

## SUSTAINABLE PURCHASING CHARTER

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### INTRODUCTION

AptarGroup develops solutions in accordance with **fair business dealings and labor laws**, while respecting the **environment** and its natural resources. In order to guarantee to its customers that it provides them with high quality products that come from a **fair and respectful value chain**, AptarGroup expects this approach to be implemented throughout its entire value chain.

AptarGroup expects its suppliers to uphold **standards of sustainability excellence** that are comparable to its own standards. Furthermore, AptarGroup's process for selecting its suppliers remains impartial and based on transparent criteria such as:

- Quality,
- Service,
- Ethics and compliance,
- Best social standards,
- Cost competitiveness,
- Continuous improvement program,
- Ability to offer limited environmental impact,
- Contribution to innovation, and
- Financial stability.

This Charter outlines the expectations AptarGroup has for a partnership with its suppliers based on **fair dealing, honesty and mutual respect**. Compliance with this Charter is a prerequisite for consideration and a requirement for a commercial relationship with AptarGroup.

The expectations in this Charter are freestanding, but may be supplemented by certain regulatory requirements that AptarGroup may be required to contractually flow down to its suppliers where those suppliers are supporting work under a contract with the U.S. government. These requirements may touch on topics that are also covered in this Charter, such as business ethics and conduct, equal opportunity, combating human trafficking, and minimum wage or sick leave requirements. Any such contractual requirements are intended to complement, not supplant, the expectations in this Charter.

## ENVIRONMENT

AptarGroup expects its suppliers to:

- Comply with **local requirements** in terms of environment and sustainable development and more particularly comply with environmental norms where applicable;
- Remain aware of and act in a way that reduces the impact of business practices in the environment by:
  - Conducting frequent environmental impact assessments;
  - Actively reduce energy and water consumption, wastes to landfill, and greenhouse gas emissions;
  - Use process controls to minimize the impacts of waste water, air emissions and chemicals;
  - Limit the impacts of noise, odor, light or vibration sources on the environment;
  - Adopt an approach of continuous improvement in all aspects of the business;
  - Identify and mitigate the risk of industrial accidents, and implement appropriate emergency response procedures by:
    - Conducting frequent risk assessments,
    - Implementing a hazard identification program,
    - Frequently evaluate the effectiveness of emergency response plans;

- Thoroughly and effectively, communicate environmental health and safety aspects through internal meetings and training programs; and encourage feedback that might improve these programs, from all levels of the organization.

## RELATION TO WORK

AptarGroup expects its suppliers to:

- Not employ **child labor** or allow any form of exploitation of children, i.e.:
  - Abide the legal minimum age imposed in their country for employment or regarding the age for completing compulsory education;
  - Appropriately adapt tasks, hours of work and working conditions to the age and skill of the employees;
- Disallow **forced or compulsory labor** by:
  - Taking all measures to check that all the employees are working voluntarily without threat of punishment or retaliation nor demand of work as a means of repayment of debt;
  - Organizing a working environment that is free from any form of human trafficking, e.g. recruitment, transfer, harboring or receipts of persons by means of the use of threat, force other forms of coercion, violations of labor laws or deception for the purpose of exploitation, such as forced labor or the use of recruiters who do not comply with labor laws;
  - Ensuring the freedom of movement of employees and dependents;
  - Where contractually imposed as a government contracting regulatory requirement, informing the AptarGroup should it obtain any credible evidence that human trafficking has occurred;

- Maintain mutual and contractual employment relationship that detail aspects of the roles and **responsibilities** for each employee;
- Expect from their employees a **fair commitment to work**, notably by:
  - Imposing limited working hours, in compliance with local laws;
  - Proposing reasonable and regular breaks and rest periods;
  - Providing holiday leave, sick leave or parental leave in compliance with local laws and with government contracting regulatory requirements, where applicable;
  - Providing fair compensation for work performed in compliance with local laws and with government contracting regulatory requirements;
- Preserve the **freedom of association** and the right to **collective bargaining** and allow for a representative elect representative to handle conflict;
- Prohibit **discrimination** or **harassment** in the workplace by:
  - Ensuring that employment related decisions are based on relevant and objective criteria and use fair recruitment practices regardless of ethnicity, color, national origin, politics, language, union participation or activity, gender, age, religion, physical or mental disability, veteran's status, or actual or perceived sexual orientation, including (where contractually imposed as a government contracting regulatory requirement) taking affirmative action to ensure such applicants are employed, and that employees are treated during employment, without regard to such criteria;
  - Offering equal pay for equivalent roles regardless of the above criteria;
  - Providing a work environment and atmosphere conducted with respect and dignity;
  - Forbidding physical punishment;
- Establish fair but efficient **disciplinary practices** by:
  - Maintaining historical files of performance;
  - Establishing a mechanism for hearing, processing and settling any grievances.

## PRIVACY AND PERSONAL DATA PROTECTION

AptarGroup expects its suppliers to respect **privacy** and protect **personal confidential information**, by:

- Processing personal data legally and fairly;
- Collecting and using personal data for explicit and legitimate purposes;
- Ensuring that personal data is adequate, relevant and not excessive in relation to the purposes for which it is collected and/or further processed;
- Maintaining accurate personal data and updating it when necessary;
- Ensuring that data subjects can rectify, remove or block incorrect data about themselves;
- Not keeping personal data any longer than strictly necessary;
- Protecting personal data against accidental or unlawful destruction, loss, alteration and disclosure;
- Implementing security and protection measures appropriate to the personal data;
- Where contractually imposed as a government contracting regulatory requirement, conducting initial and recurring privacy training for relevant employees.

## HEALTH and SAFETY

AptarGroup expects its suppliers to:

- Provide safe, suitable and sanitary **facilities**:
  - Maintaining cleanliness and functionality;
  - Providing all employees access to drinkable water;
  - Making provisions for the hygienic supply, storage and consumption of food.

- Conduct a **risk analysis** and introduce accurate measures to prevent incidents and to protect employees by:
  - Reviewing on a regular basis risks that have been identified and correcting them in a timely manner;
  - Conducting emergency response drills and improving processes;
  - Minimizing the causes of hazards in the working environment;
  - Supplying the appropriate personal protective equipment needed for each task;
  - Working to continually reduce incident rates;
- Organize **health and safety training** ensuring that:
  - Training content is reviewed and refreshed on a regular basis;
  - All employees receive the appropriate training for the tasks required of them.

## **ETHICS AND ANTI-CORRUPTION**

AptarGroup expects its suppliers to:

- Conduct their activity in respect of **high ethical standards** by:
  - Complying with the United Nations Declaration of Human Rights;
  - Complying with all applicable laws and regulations at any level, whether national or local;
- Avoid and eliminate anti-competitive practices and behaviors and comply with **anti-trust laws** wherever they do business;
- Support the development of **communities** linked to their activities, contribute to their social and economic welfare and recognize the rights of indigenous people and the value of their traditional and cultural heritage;

- Follow a strict **anti-corruption policy** by:
  - Prohibiting any kind of corruption or bribery, whether active or passive, whether in the public or private sector, directly or through intermediaries or third parties representing them;
  - Conducting reasonable care and appropriate due diligence in the selection of third parties or intermediaries that may deal or interact on their behalf;
- Abhorring **money laundering** or **financing of terrorism** by:
  - Complying with trade and economic sanctions;
  - Complying with C-TPAT (“Customs-Trade Partnership Against Terrorism”) and AEO (“Authorized Economic Operator”) requirements, which include filling out the C-TPAT questionnaire on a yearly basis and implement the C-TPAT procedures and logs in their organization;
  - Complying with the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act, which imposes various inquiry and disclosure requirements regarding the use of tin, tantalum, tungsten and gold (“Conflict Minerals”) and provide through the whole supply chain all necessary declarations.

## **BUSINESS CONDUCT**

AptarGroup expects its suppliers to:

- Comply with basic requirements in terms of **intellectual property and confidentiality** by:
  - Protecting products and parts of products and not disclosing confidential information about them, regardless of patent and intellectual property rights attached thereto;
  - Using only their own brand and logo;
  - Respecting the confidentiality of their commercial relationship with AptarGroup;

- Make sure that this Charter is observed in every step of their production and ask their own **subcontractors** for standards as high as AptarGroup’s standards, by:
  - Applying the same rules that AptarGroup does for its own suppliers or subcontractors;
  - Ensuring a complete transparency about product characteristics;
  - Where AptarGroup has contractually applied government contracting regulatory requirement(s) to a supplier, ensuring that these requirement(s) are flowed down to its own subcontractors, where required;
- Notice any major **change** in business, by:
  - Making sure that products still respect the written specifications co-validated by both parts of the commercial agreement;
  - Making sure that any potential new manufacturing location complies with this Charter;
- Should AptarGroup or the U.S. government in its role as a contractor require from time to time any representations and/or certifications as to its suppliers’ regulatory compliance, to respond promptly and truthfully to any such reasonable request.

## **APPLICATION AND MONITORING**

AptarGroup expects its suppliers to:

- Possess all internal measuring procedures, tools and indicators that are necessary to **guarantee adherence to the principles** listed in this Charter; and
- Maintain documentation to **demonstrate compliance.**

Any written agreement signed by AptarGroup with a supplier will incorporate a reference to this Charter or to the supplier’s own ethics and compliance standards when those standards meet AptarGroup’s expectations.

AptarGroup reserves the right to conduct site visits and audits with reasonable notice, to check compliance with this Charter. In case of non-compliance, corrective and preventive

action plans must be implemented to correct such non-compliance. In case of failure to reach the requirements of this Charter, AptarGroup may terminate relationship with supplier.

AptarGroup recognizes that this Charter must be **developed** to go along with practical experiences and evolving standards. AptarGroup is committed to align its requirements with those which present the highest level of respect of Human Rights, decent working conditions and industrial property, environmental standards, relation to work, health and safety, business conduct, ethics and anti-corruption policy, and reflect such requirements in its purchasing terms and conditions.

This Charter reflects AptarGroup's own commitments, which are provided in its Code of Conduct.



*Last update: 2021*

Read and approved: .....
For: .....
Name: .....
Title:.....
Date: .....
Signature: .....
Company Seal: