

Code of Conduct for Suppliers



CONCORDIA
TEXTILES GROUP

Concordia Textiles Group • Flanders Fieldweg 37 • 8790 Waregem • Belgium
T +32 (0)56 62 73 73 • E info@concordiatextiles.com • www.concordiatextiles.com

Code of Conduct for Suppliers

Introduction

As a socially responsible undertaking, Concordia Textiles Group demonstrates its commitment to society and the environment.

Our suppliers are key players who enable us to serve our stakeholders and ensure that our entire value chain contributes to our vision of sustainable development. We therefore expect our suppliers to comply at the very least with all relevant laws, regulations and permits and to observe human rights principles. At the same time, we want to forge strong partnerships with our suppliers, built on the foundations of transparency, cooperation, and excellence.

Our Code of Conduct for Suppliers contains principles that are inspired by the most fundamental international conventions, and guidelines in relation to ethical behaviour, health and safety, the environment, and social aspects.

This document sets out the guidelines and expectations of Concordia Textiles Group. We expect our suppliers to follow these or to submit their own CoC when entering a partnership.

Principles

Concordia Textiles Group is an integrated textile manufacturer that offers sustainable textile technologies and products for a variety of purposes. The textile industry carries with its decades of misconceptions, a context that creates a public scepticism towards sustainability. From this perspective, a supply chain geared to sustainable development is of the utmost importance. The following principles provide the framework for our suppliers to achieve that ambition.

Business ethics and transparency

- Concordia Textiles Group applies fair labour practices in accordance with the national and local laws of the countries and communities in which it operates.
- Concordia Textiles Group is committed to upholding the highest standards of integrity and corporate governance.
- Concordia Textiles Group and its employees avoid possible conflicts of interest and discrimination against suppliers by ruling out unethical or compromising behaviour.
- Concordia Textiles Group applies confidentiality of information by means of confidentiality rules as described in the work regulations.
- Concordia Textiles Group guards its intellectual property rights. Suppliers are liable for claims arising from the infringement of patents, copyrights, rights relating to registered designs, trademarks or names, and other commercial intellectual property rights and applications for these rights.

We require potential and existing suppliers to comply with all legal frameworks applicable in the countries in which they are established and active, and expect the same behaviour as mentioned above to which CTG is committed.

Well-being and safety

As a business, Concordia Textiles Group always puts safety first and applies the highest safety standards to its own employees, suppliers and anyone who comes into contact with our infrastructure. Our ambition is to see all our employees and suppliers go home safe and sound every day.

- Concordia Textiles Group is committed to the health and safety of everyone involved in its activities, including its employees, customers and the public.

- Concordia Textiles Group makes all its employees aware of their responsibility and accountability for contributing to a safe working environment, for promoting safe work attitudes and for working in a sustainable and responsible manner.
- Concordia Textiles Group is confident that, together with its suppliers, it can build a positive safety culture. Efficient communication, awareness-raising and sharing of knowledge and expertise will all help to improve the health and safety performance of suppliers.

We expect our suppliers to share our strong commitment to a safe and healthy working environment.

Environmental aspects

- Concordia Textiles Group aims to minimise negative impact and maximise positive impact on the environment through a commitment to continuous improvement.
- Concordia Textiles has an appropriate system for managing, measuring and reporting its impact.

We expect our suppliers to match our ambition and reduce the environmental impact of their activities, in particular in terms of:

- Reducing emissions to land, air and water
- Minimising the outflow and disposal of waste, with a view to promoting recycling and circular models
- Efficient use of energy and potential supply
- Consideration for and monitoring of impact on biodiversity and natural habitats
- Strict compliance with all applicable environmental and social protection laws and regulations, as well as the regulations applicable at the site.

Our suppliers must have an appropriate system for managing, measuring and reporting impacts.

Long-term partnerships

- Concordia Textiles Group emphasises cooperation, consultation and partnership with all stakeholders.
- Concordia Textiles Group is committed to loyal partnerships based on trust. Shared interests and ethical behaviour with integrity prevail between it and its partners.

- Concordia Textiles Group integrates the interests of society into its decision-making and business practices. It supports the building of mutually beneficial relationships with society.
- Concordia Textiles Group contributes to innovative programmes in health, digitalisation, social services and environmental projects within the framework of sustainable partnerships.
- Concordia Textiles Group is committed to providing opportunities in the communities in which it operates.
- Concordia Textiles Group engages all of its stakeholders in a clear, fair and respectful manner. It is committed to timely and meaningful dialogue with all stakeholders, including customers, employees, government agencies, regulators, etc.

Concordia Textiles Group expects its suppliers and partners to be committed to the communities and their partnerships within their capabilities.

Human rights

- Concordia Textiles Group supports and respects the protection of international human rights, and is not engaged in or complicit in any activity that encourages human rights abuses.
- Concordia Textiles Group always strives to show respect for human dignity and rights in all relationships it enters into, including respect for the culture, customs and values of individuals and groups.
- Concordia Textiles Group actively encourages all of its partners to comply with international human rights standards.
- Concordia Textiles Group applies fair labour practices in accordance with the national and local laws of the countries and communities in which it operates.
- Concordia Textiles Group offers its employees meaningful work with a positive impact on society.
- Concordia Textiles Group offers a people-friendly corporate culture. It fosters a broad mix of employees, regardless of their age, gender, nationality, education level, etc. A diverse team benefits from a wide range of knowledge, ideas and experience.
- Concordia Textiles Group is committed to eliminating discrimination based on race, creed, colour or religion and to promoting equal opportunities.

We are committed to diversity, equal opportunity, dignity and respect for fundamental human rights in work and business relationships. CTG has a wealth of employees of different experience, nationalities and age groups. We therefore expect suppliers who carry out work for CTG to comply with local legislation and the internationally proclaimed principles and conventions of the United Nations in the area of Human Rights. All suppliers must ensure

that they or their subcontractors are not involved in human rights abuses. Consequently, we require our suppliers to comply with these principles and to apply them in their own supply chain as follows:

- Prohibition of child labour and forced labour: all forms of child labour and forced labour must be abolished. The local legislation is the main reference point regarding the minimum working age; if there is no legislation, the ILO Convention should be followed.
- No inhuman treatment: suppliers are expected to ensure that their employees or subcontractors are not subjected to any inhuman treatment or threat, including harassment or sexual abuse, physical punishment, physical or moral coercion or verbal abuse.
- No discrimination: We believe that diversity makes our teams richer. In this spirit, our suppliers must ensure that there is no discrimination on the basis of race, colour, gender, language, religion, political opinion, nationality, social background and status, union membership, age, health status or disability.
- Adequate wages and working hours: suppliers are expected to adhere to rules on minimum wages and to provide their employees or subcontractors with wages, allowances and other benefits equal to those provided for in national legislation and international conventions.
- Freedom of association and right to collective bargaining: suppliers must guarantee the right of their own employees to freely establish trade unions and to engage in formal collective bargaining.
- No illegal employment: suppliers must ensure that staff and subcontractors are employed or recruited in accordance with local legislation.

Individuals involved in forming partnerships and making purchases from Concordia Textiles Group will ensure compliance with this SCoC. A selection of suppliers, based on an internal risk assessment of business and sustainability risks, will be asked formally to adopt and comply with the SCoC, while others will be strongly encouraged to follow these principles. Formal endorsement of the Code will be sought each time it is updated.

We expect Concordia Textiles Group suppliers to report to us any environmental or safety issues, and legal changes that affect their business status, so that appropriate acceptance of the SCoC can be determined and applied.

In the case of businesses that must comply with the SCoC, we can check compliance in one of the following ways:

- Self-assessment questionnaire to be completed and signed, to be submitted to Concordia Textiles Group
- External third-party assessment: an external assessor contacts certain suppliers on behalf of Concordia Textiles Group
- On-site audits: authorised external or internal auditors may contact you to request permission to check compliance with the SCoC at your site.

Non-compliance with the Supplier Code of Conduct may lead to the termination of the relationship with the supplier, depending on the severity of the violation and on the specific circumstances.

In the event of rectifiable non-compliance, Concordia Textiles Group reserves the right to address the supplier and to assist in drawing up an action plan with clear deadlines, the implementation of which will help the supplier to maintain the business relationship.

By signing this document, the supplier confirms acceptance of the Code of Conduct for Suppliers of the Concordia Textiles Group.

Signature of Supplier

Signature of CEO

