that the Supplier will take that will lead to compliance with the Code and present it to CPL within 30 days of being requested to do so. If the Supplier fails to produce the remediation plan within this timeframe or fails to implement it within a reasonable time, CPL may immediately terminate its business relationship with the Supplier (including any contracts).

10.2 Where CPL becomes aware that a Representative has been involved in an incident (or incidents) that would constitute a breach of any of the requirements under this Code, CPL may either

- (a) terminate its business relationship with the Supplier (including any contracts); or
- (b) require the Supplier to remedy that incident (or incidents) with that Representative. If the Supplier is not able to remedy such incident with that Representative within a reasonable time, CPL may immediately terminate its business relationship with the Supplier (including any contracts).

## DEFINITIONS

In this Code:

**Supplier** means a company, partnership or individual that provides goods or services to one or more members of the CPL group of companies.

**Worker** means any individual whom the Supplier employs, hires or engages, or otherwise uses to conduct its business.

**Representative** means the Supplier's suppliers, agents, and subcontractors who are involved in CPL's supply chain

## Version Control

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