

Supplier Policy



Ekopak
∞ Ekopak Sustainable Water

Together towards
a sustainable future.

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1 Formalizing our values and standards

The identity of Ekopak is not determined by a piece of paper in some drawer but is deeply rooted in our employees, suppliers and customers. Everyone we work with day in and day out must act with integrity according to the values and standards for which we stand. Only then can we speak of a truly sustainable policy. As a company, we provide the necessary safeguards to continuously monitor these values and standards, even when they are under external pressure.

In order to formalize our values and standards, we have penned the "Ekopak policies". These policies form the basis of our culture. By communicating transparently on this matter, we ensure that everyone is well aware of what our DNA is and how to promote it.

In this document **we address our suppliers**. As a company, we find it important not only to look at our own impact, but also to think about the impact in our chain.

1.1 Policies vs partial policies

A policy is a written expression of a culture. It shows how a company distinguishes between right and wrong, and what processes are put in place to safeguard this distinction. A policy can be stipulated at various levels within the organization.

This document specifies the code of conduct, and contains a more detailed elaboration of how the code of conduct is applied to the way we interact with suppliers. However, this document will also feature topics that require further elaboration. These topics will be indicated with a  symbol. In other words, the sections where this symbol occurs will be further detailed in a partial policy.

1.2 Active cooperation

The products and/or services of our suppliers are crucial to delivering a high-quality end product. The better our relationship with our supplier, the more efficient the collaboration and the stronger our joint products and services become. Our goal is to work with suppliers who respect our values and standards and, in the best of cases, even strengthen our identity. It is important for collaboration to be in alignment as much as possible. Only in this way will our growth be fostered in a sustainable way.

1.3 Control vs support

This policy was not drawn up to be used as a control document. We believe that each of our suppliers has the right intentions to conduct an ethical business. Ekopak will not monitor suppliers for ethical conduct. However, it is our responsibility to correctly inform suppliers about which values and standards are important to Ekopak. The intention is to stimulate conversation whereby these values and standards are reflected upon and to show them how the collaborations can go beyond the standard supplier/customer relationship.

In concrete terms, we do this by describing procedures in this policy that aim to ensure that suppliers are sufficiently supported to properly understand our way of working:

- Sufficient information so that each supplier understands how we enter into long-term partnerships;
- Sufficient consultation offering space to process (deviant) behaviour and;
- A reporting procedure in which both parties can draw attention to problems in a safe manner.

2 The values and standards of our suppliers

In this chapter, we provide an overview of the legal (general) and company-specific values and standards that Ekopak considers important in its relationship with suppliers. A distinction is made between general professional decisions and general professional interactions.

- General professional decisions: objective decisions that Ekopak considers to be an important criterion for cooperation, including the procedures for how these decisions are enforced.
- General professional interactions: subjective interactions are supported by a “multiple eye principle”, providing context to personal opinions.

2.1 General professional values and standards

2.1.1 Professional decisions

Ekopak expects its suppliers to comply with legislation aimed at countering among others economic, financial and social crimes.

2.1.1.1 Financial and economic decisions

Ekopak expects its suppliers to comply with legislation aimed at combating economic and financial crimes. This legislation includes, among other things, the Company Code, the Code of Economic Law, and the legislation on the provision of tax-related information. In addition, we expect suppliers to act in accordance with international agreements as laid down in the trade policy and standards of the World Trade Organization. Within this legislation, we would like to draw extra attention to the following areas:

		
No money laundering or terrorist financing	We expect all of our suppliers to comply with anti-money laundering and terrorist financing legislation. We will always be alert to unusual transactions and report them to the appropriate authorities. Unusual transactions are defined as requests for payment from our suppliers via deposits into unusual account numbers or requests to make payments with cash. In addition, we will be extra vigilant when working with suppliers from high-risk countries or conflict areas. We expect that our suppliers manage their purchases responsibly and pay the same attention to unusual transactions that may indicate money laundering or terrorist financing.	Suppliers within the EU follow the directives of the EU, as transposed into local national legislation. Suppliers outside the EU comply with the international guidelines of the FATF, even if they are stricter than national legislation.
Complete and faithful accounting	We expect our suppliers to keep faithful accounts. If the annual account is not publicly available, the supplier will make it available on request.	Suppliers within the EU follow the directives of the EU, as transposed into local national legislation. Suppliers outside the EU follow their national legislation.

Fair tax contribution	Taxes ensure that companies contribute to society. We expect our suppliers to make a fair contribution and therefore comply with direct and indirect tax legislation.	Suppliers apply national corporate tax legislation. Suppliers adhere to the international OECD guidelines on the fight against tax fraud.
Acting in line with economic sanctions and trade embargoes	A sanction is a diplomatic or economic tool for putting an end to certain acts or policies, such as violations of international law or human rights, or to change policy when legal or democratic principles are not respected. We expect our suppliers to be aware of the latest state of affairs in order to be able to make correct decisions within the confines of the law, and to report any possible conflicts.	Suppliers within the EU apply European sanctions regimes, suppliers outside the EU apply the guidelines of the United Nations Security Council on sanctions regimes.
Compliance with import and export laws	We expect our suppliers to know and understand the requirements applicable to the movement of our products, services and technologies. They are responsible for following applicable import and export laws. It is important that our suppliers comply with the correct legislation and take responsibility on the matter.	Suppliers within the EU comply with EU trade policy, trade defence instruments, EU import and export legislation, EU sanitary and phytosanitary standards, EU product regulations. Suppliers outside the EU apply the trade laws of the World Trade Organization (WTO).

2.1.1.2 Social decisions

Ekopak expects its suppliers to treat its own employees in accordance with the Declaration of Human Rights, as drawn up by the United Nations, and the applicable national labour laws according to the standards of the International Labour Organization. Within this legislation, we would like to draw extra attention to the following areas:

		
Forced and child labour	In no way can we continue to cooperate with suppliers who commit violations regarding forced and child labour. We expect each of our suppliers to strictly adhere to the minimum age requirements of applicable laws and regulations. In addition, we also expect our suppliers to hold their own suppliers accountable for possible violations.	Suppliers within the EU comply with national labour laws that are in line with the EU Charter of Fundamental Rights. Suppliers outside the EU meet the International Labour Organization's international labour standards.
Freedom of association and collective bargaining	Organizing as trade unions is a fundamental labour and human right. Likewise, every person has the right to negotiate employment conditions collectively. We expect our suppliers to fully respect the right of employees and partners to join or not to join a union, to comply unconditionally with all applicable local and national laws regarding the collective bargaining of their employees.	Suppliers within the EU comply with the EU Charter of Fundamental Rights. Suppliers outside the EU adhere to the standards of the International Labour Organization.
Compliance with the agreed employment conditions	Through collective dialogue, individuals can unite to negotiate the right employment conditions in terms of wages, allowances, working hours and rest periods. These arrangements are combined into collective labour agreements. We expect our suppliers to properly comply with these labour agreements for each and every individual, without exception. We also want our suppliers to be alert to violations against the employment conditions with their suppliers.	Suppliers within the EU comply with EU labour law. Suppliers outside the EU adhere to the standards of the International Labour Organization.
Safe workplace	Safety in the workplace is essential for healthy employees and enshrined in national and international legislation on occupational safety and health. We expect our suppliers to closely adhere to these laws and minimize the risk of accidents, injury, abuse, and discrimination. In addition, the employees of our suppliers must be sufficiently trained so that they can immediately notice and report unsafe situations in other workplaces and those of subcontractors.	Suppliers within the EU comply with the EU guidelines on health and safety in the workplace. Suppliers outside the EU adhere to the standards of the International Labour Organization.

2.1.1.3 Ecological decisions

Ekopak expects its suppliers to be compliant with the latest environmental legislation. In the current climate, this legislation is changing at an accelerated pace, making it necessary for companies to remain informed at all times of any new applicable legislation and policies. The European Green Deal is a powerful example of this. Within this legislation, we would like to draw extra attention to the following areas:

		
Pollution	Suppliers engaged in activities that are harmful to the environment must comply with the necessary environmental permits laid down according to national and international legislation. We expect our suppliers to meet the minimum prevailing standards in terms of soil, water, and air pollution and to closely adhere to this legislation so that any strengthening of the law is immediately respected. We expect our suppliers to assume their responsibility and pay for damages already incurred, as indicated in the policy principles of 'the polluter pays'. It is also the responsibility of our suppliers to help keep an eye on compliance with environmental legislation within the chain.	Suppliers within the EU comply with the EU guidelines on pollution and liability. Suppliers outside the EU apply national legislation and follow the guidelines of the United Nations.
Protection of land, water and natural resources	We expect our suppliers not to exploit legally protected lands, oceans and nature reserves and to always make use of other natural resources within the purview of prevailing national and international legislation. Suppliers must always be aware of the latest legislation in order to be able to adapt their decisions in a timely manner.	Suppliers within the EU comply with EU guidelines on land use, land use change and forestry. Suppliers outside the EU apply national legislation and follow the guidelines of the United Nations.
Climate adaptation	We expect our suppliers to commit to complying with current climate change and adaptation legislation. Due to a very rapidly evolving landscape, future legislation will require major yet necessary adjustments from companies. Ekopak expects suppliers to free up the resources required to comply as quickly as possible with legislation on the matter.	Suppliers within the EU comply with the EU Climate Law. Suppliers outside the EU apply national legislation and follow the guidelines of the United Nations.

2.1.2 Professional interactions

2.1.2.1 Bribery

We do not tolerate bribery in professional interactions. This means that we never offer or accept anything of value to retain business or to gain an unfair advantage. If a gift, experience, or charitable contribution - to a charity of interest - is offered in exchange for a decision or favourable treatment, the supplier will no longer be taken into consideration.

2.1.2.2 Physical or verbal harassment

In dealing with our suppliers, we do not accept any physical or verbal harassment towards our employees. We expect our suppliers to act with appropriate integrity and sensitivity towards others. This goes both ways.

2.1.2.3 Incomplete administration

The supplier is responsible for keeping accurate records of all matters relating to expenses and payments. If fixed quotation prices are used, we expect these quotations to be carried out step by step. In the case of work on a direct labour basis, we expect complete and accurate time registration.

All communication towards Ekopak regarding the purchase of materials/subcontracting must mention the Ekopak order number (IOR).

2.1.2.4 Conflict of interest

It is important that any decision made in the supplier relationship be objective. If personal interests can influence the objective supplier relationship, Ekopak will be notified immediately so that the relationship can be viewed from a "*multiple eye principle*" and potential conflicts of interest are recognized in time.

2.2 Company-specific values and standards

The Ekopak DNA is the “genetic code” that determines what we do as a company, why we do what we do, what we stand for, how we function and how we interact with people. The Ekopak oath (Economic, Ecological, Sustainable) is ingrained in the Ekopak employees.

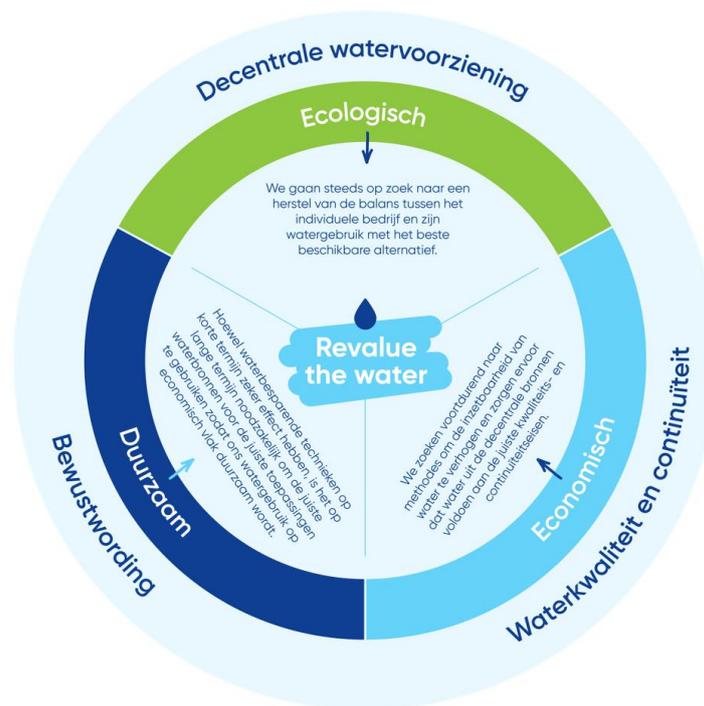


Figure: Ekopak Compass

In this chapter, we once again make a distinction between company-specific decisions and company-specific interactions based on the company compass. The company-specific decisions section provides an overview of the extent to which our values and standards are in line with those of the supplier. The chapter on company-specific interactions formalizes the procedures regarding the interactions that we want to actively stimulate with these suppliers.

2.2.1 Company-specific decisions

Below we list the aspects that ensure that a supplier aligns even more closely with our own DNA. The company-specific decisions give direction to our employees in identifying suppliers. The list below provides instruction and guidance to the suppliers with whom Ekopak wishes to collaborate proactively.

2.2.1.1 Ecological

Our suppliers have a green heart. They are aware of their own ecological footprint and are actively looking for ideas and methods to reduce it. Moreover, they understand their role in Ekopak's ecological footprint and join in the thought process about how they can make a positive contribution as part of this chain.

2.2.1.2 Economic

Our suppliers place great emphasis on the quality of their products and services. In this way, Ekopak can ensure the quality and continuity of the recycled water supplied to its customers.

2.2.1.3 Sustainable

Our suppliers have a clear vision and know how they will also be relevant in the long term in a changing society.

2.2.2 Company-specific interactions

The interactions with our suppliers determine how successful the end result of the decentralised water supply will be. Below is a non-exhaustive list of company-specific interactions.

2.2.2.1 Proactive

Our suppliers consider the ecological footprint of their products in our chain and proactively come up with ideas to reduce it.

2.2.2.2 Customer focus

In every interaction, the supplier will always reflect on how their product contributes to the quality and continuity of our customers' water. They proactively join in the thought process and seek out solutions to specific problems.

2.2.2.3 Long-term cooperation

Our suppliers are open to long-term cooperation. Under this form of cooperation, they are not afraid to make investments that will only be profitable in the longer term. They have confidence in our cooperation and trust that long-term investments will also yield returns.

3 What can suppliers expect from us?

3.1 General professional values and standards

3.1.1 Professional decisions

We are aware of all company law, financial, social, and environmental legislation with which we as a company must comply and have zero tolerance with regard to deliberate violations within our own organization against these regulations. As an organization, we are always prepared to sign a code of conduct/customer policy in which we formally promise to rigorously comply with the correct legislation. Suppliers who have reason to believe that a decision was not taken in observance of the applicable legislation can report this via the reporting procedure included in 4.1.2. Supplier reporting procedure.

3.1.2 Professional interactions

3.1.2.1 *Objective evaluations*

Offering gifts, experiences, and charitable contributions is a traditional way of expressing gratitude and building relationships. However, it is not always clear at what value one might start feeling pressured to match the offering, thus creating a conflict of interest. To avoid this ambiguity, we have a policy of never offering anything of value to retain business or gain an unfair advantage with the supplier.

3.1.2.2 *Respectful interactions*

An active policy is pursued within the company whereby harassment, bullying, discriminatory comments and verbal and physical aggressiveness are immediately recognized and reported.

3.1.2.3 *Transparent administrative follow-up*

We keep transparent records and closely follow up on agreements made. This is why we ask our suppliers to always submit a detailed quotation. If the quotation consists of a fixed amount, this amount will be paid according to the agreements made. If the quotation consists of direct labour prices, payment will be made after receipt and review of a detailed overview of the hours worked and, if applicable, of the material used, in accordance with the payment guidelines in the quotation. If Ekopak is unable to meet the agreements made, we will proactively contact you and transparently propose alternative agreements.

3.1.2.4 *Data processing*

Personal data will always be processed and maintained in accordance with the GDPR regulations. If you have any questions about data processing, please contact legal@ekopak.be.

When transferring knowledge, clear agreements are made with the suppliers regarding the ownership rights of the products and/or services delivered.

3.1.2.5 *Communicating truthfully*

Ekopak stands for transparent and reliable communication. Ekopak will never intentionally share misleading or deceptive information with its suppliers. Even if this can be advantageous in the negotiation process.

3.1.2.6 Fair Competition

Ekopak will never – should it end up in this situation – use its dominant position to push out or exclude competing parties from the market. Indeed, a competitive market ensures that we can continue to innovate. Hence, we guarantee that we will not violate antitrust law or competition law.

3.1.2.7 Conflict of interest

Because we value objectivity in professional agreements, we include a reporting procedure in our employee policy that makes it possible to report conflicts of interest between a supplier and an Ekopak employee. This reporting cannot at any time constitute a reason to terminate the cooperation with the supplier. Such a relationship is viewed from a "*multiple eye principle*".

3.2 Company-specific values and standards

3.2.1 Company-specific decisions

Our suppliers can expect us to comply with the Ekopak DNA as much as possible. We adhere as closely as possible to any company-specific Economic, Ecological, and Sustainable decisions (see chapter 2.2.1).

3.2.2 Company Specific Interactions

The interactions with our suppliers determine how successful the end result of the decentralised water supply will be. Just like our suppliers, we will comply as much as possible with the predefined company-specific interactions. (see chapter 2.2.2). If a supplier were to inform Ekopak about possible deviations in terms of company-specific interactions, Ekopak will investigate such incidents in further detail and rectify the deviation, if applicable.

4 Supporting Procedures

4.1 General Procedures for Suppliers

4.1.1 Internal reporting procedure

If an employee of Ekopak notices an infringement of the matters listed in chapter 2.1, the employee will report this via an internal reporting procedure. Subsequently, in consultation with the relevant manager, it is decided how the observed infringement will be communicated to the supplier in a respectful manner.

4.1.2 Reporting procedure for suppliers

If a supplier of Ekopak notices an infringement of the matters listed in chapter 2.1, the supplier is encouraged to report this to the whistleblower through the e-mail address report@4legal.be.

If a complaint is received by an employee, it will be followed up adequate and the supplier will receive, if applicable, an overview of the steps taken.

Policies are evaluated by the management team at the following times:

- *Annual Review*
- *In case of changes in legislation*
- *In case of acquisitions*
- *In case of expansion to other countries*

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