

<p><b>Contact officer:</b>                  Name: Corina 't Hoen                  Function: HR Manager</p>	<p><b>Business Ethics Policy</b></p>  <p><b>GRI 205:</b> 103-1, 103-2, 103-3, 205-2  <b>GRI 206:</b> 103-1, 103-2, 103-3</p>	<p><b>Issue date:</b>                  January 2018</p> <p><b>Last review date:</b>                  1 March 2023 (V4.0)</p> <p><b>Next review date:</b>                  1 March 2025</p>
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## 1. Introduction

LC Packaging International B.V. (LC Packaging), as one of the leaders in the packaging industry, is committed to set an example of an ethical company. We want to ensure that our staff acts honestly and with integrity to safeguard the resources for which they are responsible at all times. We strive to conduct all of our business operations in the most ethical manner possible.

### 1.1 Purpose

This policy is in place to set objectives, and measures to reach our objectives, for ethical conduct within the business operations of LC Packaging. In addition, it provides employees with guidelines on what actions they must follow and how they must behave. With such an overview, it not only gives all of our employees an understanding of our position regarding ethical practices, but also allows management to see if the controls are sufficient, and whether improvement is required.

### 1.2 Scope

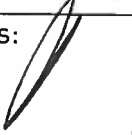
The contents of this policy are intended for all employees, part time workers, interns, contractors of LC Packaging International B.V, its affiliates and production sites.

### 1.3 Roles, responsibilities and resources

LC Packaging has implemented the following roles, and responsibilities so as to create accountability, which will then ensure all the measures of this policy will be followed.

Employees are responsible for:

- Reading and understanding this policy;
- Following trainings, and paying attention to information provided by management;
- Abiding by the guidelines provided by management;
- Informing management of any incidents related to unethical practices such as money laundering, bribery, fraud.

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Management is responsible for:

- Providing employees with the necessary resources to abide by the policy such as whistleblowing, sensitive, and due diligence procedures;
- Assigning a contact officer for this policy;
- The approval of this policy.

The contact officer is responsible for:

- Answering any queries related to this policy;
- Ensuring provision of all policies and procedures with regard to ethical business practices;
- Communication of this policy to employees;
- Update and review of this policy.

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## 2. Policy objectives

### 2.1 Bribery, corruption, and fraud


LC Packaging takes a zero-tolerance approach to fraud, bribery, and corruption. We are committed to conducting our business in an honest and ethical manner and ensure that we meet legal obligations and notices, eradicate corrupt practices, and collaborate to reduce opportunities for bribery and corruption. The company has adopted this policy to communicate the message of zero-tolerance and assist those working for us to uphold it. We strive to:

- comply with all relevant local laws and legislation regarding corruption and bribery;
- maintain zero incidences of fraud, bribery, or corruption;
- implement appropriate controls over financial monitoring and reporting;
- spread awareness internally to our employees regarding fraud, bribery, and corruption;
- ensure employees do not give or receive gifts which may be considered bribes;
- provide employees with a structured method in which they can understand whether or not they are involved in any transactions which may be considered bribery, and what to do when giving or receiving gifts;
- provide employees with a structured method to screen potential partners of LC Packaging.

### 2.2 Conflict of Interest

LC Packaging understands that conflicts of interests can derail the progress of business operations. We are committed to implement appropriate controls to reduce the possibility of conflicts of interest. We strive to:

- work towards global benefit of LC Packaging instead of benefit of individual subsidiaries;
- ensure confidentiality of data concerning interests of LC Packaging during and post-employment. This data includes all information or details of relations and LC Packaging customers;
- ensure conflicting interests of employees from multiple simultaneous employers are minimised;
- minimise the possibility of competing interests from our employees such as working for direct competitors.

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### 2.3 Money laundering

LC Packaging does not tolerate any money laundering or financing of terrorism. We do not stand for such unethical behaviour and must never be involved in it. Our main production sites are operating in high and medium risk countries, and therefore they have stricter Anti-Money Laundering policies specifically designed with regard to the local/national laws and regulations such as our production site in Bangladesh, Dutch-Bangla Pack Ltd. We strive to:

- implement appropriate and sufficient controls to ensure it does not take place within our business operations and supply chain;
- ensure that all partners and companies that we work with are screened before starting a financial or other relationship.

### 2.4 Anti-competitive practices

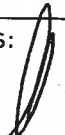
LC Packaging promotes free trade and free and fair competition around the globe. We are committed to be an ethical company and uphold anti-competition and/or anti-trust laws. We strive to:

- maintain zero incidences of being engaged in unfair anti-competitive practices;
- be aware of all anti-competitive practices in local areas of operation;
- provide relevant employees (such as those working in the sales department) with guidelines, so they do not subject LC Packaging to engage in anti-competitive practices.

### 2.5 General

LC Packaging strives to:

- spread awareness regarding ethical business practices to our employees by creating a Business Ethics Awareness training, through our HR manual, and through our Internal Code of Conduct;
- have an 80% (or higher) rate of employees who have received training on business ethics;
- provide employees with a structured way in which they can report on any wrongdoings which they witness with regard to unethical or unlawful business practices;
- annually keep number of compliance incidents to 0.

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### 3. Policy measures

LC Packaging strives to achieve its objectives with the following measures.

#### 3.1 Bribery, corruption, and fraud

LC Packaging:


- does not tolerate any instances of bribery or corruption and employees must not be involved in any such practices;
- employees must never provide gifts, meals or entertainment which could be seen as bribes or as an attempt to influence someone's behaviour. None of our gifts should put the recipient under any obligation;
- employees must never accept cash as a gift, regardless of how small the amount may be;
- does not deal with clients who ask for favours which do not fall under a normal working relation or lack integrity in their operations;
- employees must ask themselves if they are trying to influence the client's decision with a gift. If so, they must not proceed with the gift;
- has a sensitive transactions procedure which must be followed by all employees when giving and receiving gifts;
- employees must never falsify any document or distort the true nature of any booking or transaction;
- ensures all reporting and recording of financials is done properly, honestly, and meets all legal obligations;
- does not delay or accelerate any bookings or recordings for revenues or expenses to meet budgetary goals.

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### 3.2 Conflict of interest

#### LC Packaging:

- Subsidiaries must not take advantage at the cost of another one of our subsidiaries;
- only chooses Production Partners based on their merits and never based on gifts or any inappropriate proposals;
- employees and management must always exercise their best judgement to act in the best interest of the group and its shareholders;
- employees should:
  - Be open about personal, financial or other business interests;
  - Avoid situations in which interests could influence your behaviour for or on behalf of LC Packaging;
  - Report any potential conflict of interests to your manager.
- has the following in place:
  - A confidentiality clause prohibiting employees to disclose information regarding LC Packaging, its customers, competitors, Partners to other third parties during and post-employment;
  - A relationship clause which prohibits employees to work for indirect or direct competitors within 12 months after the end of a contract without the permission of LC Packaging;
  - A clause against secondary occupations while working for LC Packaging. Employees are not allowed to work for another company during their employment at LC Packaging without permission.

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### 3.3 Money laundering


#### LC Packaging:

- employees must not engage in any activities of money laundering;
- subsidiaries such as its production facility, Dutch-Bangla Pack Ltd., have specific money laundering policies to be in compliance with specific local legislation and regulations;
- has an anti-money laundering compliance program in one of its production facilities, Dutch-Bangla Pack Ltd., that includes:
  - adoption of a written anti-money laundering programme with internal policies, procedures, and controls;
  - designation of a Compliance Officer;
  - an ongoing employee training programme which educates employees on policies and procedures in place, and how to identify suspicious activity;
  - a periodic review of the anti-money laundering programme.

### 3.4 Anti-competitive practices

#### LC Packaging:

- employees must be aware of and comply with local anti-competition and/or anti-trust laws;
- employees do not share any confidential information of LC Packaging, the market, or our production partners to competitors;
- employees do not enter any agreements with competitors on price fixing or sharing a market;
- employees treat our competitors with respect and do not speak negatively about them in the market;
- will always correspond and communicate with our Production Partners in a professional way; we will never play off Production Partners against each other.


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### 3.5 Procedures and audits

#### LC Packaging:

- has a whistleblowing procedure which can be used by employees to report any wrongdoings concerning ethical business practices such as bribery, fraud, and corruption;
- has a due diligence procedure which employees must follow before starting a relationship with potential new business partners;
- conducts an internal audit which assesses our controls with regard to topics such as bribery, corruption, and fraud;
- books and accounts are subjected to statutory external audits annually;
- properly investigates and takes appropriate action in cases of suspected corruption, bribery, fraud, money laundering, irresponsible marketing, conflicts of interest, and anti-competitive practices. Including reporting to the appropriate authorities, disciplinary actions, prosecution, and active pursuit of recover;
- has created an awareness training which covers the above mentioned topics.

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#### **4. Sanctions**

This policy must be strictly followed by all employees and management. So, if there is any intentional disregard of the contents of this policy, LC Packaging will take disciplinary actions. Depending on the severity, and consequences of the breach of policy, appropriate disciplinary actions will be implemented. Please refer to the Sanctions Policy for more details regarding potential disciplinary actions.

#### **5. Evaluation and review**

The contact officer in place for this policy is responsible for the annual evaluation and review of this policy. This should be with regard to any legislation changes, or any changes in the company's operations such as opening a new production site. Assistance on collecting necessary information such as changes in legislation in different regions can be obtained from the contact officer and employees from local locations. The contact officer is also responsible for communicating the changes made to this policy to all employees and management.

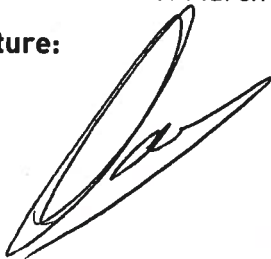
Any changes must be further communicated to all the employees, Partners and any other parties which are involved in the operations of LC Packaging as soon as possible but within a maximum of a month after the policy is changed.

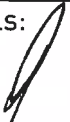
#### **6. Approval of policy**

**Name:** Lucas Lammers, CEO LC Packaging

**Date:** 9<sup>th</sup> of March 2023

**Signature:**



Initials: 

## 7. Definitions

**Anti-competitive practices** are certain business practices that limit or prevent competition that are against the law. These include:

- Cartels;
- Collective bargaining and boycotts;
- Exclusive dealing;
- Imposing minimum resale prices;
- Refusal to supply products or services.


[Australian Competition and Consumer Commission]

**Bribery** is an illegal act involving the exchange of consideration, such as money, with the purpose of influencing behaviour. [Investopedia]

**Corruption** is the abuse of entrusted power for private gain. It can be classified as grand, petty and political, depending on the amounts of money lost and the sector where it occurs. [Transparency International]

**Conflict of interest** is defined as a situation where the impartiality and objectivity of a decision, opinion or recommendation of an agent (e.g. an employee) might be perceived as being compromised by a personal interest rather than by company interest. Relevant personal interest may be of financial or non-financial nature and it may concern a personal or family relationship or professional affiliations and other relevant outside activities. Not only actual independence but also perception of independence is important, since it can impact on agencies' reputation by raising doubts about the conclusions reached. [EU Guidelines on the prevention of conflicts of interest]

**Due diligence** is an investigation or audit of a potential investment or product to confirm all facts, that might include the review of financial records. Due diligence refers to the research done before entering into an agreement or a financial transaction with another party. [Investopedia]

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**Fraud** is deliberately deceiving someone else with the intent of causing damage. This damage need not be physical damage, in fact, it is often financial. There are many different types of fraud, for example bankruptcy fraud, credit card fraud, and healthcare fraud. The precise legal definition of fraud varies by jurisdiction and by the specific fraud offense. [Cornell Law School]

**Money laundering** is the attempt to conceal or disguise the nature, location, source, ownership or control of illegally obtained money.

It is also considered the generic term used to describe the process by which criminals disguise the original ownership and control of the proceeds of criminal conduct by making such proceeds appear to have derived from a legitimate source. [International Compliance Association]

There are three stages of money laundering: placement, layering, and integration.

- The first time funds derived from criminal activities are used in a legitimate money transfer is referred to as Placement.
- Creating a series of transactions to hide the first transaction is referred to as Layering;
- The return of funds to legitimate activities is referred to as Integration;

Placement poses the greatest risk to our businesses:

- Transactions may be structured to avoid recordkeeping or reporting thresholds.
- False identification and/or information may be provided.

This definition covers a wide range of activity. You need to understand how people launder money so that you can identify money laundering and know how to help prevent it.

**Misleading advertising** is advertising which in any way deceives or is likely to deceive the persons to whom it is addressed or whom it reaches, and which is likely to affect their economic behaviour or which, for those reasons, injures or is likely to injure a competitor [EU Directive 84/450/EEC].

**Sensitive transactions** are commonly used to describe a broad range of business dealings generally considered to be either illegal, unethical, immoral or to reflect adversely on the integrity of the company. These transactions are usually in the nature of kickbacks, gifts of significant value, bribes or payoffs made to favourably influence some decision affecting a company's business or for the personal gain of an individual. [Haliburton]

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