

# SUPPLIER CODE OF CONDUCT

**VALMIERA GLASS  
GROUP**

[www.valmiera-glass.com](http://www.valmiera-glass.com)



## INTRODUCTION

VALMIERA GLASS GROUP ("GROUP") consists of two Companies –

- AS VALMIERAS STIKLA ŠĶIEDRA based in Latvia and
- VALMIERA GLASS UK Ltd. based in the United Kingdom.

The GROUP is one of the leading glass fibre manufacturers in Europe. Ethical business practice is one of precondition to ensure our sustainability. The GROUP is committed to making a positive contribution to society and the environment by developing and implementing ethical business practices to ensure a sustainable future.

The GROUP supports the United Nations Universal Declaration of Human Rights and follows the 10 principles of the United Nations Global Compact within the important areas of: labour and human rights; health and safety; the environment; and business ethics (including anti-corruption).

We expect and request that all of our employees and Suppliers adhere to similar standards and act ethically. Suppliers must also ensure to the greatest extent possible that the Supplier's own agents and sub-contractors meet the principles set by the GROUP. This Supplier Code of Conduct ("SCoC") outlines minimum standards for our suppliers in addition to applicable laws and regulations, and it forms an integral, mandatory part of any agreement between the GROUP and a Supplier.

If there are differences between the requirements of laws and regulation and this SCoC, or between the Supplier's own code of conduct and this SCoC, the Supplier must adhere to whatever is stricter.

By ensuring ethical business practices, we create value for our shareholders and our broader stakeholders, including our employees and business partners, and the communities in which we operate.

## DEFINITIONS

A "Supplier" is any individual or legal entity that provides the GROUP with goods and/or services, or one that provides goods and/or services on behalf of the GROUP. In addition to Suppliers who have a direct contractual relationship with GROUP, this definition also includes the Suppliers' sub-suppliers and sub-contractors.

"GROUP" include VALMIERA GLASS GROUP's employees and legal representatives.

## GENERAL PROVISIONS

The Supplier must:

- comply with all applicable laws and regulations.
- demonstrate its commitment to and compliance with the requirements of this SCoC or its own equivalent code of conduct, as well as all other relevant and applicable laws and regulations, through adequate management systems, policies and guidelines, effective risk management, training, and the allocation of sufficient resources. The measures should be appropriate to the size and nature of the Supplier's operations.
- ensure that its own suppliers and sub-suppliers comply with the requirements of this SCoC or their own equivalent codes of conduct and take full responsibility for the work of the sub-supplier.
- ensure that its employees, sub-suppliers, local communities, and other relevant stakeholders have access to grievance channels to anonymously voice their concerns about potential misconduct related to the requirements of this SCoC. The Supplier must also have processes in place to address these concerns and remedy any confirmed cases.
- maintain transparent and accurate books and records to demonstrate compliance with the requirements of this SCoC and applicable laws and regulations.

## PRINCIPLES

### Human rights

Suppliers work to support and respect the protection of human rights in their business in accordance with the Universal Declaration of Human Rights and ensure that they are not complicit in any human rights abuses.

### Labour standards

Suppliers must:

- forbid human trafficking, the use of all forms of forced or compulsory labour and any other form of modern slavery;
- take all possible steps to ensure that human trafficking and any form of modern slavery are not taking place in any of its supply chains or its own operations;
- not engage in, or benefit from the use of, child labour. Full-time employees must be at least 15 years old, or the minimum age for employment under the Applicable Law, whichever is higher. Where the applicable minimum

working age is 14 in accordance with the United Nation's exceptions for developing countries, this lower age will apply;

- not hire employees under the age of 18 for positions that require hazardous work that could jeopardise education, health and safety;
- recognise and respect the rights of their employees to associate freely and organise and bargain collectively in accordance with the local laws under which they are employed;
- prohibit the use of all forms of forced or compulsory labour in relation to their workers, and take all reasonable steps to eliminate such labour from their supply chain;
- adhere to the applicable laws or industry standards relating to minimum wages, working hours, overtime and benefits, whichever are stricter.

### **Environment**

Suppliers must:

- comply and keep up to date with all current applicable laws and other requirements relevant to the environmental impacts of its activities, products and services;
- implement, using the available techniques and based on best practices in the sector, the specific procedures and progress plans necessary to identify, avoid and/or reduce the negative impact of their activities on the environment and help to fight against climate change;
- ensure that the use of water is optimised. All waste water from production processes must be treated in accordance with local law prior to disposal;
- treat responsibly (identification, storage, elimination, treatment) all waste, in particular hazardous waste in accordance with local law;
- ensure that any substance which poses an environmental risk is identified, labelled and stored so as to prevent any pollution risk.

### **Health and safety**

Suppliers should ensure that all employees, contractors and temporary staff have the right to a safe and healthy work environment, free of risk of violations to their personal health (work-related injuries, occupational illnesses) in accordance with the local laws. We expect our Suppliers to demonstrate diligence and good judgement in case of suspicion of the use of inadequately skilled and trained personnel.

Suppliers, including any contractor personnel, must strictly follow the GROUP's health and safety rules and procedures when visiting or performing work at GROUP sites.

### **Anti-Corruption**

The Supplier must:

- demonstrate zero tolerance for corruption in all its forms and never pay, accept, or mediate bribes, facilitation payments, or kickbacks.
- avoid excessive business entertainment that could inappropriately affect the outcome of business decisions.
- not pay the travel or accommodation costs of GROUP Representatives when they are visiting the Supplier, nor offer them gifts, hospitality, or entertainment, except moderate catering in direct connection with business events.
- without setting aside its legitimate business interest, prevent conflict of interest situations for the Supplier and its employees. Any such potential conflicts of interest should be reported to the GROUP.
- never participate in money laundering or the financing of terrorist or criminal activities, and comply with applicable trade sanction programmes. This requires conducting careful due diligence before selecting a business partner.
- compete fairly and in compliance with all applicable antitrust and competition laws by, for example, not agreeing on price fixing, output levels, market sharing, or customer allocations and not sharing competitively sensitive information.

### **Data protection**

Suppliers must comply with all applicable laws relating to data protection and the processing of personal data, protect entrusted confidential and sensitive information with due care and ensure the cyber security of its operations by understanding risks and implementing sufficient controls.

### **Business responsibilities**

Suppliers must:

- have an appropriate business continuity plan in order to mitigate the impacts of potential exposure to terrorism, crime, business threats, pandemics, natural disasters, and relevant major accidents;
- act in compliance with all rules and regulations related to product safety as well as quality and due diligence requirements for all goods, such as equipment, articles, chemicals, and services delivered, including rules defined by the GROUP when applicable.

## LEGAL COMPLIANCE COMMITMENT

If the GROUP discovers that a Supplier is not acting in compliance with this SCoC, the GROUP will specify which issues need to be corrected or improved. The Supplier must then take corrective actions promptly and provide adequate evidence of improvements. The GROUP nevertheless reserves the right to cancel outstanding orders, suspend future orders, and/or terminate the main contract with the Supplier in case of a material breach of this SCoC or if the Supplier refuses to take corrective actions.

Should the main contract between the GROUP and the Supplier, to which this SCoC forms an integral part (as an Appendix or by reference), contain separate termination rules, it is nevertheless understood by both parties that a breach of this SCoC may be considered a material breach of the main contract, thus entitling the GROUP to terminate the main contract.

This SCoC may be updated periodically. The current version will be available on the GROUP's website: [www.valmiera-glass.com](http://www.valmiera-glass.com).

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THE IMPOSSIBLE**

