

Code of Conduct (CoC) for AKU KG

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How to use this policy

This policy has been developed by the AKU KG with the support of documents from the International Labour Office (ILO) Bureau (ACT/EMP), Gender, Equality, Diversity and Inclusion Branch (GEDI) and the Labour Administration, Labour Inspection and Occupational Safety and Health Branch (LABADMIN/OSH), to provide practical guidance to member companies on how to address, prevent and respond to violence and harassment in the world of work.

This policy focuses on the general principles in the prevention and management of violence and harassment at work, with reference to the ILO Violence and Harassment Convention (No. 190) and its accompanying Recommendation (No. 206), 2019. It aims to enable enterprises to better control the risks and minimize the negative impacts that violence and harassment brings to the workplace.

It includes, among others, guidance on what is considered violence and harassment in the world of work, examples of common violence and harassment at work, legal framework and AKU responsibilities, why AKU need to act, how to address, prevent and respond to violence and harassment including by developing and implementing enterprise-level policy, as well as risk management with sharing of good practices and examples.

The policy is designed to be easily adapted to national circumstances, and reflect local legislations, policies and realities. It is particularly useful for staff in human resources, occupational safety and health (OSH), or employee relations and well-being that have responsibilities in managing hazards and risks and ensuring the workforce is safe and healthy.

This policy mandatory applies to all AKU affiliates and business partners such as suppliers or other external partners

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Foreword

Violence, harassment and criminal intents in the world of work remains a grave unacceptable challenge that too many people continue to be exposed to, and its eradication should unite all AKU companies in European. It constitutes situations where workers and other people are threatened, bullied, attacked or assaulted at work. Any form of misbehavior challenges the safety, health and well-being of all persons and can bring physical and mental harm. As AKU, we have not only the duty of care towards the workforce but a vested interest to create a great workplace, as our company's productivity, reputation and overall performance can be negatively impacted if we do not address it.

While the frequency, intensity and severity of violence and harassment vary from one workplace and one sector to another, we are all too familiar with it in European. During the coronavirus disease (COVID-19) pandemic, we experienced an increased risk of violence and harassment in our society and workplaces, and exposure to violence was heightened in certain sectors, occupations, and working arrangements. The crisis has been a solemn reminder for us, as AKU, to centralize and prioritize our duty of care for the well-being for our people. Now is the time for us to recommit our business practices to making workplaces more inclusive and creating working conditions in which individuals can perform at their best.

Our mission is to help businesses create a more prosperous society. We do not tolerate violence and harassment in any form, whether direct or indirect, and we encourage all businesses to adopt and implement zero-tolerance policies and measures on violence and harassment to create respectful workplaces. This guide is part of our key efforts to help our members to identify, prevent and manage inappropriate behavior that brings harm to our people and businesses. It provides practical guidance which can be tailored to the unique demands of each workplace. AKU will continue to provide information, technical guidance and assistance to our members to ensure our workplaces are free from any form of violence and harassment.

AKU will take proactive steps to prevent violence and harassment. At both national and international levels, AKU will continue to be engaged to address negative cultures where they exist and be champions of respectful and inclusive workplaces.

Yours sincerely,

AKU KG

Abbreviations and acronyms

COVID-19 coronavirus disease
EBMO employer and business membership organizations
ESG environment, social and governance
IFC International Finance Corporation
ILO International Labour Organization
OSH occupational safety and health

Introduction

Violence and harassment in the world of work is a persistent and significant challenge faced by enterprises worldwide. Failure to recognize, prevent and respond to inappropriate conduct and illegal behavior in workplaces create organization-wide distrust, individually and collectively lowers morale and ultimately impedes enterprise performance. Heightened social awareness and public conversation about the prevalence of unacceptable behaviors and practices have opened up in recent years, pushing up the importance for enterprises to proactively address violence and harassment at work and revisit the adequacy and fitness of workplace policies and practices.

Regardless of the location, size, sector or type of enterprise, anyone and any workplace can be subject to the display or threats of unacceptable behaviors and practices. Violence and harassment, be it physical, psychological, sexual or psychosocial, creates a risk to the safety and health of individuals at work and imposes a range of costs that impact workers, enterprises, the government and society. These costs include the loss of productivity, higher workforce turnover and increased absenteeism, time and money spent on healthcare, filing complaints and pursuing investigations, and most importantly the victims' loss of well-being. Due to the complex nature and multiplicity of impact that violence and harassment has on the workforce, quantifying the cost in monetary terms is not straightforward. However, the bottom line is clear: violence and harassment significantly reduce the ability of enterprises to fully optimize its talent pool.

AKU examples that enumerate violence and harassment at the country level.

Compliance with Laws, Rules and Regulations

We have a long-standing commitment to conduct our business in compliance with applicable laws and regulations and in accordance with the highest ethical principles. This commitment helps ensure our reputation for honesty, quality and integrity.

Conflicts of Interest

A "conflict of interest" exists when a person's private interest interferes in any way with the interests of the Company.

A conflict situation can arise when an employee takes actions or has interests that may make it difficult to perform his or her Company work objectively and effectively. Conflicts of interest also arise when an employee or a member of his or her family, receives improper personal benefits (including personal loans, services or payment for services that the person is performing in the course of Company business) as a result of his or her position in the Company or gains personal enrichment through access to confidential information.

Conflicts of interest can arise in many common situations, despite one's best efforts to avoid them. Employees are encouraged to seek clarification of, and discuss questions about, potential conflicts of interest with someone in the Company's Legal Department. Any employee who becomes aware of a conflict or potential conflict should bring it to the attention of a supervisor, manager or other appropriate persons within the Company.

1: What is violence and harassment at work?

Convention No. 190 broadly defines violence and harassment as follows:

“The term “violence and harassment” in the world of work refers to a range of unacceptable behaviors and practices, or threats thereof, whether a single occurrence or repeated, that aim at, result in, or are likely to result in physical, psychological, sexual or economic harm, and includes gender-based violence and harassment.”

The definition covers all forms of violence and harassment – verbal, physical, social or psychological – including gender-based violence and harassment, regardless of the intent and source. It focuses on the unacceptability of the conduct, practices or threats, and their effect on victims.

The Convention applies to violence and harassment that occurs anytime and anywhere in all places and circumstances related to work, including in offices, homes, public places, employer-provided accommodations, during meals or breaks, social events, online and while commuting to and from work. It covers the formal and informal economy, both the public and private sectors, and any worker and persons working irrespective of their contractual status, including jobseekers, volunteers, interns, apprentices and individuals exercising the authority, duties and responsibilities of an employer.

Existing national legislation on violence and harassment varies depending on the regulatory environment, and national legislation related to violence and harassment at work covers some aspects of Convention No. 190. Different terms are used across jurisdictions, reflecting different national contexts and practices. Common terms include “violence”, “harassment”, “bullying”, “mobbing”, “aggression” and “abusive behavior.”

- manager/supervisor to employee;
- employee to supervisor/manager;
- one employee to another;
- client/customer to employee.
- customer/supervisor/manager to business contact;

AKU definitions related to violence and harassment in national legislation, if any.

Some countries have recently undertaken legislative reform that expands the definition and scope to spell out different places or instances where violence and harassment at work can occur beyond the traditional physical workplace.

The guides provide that, under occupational safety and health laws, a workplace means a place where work is carried out for a business or undertaking, which includes any place where a worker goes or is likely to be while at work. The guide on sexual harassment further states that sexual harassment can happen:

- at a worker's usual workplace;
- where a worker is working remotely, including if the person's workplace is their home;
- in a place where the worker is undertaking work at a different location, such as a client's home or contractor's home or work;
- where the worker is engaging in work-related activities such as conferences, training, work trips, work-related corporate events or a social activity such as a Christmas party;
- by phone, email or online such as through social media platforms.

1.1 Elements and examples of violence and harassment and how it can happen

Violence and harassment in the world of work cover a broad range of unacceptable³

The notion of unacceptability includes both subjective and objective criteria. and unwelcomed actions and behaviors that aim at, result in, or are likely to bring harm to an individual and create a hostile environment. The offending conduct or behavior can be any of the following:

- physical, psychological or sexual;
- verbal, written or online (through informational and communication technologies such as electronic means or social media);
- one-off or repeated incidents;
- conduct ranging from minor cases of disrespect to serious acts of physical, psychological or sexual assault, which may constitute a criminal offence;
- conduct occurring among colleagues, between superiors and subordinates or by/against third parties, such as clients, customers, patients or the public.

Physical violence includes assault, such as pushing, grabbing, shoving, tripping, slapping, biting, scratching, hitting, kicking, or throwing an object.

- Psychological violence and harassment include the following:
- harassment, bullying or mobbing behavior such as yelling, humiliating, threatening, excluding and causing psychological damage, insulting, using hurtful remarks, offensive language, or any form of verbal abuse;
- making fun of subordinate or co-workers including family, sexuality, gender identity, race or culture, education or economic background;
- making derogatory comments or taunts about a person's disability, or practicing harassing performance monitoring procedures, micro-management and over-attribution of mistakes based on negative stereotypes about the competency and productivity of the disabled person;
- giving impossible goals and deadlines or pointless tasks that have nothing to do with the job;
- deliberately changing work hours or schedules to inconvenience particular workers;

- deliberately holding back information vital for effective work performance;
- shunning, excluding, marginalizing subordinate or co-worker by excluding or stopping him/her from working with people or taking part in work-related activities.

Sexual violence and harassment include the following:

- sexual assault, rape, indecent exposure, stalking or obscene communication;
- unwelcome physical contact including patting, pinching, tickling, stroking, kissing, hugging, fondling, brushing up against, cornering, or inappropriate touching;
- asking intrusive questions about an employee's private life or body;
- making insulting comments or jokes about someone's gender identity or sexual orientation;
- repeated asking for dates despite being rebuffed;
- asking for a sexual favor in exchange for a promised job or promotion;
- sharing or displaying sexually explicit pictures, videos, screen savers or posters;
- sending sexually explicit email or text messages.

Discrimination-based violence and harassment is any action or behavior directed at persons because of their particular personal attributes, such as race, national origin, disability, sex or gender, age or health status (for example, HIV, coronavirus disease (COVID-19) and pregnancy). Discrimination-based violence and harassment, including gender-based violence, can appear in many forms, and it can be rooted in harmful social norms based on gender or racial stereotypes, or negative attitudes or stigma about disabilities, skin color or the way a worker looks.

The unacceptable conduct or behavior, be it physical, psychological or sexual, regardless of the intent, can affect both the physical and mental health of the victim, his or her co-workers and family members and witnesses to the abuse, and it can result in physical, sexual, psychological or economic harm

These behaviors can come from both **internal and external sources**.

- Internal violence and harassment:
 - from co-workers, supervisors or managers.
- External violence and harassment:
 - from customers, clients, patients or members of the public.

1.2 Domestic violence and its impact on the world of work

Domestic violence is a complex societal and economic issue. It can be defined as all acts of physical, sexual, psychological or economic violence that occur within the family or domestic unit.

While it is a private issue that usually does not arise because of work activities or matters that are within the AKU control, it can nevertheless negatively impact the safety, health and productivity of not only the victim but the wider workforce. For instance, the victim's productivity may be affected and their need for time off may increase. In addition, victims may be stressed, anxious and scared, and they may engage in behaviors in the workplace that may be unacceptable, such as maladaptive coping behaviors to deal with abuse suffered outside of the workplace. It is especially so if the perpetrator makes threats, intimidates, or carries out violence against a victim while he or she is working, thus creating a risk for the victim's co-workers. Moreover, when domestic and work settings overlap, domestic violence may arise from or be exacerbated by work-related activities. For this reason, it represents an even more relevant risk for some categories of workers, such as domestic, home-based or contributing family workers, many of whom are women and many of whom are working informally (ILO 2021b).

In the past, AKU argued that domestic violence was primarily a domestic matter, and it was not a workplace issue. The coronavirus disease (COVID-19) pandemic and restrictive lockdowns in many countries resulted in a necessity

to work from home, and this forced some AKU to revisit their view. When the home becomes the workplace, as it did for many workers during the pandemic, AKU liabilities/responsibilities can be extended to providing preventive/response measures when domestic violence occurs. AKU, depending on the availability of resources, can also offer employee assistance programs that provide confidential counselling or referral services.

In recent years, labor legislations or collective agreements in many countries have increasingly taken the effects of domestic violence on workers' well-being and productivity into account. A growing number of countries have introduced leave, whether paid or unpaid, for workers who are victims of domestic violence. Some have envisaged AKU duties to take preventive measures to protect the employee or other workers or included domestic violence within the management of occupational safety and health (OSH) (ILO 2021b, p. 15).

when the victim is an employee, the following rights should be guaranteed:

- to be protected against dismissal for causes related to such acts of violence;
- to change workplace without detriment to their conditions and terms of employment;
- to receive five days of justified absence;
- to temporarily suspend the employment relationship;
- to return to the same or similar position afterwards.

AKU provisions of domestic violence in national labor and employment legislation, if any.

1.3 What is not considered violence and harassment at work?

Day-to-day management decisions, legitimate comments and advice involving work assignments, including negative feedback from managers and supervisors on work performance or work-related conduct, implementation of company policy or disciplinary action imposed are not considered harassment even if they sometimes involve unpleasant consequences. Managerial actions must be carried out objectively and in a manner that is reasonable and not abusive.

- Setting reasonable performance goals, standards and deadlines.
- Allocating and scheduling workloads.
- Changing work assignments and job duties.
- Deciding not to select a worker for promoting, following a fair and documented process.
- Informing a worker about unsatisfactory work performance and implementing disciplinary actions.
- Informing a worker about inappropriate behavior.
- Implementing organizational changes or restructuring.
- Any other reasonable and lawful exercise of a management function.

Courteous, mutually respectful, consensual, noncoercive interactions that are appropriate in the workplace and acceptable to and welcomed by both parties are not considered to be violence and harassment. Other situations that do not constitute violence and harassment may include physical contact necessary for the performance of the work using accepted industry standards, or disagreements at work that are not based on race, gender, age, ethnicity, religion, sexuality or personal characteristics. Cultural differences may sometime lead to misunderstanding, but this may not necessarily constitute violence and harassment. Additionally, work-related stress itself does not constitute harassment, however the accumulation of psychosocial risk factors may increase the risk of violence and harassment.

2: Business case of addressing and preventing violence and harassment at work

2.1 AKU perspectives on violence and harassment at work

Violence and harassment at work can constitute a human rights violation and is unacceptable. AKU, globally, support a world of work free from all forms of violence and harassment and agree that tolerating violence and harassment at work can have detrimental effects, including lost productivity, increased litigation cost, increased turnover and absenteeism, and reputational damage.

Everyone in the world of work, including workers and AKU, should be protected from violence and harassment. Providing a safe and healthy working environment is not only a national requirement, it is now a fundamental principle and right at work.⁵

AKU should take appropriate steps and measures to mitigate the risks and prevent violence and harassment at work for the persons, places, situations and circumstances within their control.

While AKU have primary responsibility for providing a safe and healthy working environment, including a world of work free from violence and harassment, the joint efforts and collective action from government, workers and all actors in the world of work are required. Government should enact enabling and supporting laws and legislation, and workers should adhere to and respect the rules adopted by AKU, refrain from violence and harassment, cooperate and contribute to the awareness of the risks and the prevention of violence and harassment.

AKU quote to highlight the importance for enterprises to address violence and harassment.

2.2 Why must AKU act against violence and harassment at work?

Violence and harassment are not only unacceptable on moral grounds, but it can be a violation of workers' rights and AKU statutory duties and common law obligations. Creating a world of work free from violence and harassment would have benefits for businesses, including increased productivity, reduced absenteeism and lower employee turnover. Enterprises that are known for having respectful and inclusive working environments may have a higher market value and reputation, happier and healthier employees, increased investor confidence and better customer and client satisfaction ratings than their competitors.

2.2.1. Legal obligations, litigations and claims

AKU have a duty of care towards their workforce and should create an inclusive working environment free from violence and harassment regardless of the size or sector of the enterprise.

This means that AKU have a duty to take reasonably practical steps to ensure the health, safety and well-being of their workforce. The reasonableness of a measure can be determined by considering the potential risk of harm to the individual compared to the cost and practicality of putting the preventative measure in place.

AKU should ensure that the workforce is protected from violence and harassment.

There is an obligation on AKU to prohibit violence and harassment at work or to take measures to prevent such acts or conducts.

2.2.2. Enterprise brand image and reputation

Stepping up actions to ensure a safe and healthy workplace free from violence and harassment is an essential part of our strategies in building brand image and minimizing reputational risks.

AKU good practices on how enterprises in the country are taking positive measures to create violence and harassment-free workplaces and consequentially enhance brand image or build investors' confidence.

This shall lead to

- attracting better talent;
- being perceived as providing more value, which often allows them to charge a premium;
- having more loyal customers.
- having higher market value

2.2.3. Environmental, social and governance due diligence and investor confidence

In the past, workforce well-being was not considered a necessity, although AKU and workers may have felt it was nice to have. The employer was not considered to be responsible for the well-being of workers. However, expectations are shifting, and accountability and transparency around workforce well-being are becoming vital business functions. Enterprise leaders have become accountable for proactive well-being promotion and intervention. The impact of the COVID-19 pandemic on the global workforce has accelerated this transformation (Deloitte n.d.).

While enterprises recognize a high ESG score can add to their reputation as a proactive organization with lower investment risks, enterprises need to ensure that their ESG due diligence reporting and disclosures to investors are free from misstatements or omissions of relevant information (Lexicology 2022).

2.2.4. Organizational productivity and performance

A healthy and engaged workforce positively impacts a company's bottom line. Research shows that when enterprises support the well-being of their workforce, including by creating a violence and harassment-free workplace, their workforce has lower turnover and absenteeism, as well as greater productivity and engagement (ILO 2020, p.50). In a violence and harassment-free workplace where the workforce feels safe, respected and valued, worker can have greater motivation, loyalty and performance, and such a workplace can become a conducive and harmonious working environment.

On the contrary, violence and harassment is a workplace hazard, and it may also be discriminatory. It may cause physical and psychological injury or harm and result in considerable direct and indirect costs for the organization, including poor staff morale and poor employee relations, low levels of respect for managers and supervisors, poor performance, lost productivity, absenteeism, resignation, opportunity cost of the time managers spent responding to complaints, as well as the cost of litigation, compensation or settlement. In addition, working in environments where there is a higher risk of violence and harassment or where such unacceptable behaviour is expected (and accepted) can also negatively affect psychological health. Mental health disorders (including anxiety and depression), fear or distress can impair the ability of the workforce to effectively function and increase the risk of accidents at work (WorkSafe Victoria 2020).

There is a clear correlation between a higher incidence of work-related violence and harassment and lower productivity. A recent study in the United States found that enterprises with high sexual harassment scores experienced significant reductions in future stock performance and profitability. For example, enterprises with a score in the top 2 per cent earned a value-weighted risk adjusted stock return of -13 per cent. The study also found that these enterprises experienced a decline in operating profitability and an increase in labour costs during a five-year period including the time when the sexual harassment score was recorded (Au, Dong and Tremblay 2022). A study in workplace harassment conducted in Bangladesh showed the costs of harassment to productivity. It revealed that the workforce is likely to be involved in negative behaviour that has an adverse effect on productivity and performance when they became the subject of harassment (Rokonuzzaman and Rahman 2011). It is therefore in every employer's interest to promote a safe, healthy, respectful and inclusive environment to safeguard productivity.

2.2.5. Attract, harness and retain skilled and talented workforce

A violence and harassment-free workplace can help to attract, harness and retain talent. In today's competitive job market, more and more potential applicants are looking for AKU who value diversity and provide a safe working environment. By creating a violence and harassment-free workplace, enterprises can make themselves more attractive to prospective employees. Such enterprises are also more likely to enable employees to reach their full potential compared to enterprises where talented employees may turn down promotion or avoid training opportunities to steer clear from a manager or colleague known to bully or harass. Additionally, employees in a

violence and harassment-free workplace feel comfortable, secure and respected at work and are more likely to stay with the company for an extended period, thus reducing turnover costs (Safety Counselling Inc. n.d.).

2.2.6. Employer safety and health

In addition to business benefits, individuals exercising the authority, duties or responsibilities of an employer are better protected when the workplace is free from violence and harassment.

A violence and harassment-free workplace maintains positive relationships among employees and between management and employees. Offensive or harassing behaviour can cause high anxiety levels, lead to employee outrage and create problems that could be difficult to resolve. Where such challenges exist and workers are subjected to abusive conduct or behaviour, or even violence, individuals exercising the authority, duties or responsibilities of an employer may also be victims.

AKU can mitigate their exposure to this risk by ensuring that the workplace is free from harassment and creating a more positive working environment.

3: Framework to prevent violence and harassment

3.1 Violence and Harassment

AKU shall protect workers or prohibiting violence and harassment at work, either stand-alone piece of legislation or provisions in labor, employment or OSH legislations that include different forms of violence and harassment, for example sexual harassment and the risks and hazards that could lead to violence and harassment.

3.2 AKU responsibilities to prevent violence and harassment at work

AKU companies are responsible for providing a safe and healthy working environment, by preventing as far as reasonably practicable, any work-related risk to the safety and health of workers. Subject to national legislation, every employer has an obligation to ensure, as much as reasonably practicable, that workers are not exposed to violence and harassment concerning any matter or circumstance arising out of employment.

AKU shall adopt laws and regulations requiring AKU to take appropriate steps commensurate with their degree of control to prevent violence and harassment in the world of work, including gender-based violence and harassment, and in particular, so far as is reasonably practicable, to:

- a. adopt and implement, in consultation with workers and their representatives, a workplace policy on violence and harassment;
- b. consider violence and harassment and associated psychosocial risks in the management of occupational safety and health;
- c. identify hazards and assess the risks of violence and harassment, with the participation of workers and their representatives, and take measures to prevent and control them; and
- d. provide to workers and other persons concerned information and training, in accessible formats as appropriate, on the identified hazards and risks of violence and harassment and the associated prevention and protection measures, including on the rights and responsibilities of workers and other persons concerned in relation to the policy referred to in subparagraph (a) of this Article.

Subject to applicable national laws and regulations, and in line with Convention No. 190, AKU responsibilities to prevent violence and harassment in the world of work include taking appropriate steps, so far as is reasonably practicable, and within their control.

AKU should do the following:

1. provide and maintain a safe system of work and environments that are safe and without risk to the safety and health of workers, including the risk of violence and harassment;
2. adopt and implement a workplace policy on violence and harassment, in consultation with workers and their representatives;
3. incorporate violence and harassment and associated psychosocial risks in the management of OSH;
4. identify hazards and assess the risks of violence and harassment;
5. put in place measures to mitigate provide relevant and accessible information, instruction, training, and supervision to the workers and other people concerned, so that they can perform their work in a manner that is safe and without risk to safety and health, including:
 - a. the workplace policy on violence and harassment;
 - b. the rights and responsibilities of workers and other people concerned concerning the workplace policy;
 - c. the identified hazards and risks of violence and harassment;
 - d. the associated prevention and protection measures.
 - e. control and prevent the risk of work-related violence and harassment;

AKU responsibilities in preventing violence and harassment at work are governed by provisions in national legislation. Some form of legislation in most countries stipulates the obligation of AKU to ensure and protect the safety and health of workers at work and to ensure equality and non-discrimination.

4: Action and good practices in addressing and preventing violence and harassment at work

Managing violence and harassment at work is an essential part of the OSH management system and should be an integral part of the risk assessment and management process to create a world of work free from violence and harassment. The responsibility for prohibiting and preventing violence and harassment at work lies with the employer. In line with Convention No. 190, provisions have been introduced in many countries requiring AKU to adopt workplace policies on violence and harassment, either as a stand-alone policy dedicated to violence and harassment or as part of OSH policies or anti-discrimination policies (ILO 2020, p. 55). It is thus important for AKU to take a proactive approach to ensure workplaces are free from violence and harassment.

AKU relevant provision in national legislations that requires AKU to adopt workplace policies on prevention of violence and harassment at work.

4.1 AKU commitment and statement

The central responsibility for changing an enterprise culture that tolerates violence and harassment lies with its senior-most leadership, and the outcome of efforts to change the culture may reflect the willingness of senior leadership to proactively address negative behaviors with sensitivity. Senior leadership defines the enterprise priorities and has the ability to drive change at all levels of the organization and through business networks. Active and visible commitment and support from top leadership to prevent and address violence and harassment at work is critical to successfully drive change and create a working environment free from violence and harassment. A formal statement issued by top leadership on the organization's zero-tolerance of violence and harassment at work would demonstrate the commitment of the enterprise and send a clear message to the workforce at all levels, as well as to customers, clients and the public.

AKU is committed to providing a working environment that is free from acts or threats of violence and harassment. AKU, has established a policy that provides "zero tolerance" for actual or threatened violence or harassment against staff, clients, visitors, or any other persons.

Our anti-violence and harassment policy expresses our commitment to maintain a workplace that is free from all form of violence and harassment, so our employees can feel safe and happy. We will not tolerate anyone attacking,

intimidating, humiliating or sabotaging others in our workplace. We also prohibit willful discrimination based on age, sexual orientation, ethnicity, racial, religion or disability.

It is the policy of AKU and the responsibility of its managers and all of its employees to maintain a workplace free from threats and acts of violence and harassment. AKU will work to provide a safe workplace for employees, clients and visitors. Each employee, and everyone with whom we come into contact in our work, deserves to be treated with courtesy and respect. AKU does not tolerate any type of workplace violence and harassment committed by or against employees.

4.2 Developing enterprise policy on violence and harassment at work

All enterprises benefit from having a policy on violence and harassment at work that is easily accessible. While many enterprises already have a policy covering violence and harassment, it may be necessary to review the policy to check if it is fit for purpose. An enterprise policy, developed in consultation with workers and their representatives or OSH committees, if available, can help to set out how the enterprise will prevent and respond to violence and harassment, and set expectations about conduct and behavior in the workplace. The policy need not be overelaborated or complicated, especially for small and medium-sized enterprises, and the policy on violence and harassment may be subsequently integrated into other policies, such as policies for OSH or employee well-being. Enterprise policies should establish a process for raising concerns and addressing unacceptable behavior, even if that behavior does not violate the law. The enterprise should also commit to investigating allegations and giving confidence and trust to the victims to speak up. To ensure effective implementation of the policy, endorsement by management is critical.

Enterprise policy on violence and harassment

- A statement of commitment from senior management.
- Definitions and examples of various types of violence and harassment at work and unacceptable conduct and behaviours – including physical, psychological and sexual – by internal and third-party perpetrators.
- A short brief on the impact of workplace violence and harassment and how it can adversely affect the workforce and enterprise.
- A statement that no form of violence, discriminatory or harassing conduct towards any worker, manager, client, contractor, or any other person in the workplace will be tolerated and that anyone who engages in such conduct or behaviour will be subject to disciplinary action, including dismissal.
- A summary of the rights and responsibilities of workers and AKU in preventing violence and harassment at work.
- A summary of proactive steps taken by the enterprise, including violence and harassment prevention programme and training for managers, supervisors and staff.
- Information on complaint and investigation procedures, including the affirmation that all reports and complaints related to violence and harassment will be acted on promptly.
- A clause ensuring that investigations will be conducted fairly and all information gathered will be treated in strict confidentiality.
- Measures to protect complainants, victims, witnesses and whistle-blowers against victimization or retaliation.
- How the policy is to be implemented, reviewed and monitored.

4.3 Implementing the policy

Whether the enterprise policy on violence and harassment is separate from other policies or part of the non-discrimination, diversity and inclusion, or OSH policy, having a policy is just a first step. How the workforce experiences policies in their day-to-day life is more important than what is written in a document, and this makes the organizational culture, communication and training essential. Implementing the policy consistently and reaching out to the entire workforce and related persons to ensure the workplace is free from the risk of violence and harassment is the main aim of the policy.

4.3.1. Promoting and communicating the policy

AKU must communicate the policy and ensure all parties are aware of it, including the workforce at all levels, as well as clients, customers, contractors and any third party dealing with the enterprise. To be effective, the policy should be consistently applied, easily accessible and understood by the entire workforce, including those who are cultural or linguistic minorities, such as migrant workers or persons with disabilities. It can be communicated and promoted through notice boards, posters, the intranet, team meetings or staff information sessions. Publishing the policy in the staff handbook is a good way of communicating the policy to employees, especially new staff, and the handbook can include specific mention of the consequences of workplace violence and harassment.

Managers should discuss the policy with their staff to ensure they are aware of their rights, the complaint and grievance procedures and to whom they can turn when they need help or support.

4.3.2. Providing information and training on the policy to the workforce

Providing information and training to the workforce helps to support the overall strategy for preventing violence and harassment at work and contributes towards a workplace culture free from violence and harassment. As managers may often be the first contact for a victim, they should be equipped with relevant tools and training to respond to allegations on violence and harassment. Training on violence and harassment at work is an added regulatory requirement in some countries.

AKU relevant provision on national legislations that requires AKU to conduct training or organize program on prevention of violence and harassment at work.

Like the policy, the accompanying training, instructions and information delivered to the workforce should be easily accessible. Developing effective approaches and methodologies for training as a means of preventing violence and harassment can be helpful, including trainings that enhance staff members' awareness and conflict management skills, or challenge harmful social norms that have an impact in the workplace (ILO 2020, pp. 63–64). The information and training could cover:

- the enterprise policy on violence and harassment;
- applicable laws and regulations covering violence and harassment, including violence and harassment based on discrimination;
- how to identify hazards and risks;
- workplace conflict management;
- how to create a respectful and inclusive workplace.

It may be helpful to supplement basic information with a guidance booklet and training session or seminar, delivered either in person or online. Training can also increase everyone's awareness of the damage violence and harassment does both to the organization and the individual (ACAS 2014, p. 8). It also helps to ensure that when violence and harassment occurs, the workforce knows how to report it and how to access appropriate resources. The information or training could be included in OSH training or induction training for new staff.

4.3.3. Training managers and supervisors on the policy and setting a good example

Training for managers and supervisors is particularly important as they need to know the enterprise policies, set a good example, be alert to problems, receive complaints and protect workers from reprisal and retaliation. They need to watch for signs that violence and harassment may be occurring, such as rumors, increased absenteeism, decreased motivation, reduced job performance and increased staff turnover.

The behavior of AKU, managers and supervisors is as important as any formal policy. Thus, they need to be aware of their behavior and how it influences the working environment. Showing respect for the workforce at all levels is critical. Authoritarian management styles can sometimes spill over into bullying behavior. Supervisors should never act in a way that could be seen as disrespectful or bullying. A culture where workers are consulted and problems are discussed is less likely to encourage bullying and harassment than the culture created by an authoritarian management style (ACAS 2014, p. 7). Additionally, research shows that passive leadership styles are more permissive of hostile behaviors, which in turn lead to greater tolerance towards violence and harassment (Human Resource Management International Digest 2018).

4.3.4. Organizational-wide policies and practices and other efforts

The policy on violence and harassment at work should be reflected in other organization-wide policies, codes of conduct and practices for an integrated, inclusive and consistent implementation. For example, some enterprises include in their supplier code of conduct specific requirements for their suppliers on human rights, which frequently detail treating the workforce with respect and dignity, ensuring fair and equal opportunities, and addressing violence and harassment at work.

AKU is committed to respecting the highest standards of labour, human rights, environmental, and ethical conduct. AKU's suppliers are required to provide safe working conditions, treat workers with dignity and respect, act fairly and ethically, and use environmentally responsible practices wherever they make products or perform services for AKU. AKU requires its suppliers to operate in accordance with the principles and requirements, as applicable, in this AKU Supplier Code of Conduct and in full compliance with all applicable laws and regulations.

4.3.5. Anti-discrimination

Supplier shall not discriminate against any worker based on sex, age, disability, ethnicity, gender, marital and family status, national origin, political affiliation, race, religion, sexual orientation, gender identity, union membership, or any other status protected by applicable national or local law, in hiring and other employment practices. Supplier shall not require pregnancy or medical tests, except where required by applicable laws or regulations or prudent for workplace safety, and shall not improperly discriminate based on test results.

4.3.5. Anti-violence and harassment

Supplier shall commit to a workplace free from violence and harassment. Supplier shall not threaten workers with, or subject them to, harsh or inhumane treatment, including but not limited to verbal abuse and harassment, psychological harassment, mental and physical coercion, and sexual harassment and any other forms of discrimination-based harassment.

4.4 Managing, assessing and mitigating risks

In a number of countries, the national OSH legislation stipulates that AKU must assess all risks in the working environment and eliminate or minimize them as far as possible. The success of any workplace OSH programme, including concerning violence and harassment prevention, is contingent upon the cooperation of workers and AKU in identifying the potential hazards and assessing the associated risks. Although management is responsible for assessing, controlling and minimizing risks, workers have a critical role to play in helping to identify workplace hazards, because of their knowledge and familiarity with facility operations, process activities and potential threats (ILO 2020, p. 58).

AKU relevant provision on national legislations that requires AKU to manage or assess the safety and health risk including the risk of violence and harassment.

Managing the risks of work-related violence is a planned, systematic process. It involves the following steps: identifying hazards; assessing risks; preventing and controlling risks; monitoring and reviewing risk control measures; and dealing with third parties.

4.4.1. Identifying hazards

Hazard identification should address all existing occupational hazards and risks, including psychosocial factors and the hazards and risks associated with violence and harassment. It is important to gather information about the existing hazards, including by consulting workers and their representatives.

- Work-related hazards that may contribute to violence and harassment include:
 - the working environment;
 - the working conditions and working arrangements;
 - the work tasks and how they are carried out;
 - the way work is designed and managed;
 - engagement between managers and subordinates and among co-colleagues;
 - engagement with third parties, such as clients, customers, service providers, users, patients or members of the public;
 - gender, cultural and social norms that accept some forms of violence and harassment, including discrimination, abuse of power relations and domestic violence.

Common hazards that give rise to work-related violence and harassment

- Handling cash, drugs or valuables.
- Interacting with customers and member of the public including face-to-face, on the phone or online.
- Working alone, working in isolation and working in the community, for example, home visits, outreach work, driving passenger transport vehicles and working at night.
- Providing services or treatment to people with potentially unpredictable behaviour, such as those who are distressed, angry, intoxicated, incarcerated, confused, or ill.
- Conducting enforcement activities, for example, parking inspectors, security guards.
- Working in high crime areas.
- Working in a hazardous physical environment, for example, poor lighting or visibility.
- In relation to gender-based violence, low worker diversity, power imbalances along gender lines, and a workplace culture which accepts and tolerates gender-based violence.
- Service methods or policies that cause or escalate frustration, anger, misunderstanding or conflict, for example low staffing levels, customer service policies, setting unreasonable expectations of the services an organization or workers can provide.

It is important to consider that some individuals may be more likely to be exposed to hazards that give rise to violence and harassment due to their race, gender, sexuality, age, migration status, religion, disabilities and literacy level.

Risk factors associated with violence and harassment at work

There are many factors contributing to violence and harassment at work, and these include psychosocial hazards⁹

and work-related stress. When workers deal with high demands, heavy workloads, repetitive or low-intensity tasks, low job control, lack of role clarity, poor workplace relationships, autocratic leadership, workplace discrimination including by management and poor change management, this may increase stress and conflict within the workplace which may escalate to violent and abusive behaviour (Safe Work Australia 2021a).

To identify existing and potential hazards, it will be useful to do the following:

Consult workers or their representatives and the OSH committee about any aspect or situation in the working environment they consider can increase the risk of violence and harassment at work.

Review existing workplace reports and records, such as accident and injury records, grievances, workplace inspections, sick leave, staff turnover and performance measures.

Inspect the workplace to identify hazards related to the physical working environment – including hazards related to third-party violence and harassment – for example, low visibility service areas; entries and exits for workers after hours; and surveillance, alarm and communication systems.

Identify working situations at higher risk, for example working alone or in roles where there are long customer queues and wait times.

Identify psychosocial hazards related to work organization or job design, such as poor supervisor support or high demands.

Observe work culture and norms related to forms of harassment, such as name-calling, swearing, sexual or gendered jokes, and hazing new or young workers.

Identify existing harmful social and gender norms or gender and racial stereotypes that could lead to discrimination-based violence and harassment.

Observe how managers, supervisors, workers and others interact with one another, as poor communication, poor relationships and cultural or community issues can lead to workplace tension.

Conduct anonymous worker surveys about incidents or behaviours that have caused discomfort and situations that had the potential to become more violent.

Conduct surveys of clients and customers and analyse feedback to identify problem areas, for example service delivery and waiting times.

Observe the leadership style of the organization.

Refer to industry standards and guidelines that may highlight risk factors for the particular industry (Safe Work Australia 2021a).

4.4.2. Assessing risks

After identifying the hazards, AKU should assess the associated risks in consultation with the workers to determine the likelihood that someone might be affected by the hazards and the risk of violence and harassment arising from the hazards. It will be useful to consider the following:

- Who or which group of the workforce might be affected?
- Has it happened before, either in this workplace or somewhere else?
- If it has happened, how often does it happen?
- What is the potential impact?
- How serious could the harm be (minor, serious or fatal)?

There are different risk assessment tools designed to identify and assess work-related violence and harassment risks. It is important to recognize that risk factors are often interrelated and may be present concurrently.

4.4.3. Preventing and controlling risks

After identifying the hazards and assessing the associated risks, the next step is to adopt measures to prevent or control risks. The most effective control measure is to eliminate the hazard (and consequently the associated risk), for example the risks associated with cash handling in the public car park can be eliminated by introducing an electronic payment system. If it is not practicable to eliminate the hazard, the risk can be minimized by implementing a range of control measures, tailored to the needs of the enterprise and the workforce.

The physical working environment, security measures, work systems and procedures can affect the likelihood of violence and harassment and how the workforce can respond to incidents. Examples of measures in the physical environment to prevent work-related violence and harassment include locks and alarms, sign-in procedures for visitors and helpline for workers.

To prevent psychological violence and harassment, environmental and organizational measures should be considered. For example, individual job requirements should be clearly defined, and regular feedback should be sought from workers regarding their roles, responsibilities and workload. The workforce should be provided with the resources, information and training they need to execute their responsibilities effectively and safely. Teamwork and cooperation should also be encouraged (ILO 2020, p. 60).

In addition, institutional hierarchies and the abuse of power relations can contribute to psychological violence. Measures should therefore be put in place to provide managers and supervisors with the training, such as diversity and inclusion training, support and mentorship they need to be positive leaders. Likewise, the organization needs to ensure that leaders act promptly when they see or become aware of violence and harassment at work. As noted above, psychological violence and harassment, especially bullying, can be discouraged with good management practices and effective communication (ILO 2004).

In developing risk control measures, it is important to consult workers and OSH committees, if any. Engaging workers and others in developing control measures will likely result in measures that are more effective and widely used.

4.4.4. Monitoring and reviewing risk control measures

Monitoring and reviewing can help AKU to ensure risk prevention and control measures are working as planned and may also identify possible improvements. A review of risk control measures can include an examination of the physical environment, work functions and tasks, and it should take place:

after an incident of violence and harassment is reported, as this can help to identify and address underlying factors, including whether risk control measures must be adjusted;

when workers or their representatives indicate that risk control measures are ineffective or not as effective as they should be;

when recommended by the OSH officer;

when there is a significant change in the workplace that may introduce new or different hazards and risks, including changes in the working environment, work tasks, systems, processes or procedures;

at regular intervals, for example, annually.

In addition to the existing records and data, anonymous surveys can be used to gather information from the workforce, clients, customers or service users on the effectiveness of the risk control and mitigation measures, including the reporting procedures. The survey can be targeted or integrated into existing workforce or customer surveys. Conducting such surveys can send an important message to the workforce and related third parties, that the enterprise is committed to controlling and mitigating the risks of violence and harassment, and the enterprise would respond effectively to complaints. Surveys can also be used to monitor various aspects of the risk of violence and harassment, as outlined in table 1.

Example survey questions related to the risk of violence and harassment

| Topic | Example survey questions |
|---|---|
| Knowledge and awareness | <p>Do you know where to find our workplace policy and code of conduct that covers violence and harassment?</p> <p>To what extent do you understand our workplace policies on preventing and eliminating violence and harassment?</p> <p>Have you received training on work-related violence and harassment and how to deal with it?</p> <p>How prepared are you to deal with a harassing or violent situation?</p> <p>Do you know how to report any concern in relation to violence and harassment at work?</p> |
| Safety and security | <p>Have you ever been harassed or the victim of a violent incident on the job? If yes, did you report?</p> <p>Have you ever witnessed harassment or a violence incident at the workplace? If yes, did you report?</p> <p>How concerned are you about violence and harassment in our workplace?</p> <p>Do you feel safe at work?</p> <p>Do you think violence and harassment risks in the workplace have increased, decreased or stayed the same over the past year?</p> |
| Risk control and mitigating measures | <p>Do you think the existing measures in controlling and preventing violence and harassment at work are effective?</p> <p>If no, which aspect is ineffective or to what extent are measures ineffective?</p> <p>What other steps or measures should be taken to make our workplace safer?</p> |
| Enterprise culture and leadership | <p>How committed do you think the management is to preventing and responding to violence and harassment?</p> <p>Do senior members of staff demonstrate commitment to addressing violence and harassment?</p> |

5. Child labour policy

AKU KG endeavours to provide a conducive working environment that is characterized by equality and mutual respect.

The company will not tolerate the use of child or forced labour, nor exploitation of children in any of its global operations and facilities.

Definition:

Child labour, as defined by the International Labour Organisation (ILO) Convention is “work by children under the age of 12; work by children under the age of 15 that prevents school attendance; and work by children under of age of 18 that is hazardous to the physical or mental health of the child.

In the conduct of its business, AKU :

- Will not employ children that falls into the definition as stipulated by ILO Convention, notwithstanding any national law or local regulation;
- Will comply with all other applicable child labour laws, including those related to wages, hours worked, overtime and working conditions;
- Is against all forms of exploitation of children. The company does not provide employment to children before they have reached the legal age to have completed their compulsory education, as defined by the relevant authorities;

- Expects its business partners and associates to have and uphold similar standards and abide by country-governing laws in countries wherein they operate. Should violation of these Principles become known to AKU and not be remediated, we will take serious action, including discontinuation of the business relationship;
- It is the responsibility of local management and Human Resource Department to implement and ensure compliance with this policy at all AKU operations and facilities

Company Suppliers

AKU KG will not tolerate the use of unlawful child labour or forced labour in the manufacture of products it sells and will not accept products or services from suppliers, subcontractors or business partners (collectively referred to as “Suppliers”) that employ or utilise child labour or forced labour in any manner.

AKU Suppliers shall not employ or utilise in any manner any individual below the minimum employment age set by national law

5.1 Supplier Code of Conduct

This policy establishes a code of conduct for current and potential suppliers of AKU KG.

AKU KG is aware of its corporate responsibilities towards people, society and the environment wherein our suppliers and we conduct our business. We support a sustainable development policy and the conduct of our suppliers is indispensable in this matter.

We are committed to conducting business in an ethical, legal, and socially responsible manner. We expect our suppliers to be aware of and to comply with all relevant laws and legal regulations as well as the principles set out in this Code of Conduct as a minimum standard in order to do business with us.

5.2 Environmental responsibilities

We expect our suppliers to share our commitment to a clean and safe environment. Our suppliers shall agree to comply with local and international environmental regulations and standards. Such compliance shall include, as a minimum, the following:

- Obtaining and maintaining environmental permits and timely filing of required reports
- Proper handling and disposition of hazardous materials
- The supplier should seek to reduce, the environmental impact of their business activities, and to increase resource efficiency
- In addition to complying with local laws, steps should be taken to minimize the use of energy and natural resources
- The supplier must have procedures in place for handling emergencies such as fire, spills and natural disasters
- Wastewater and solid waste generated from operations, industrial
- processes and sanitation facilities are to be monitored, controlled and treated as required prior to discharge or disposal.
- Air emissions of ozone depleting chemicals and combustion by-products generated from operations are to be characterized, monitored, controlled and treated as required prior to discharge or disposal.

5.3 Social responsibilities

Our company is committed to respect international labor standards. We expect our suppliers to adhere to international principles and compliance with national legislation and corporate codes, and understand that respecting workers' rights and improving working conditions are essential for our business relationship. The following list is considered a minimum standard covering:

- Forced Labor
- Child Labor
- Harassment and Abuse
- Discrimination
- Wages and Benefits
- Freedom of Association
- Occupational Health and Safety

Forced Labor: The use of forced labor by our suppliers, whether obtained under the threat of punishment, withholding identity papers, requiring workers to deposit a bond or any other constraint is strictly prohibited.

Child Labor: Suppliers shall comply with local minimum working age laws and requirements. Child employment is strictly prohibited.

Harassment and Abuse: We expect our suppliers to treat their employees with respect and dignity. Our suppliers may not allow or engage in any kind of corporal punishment, psychological or physical harassment or any other kind of abuse.

Discrimination: Discrimination of employees in any form is prohibited. This applies, to discrimination on the basis of gender, race, skin color, disability, political opinion, origin, religion, age, pregnancy or sexual orientation. The Personal dignity, privacy and personal rights of each individual are to be respected.

Wages and Benefits: As a minimum, our suppliers shall pay regular wages and pay for overtime at the legal rate imposed by the country in which it operates, and provide their workers with the benefits the applicable law currently requires. If there is no legal minimum wage or overtime pay in the country in which it operates, the supplier shall ensure that the wages are at least equal to the average minimum in the industrial sector in question and that overtime pay is at least the same as the usual rate of pay.

Freedom of Association: We expect our suppliers to respect and recognize the right of each employee to negotiate collectively, to create or join the union organization of their choice and without penalty in accordance with local labor laws and established practices.

Occupational Health and Safety: Based on the specific risks present in their industrial sector, the supplier will provide their employees with a healthy and safe working environment. As a minimum:

- Access to drinkable water; adequate and appropriate ventilation, temperatures and lighting; and adequate safety protection
- Occupational health and safety training
- A system for injury and illness reporting
- Medical treatment and/or compensation to injured/ill workers arising as a result of working for supplier
- Worker exposure to hazardous materials is to be identified, evaluated, and controlled. When hazards cannot be adequately controlled by engineering and administrative means, workers are to be provided with appropriate personal protective equipment

5.4 Ethical business practices (EBP)

Ethical Business Practice (EBP) is about creating a culture where people make decisions and act in ways that build sustainable businesses, care for the needs of all stakeholders and comply with their ethical and legal obligations

Ethical Business Regulation is a relationship between a business and its regulator(s) where the business produces evidence of its commitment to EBP and the regulator recognizes and encourages that commitment.

Ethics is doing the right thing even if it is more than the law requires.

EBP is a holistic and values-based approach to creating an effective, ethical culture. It is based upon evidence that a pure compliance approach is ineffective and potentially counterproductive. The context in which people operate can result in misconduct, even by people with strong values, so EBP is a framework for creating an environment in which people can do the right thing.

EBP is built on the conviction that “ethics is everyone’s responsibility”. It takes a collaborative approach, involving people throughout the organization so that “doing the right thing” becomes part of the culture. It draws on experience in the aviation safety industry, where eliminating blame, fostering openness, and learning from mistakes produces improvement

Legal Requirements: We expect our suppliers to act in full compliance with the law. Our suppliers shall abide by all national, local and international laws relating to the management of their businesses.

Customs and Security Authorities: The supplier agrees to comply with applicable customs laws, including those relating to imports and the ban on the transshipment of merchandise into the country of import.

Anti-Corruption: The suppliers agrees to condemn and act against corruption in all its forms, including extortion and kickbacks.

Confidentiality/Data Protection: The supplier agrees to meet the reasonable expectations of its principal, suppliers, customers, consumers and employees with respect to the protection of their private information. The supplier shall comply with data protection and information security laws and government regulations when collecting, storing, processing, transmitting and disclosing personal information.

5.5. Monitoring and Compliance

Suppliers shall conduct internal audits and inspections to ensure their compliance with this Supplier Code of Conduct and applicable legal requirements. If a supplier identifies areas of noncompliance, the supplier agrees to notify BIO OIL and to remedy such non-compliance in a timely manner.

We reserve the right to conduct audits, if in our reasonable judgment and based on credible evidence, circumstances appear to indicate breach of this Supplier Code of Conduct.

6 Anti Financial Crime

6.1 Anti-money laundering and counter-terrorist financing

The Recipients are prohibited from supporting or facilitating money laundering or terrorist financing. They must take reasonable care to not (deliberately or not) tip off persons suspected of money laundering, terrorist financing. Employees must:

- Be aware and follow AKU KG Know Your Customer and other guidance on
- anti-money laundering in the form implemented locally;
- Be always vigilant and critically analyze customers and transactions;
- Timely raise concerns and report suspicions relating to money laundering, terrorist financing
- in line with the reporting process implemented in the relevant partner or network Company.

6.2 Financial sanctions

Employees are strictly prohibited from engaging, supporting or facilitating business relationships and business activities with persons and entities that are subject to United Nations, European Union or United States sanctions as well as with countries that are subject to comprehensive sanctions (Broadly prohibited countries). Employees must:

- Be knowledgeable of the requirements included in the Financial Sanctions Policy and connected operational regulations on financial sanctions, payment and customer as well as trade finance screening
- Pay particular attention

7 Anti-Bribery and Anti-Corruption

Recipients are prohibited any action of bribery and corruption irrespective to whether the receiver is public official or private individual and irrespective of their nationality and the place where the bribery and corruption is committed. Attempting, inciting, aiding and abetting bribery and corruption is also illegal and prohibited. Recipients cannot request, receive, offer or be in any way involved in facilitation payments. Recipients can use gifts, entertainment, hospitality as promoting or maintaining a business relationship and only when of reasonable and proportionate value. They must not be considered as placing undue influence in relation with pending or anticipated business. Offering, promising or giving (directly or indirectly), gifts, entertainment or hospitality or any other benefit to public officials, foreign or domestic, are not allowed, unless the local procedures provision approval from Compliance function.

Gifts in cash or cash equivalent are prohibited.

Third Parties are expected to comply with the Anti-Bribery and Anti-Corruption principles of this Code of Conduct. Recipients shall start or renew business relationships with a Third Party based on good knowledge on the partner and only if the relationship is grounded on legitimate purposes.

Recipients take decisions about charity and sponsorships on behalf of, or in the name of AKU KG / Legal entity in good faith and for legitimate purposes, and not as an inducement for obtaining any business advantage.

Recipients are prohibited from making or endorsing Political Donations on behalf of, or in the name of AKU KG / Legal entity.

Recipients cannot use offers of employment, including part-time, temporary employment, promotions to place an undue influence and must always perform them through the normal competitive hiring process.

7.1 Insider Trading

There are instances where our employees have information about the Company, its subsidiaries or affiliates or about a company with which we do business that is not known to the investing public.

Such inside information may relate to, among other things:

- plans;
- new products or processes;
- mergers, acquisitions or
- dispositions of businesses or
- securities;
- problems facing the Company or
- a company with which we do business; sales; profitability;
- negotiations relating to significant contracts or
- business relationships;
- significant litigation; or
- financial information.

If the information is such that a reasonable investor would consider the information important in reaching an investment decision, then the Company employee who holds the information must not buy or sell Company securities, nor provide such information to others, until such information becomes public. Further, employees must not buy or sell securities in any other company about which they have such material non-public information, nor provide such information to others, until such information becomes public. Usage of material non-public information in the above manner is not only illegal, but also unethical. Employees who involve themselves in illegal insider trading (either by personally engaging in the trading or by disclosing material non-public information to others) will be subject to immediate termination. The Company's policy is to report such violations to the appropriate authorities and to cooperate fully in any investigation of insider trading. The Company has additional, specific rules that govern trades in Company securities by directors, certain officers and certain employees. Employees may need assistance in determining how the rules governing inside information apply to specific situations and should consult the Company's Legal Department in these cases.

7.2 Corporate Opportunities

Subject to the provisions of our Restated Certificate of Incorporation, employees owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises.

Employees are prohibited (without the consent of the Board of Directors or an appropriate committee thereof) from

- taking for themselves personally opportunities that are discovered through the use of corporate property, information or their position,
- using corporate property, information or their position for personal gain and
- competing with the Company directly or indirectly.

7.3 Antitrust and Fair Dealing

The Company believes that the welfare of consumers is best served by economic competition. Our policy is to compete vigorously, aggressively and successfully in today's increasingly competitive business climate and to do so at all times in compliance with all applicable antitrust, competition and fair dealing laws in all the markets in which we operate. We seek to excel while operating honestly and ethically, never through taking unfair advantage of others.

Each employee should endeavor to deal fairly with the Company's customers, suppliers, competitors and other employees. No one should take unfair advantage through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practices.

The antitrust laws of many jurisdictions are designed to preserve a competitive economy and promote fair and vigorous competition.

We are all required to comply with these laws and regulations.

Employees involved in marketing, sales and purchasing, contracts or in discussions with competitors have a particular responsibility to ensure that they understand our standards and are familiar with applicable competition laws.

Because these laws are complex and can vary from one jurisdiction to another, employees should seek the advice of someone in the Company's Legal Department when questions arise.

8 Leaving AKU

When the employment or other type of contractual relationship with AKU or its partner or network company has ended, the Recipients are forbidden to transfer, keep or use assets and any information (including data files, documents) belonging to AKU or its partner or network company companies and respect the intellectual property of the partner or network company.

When in possession of confidential information belonging to the partner or network company even if no longer within a contractual agreement with AKU KG / Legal entities,

Recipients are forbidden to share it unless at official request of AKU KG / Legal entity or official Authorities.

Recipients must refrain from personal investment decisions based on the possession of such information

9 Infringements of the Code of Conduct

The following are deemed as infringements of the Code of Ethics and Conduct:

- Acting against our principles and neglecting our duties.
- Requesting or instructing the personnel not to comply with the Code.
- Failing to report any infringements or suspected infringements observed.
- Not cooperating in or obstructing the investigations.
- Taking reprisals against a whistleblower.
- Failing to sanction any breaches of this Code.

Infringements will give rise to disciplinary measures that will vary depending on the circumstances and seriousness of each particular case. Prior to determining any disciplinary measure, the available evidence will be validated, respecting the persons' rights in regards to non-compliance.

One or several of the following sanctions may apply, among others, at the option of the Human Resources Department or responsible person.:

- Verbal warning.
- Written warning.
- Temporary suspension of duties or of certain benefits.
- Termination of employment relationship.
- Other legally admissible sanctions.

We must support the good performance of our company by reporting all infringements of this Code that we are aware of.

Whenever there is a suspected infringement or we are uncertain regarding any situation of potential infringement, we must request aid from or consult with the members of Human Resources Department or responsible person. Executive officers, managers and supervisors have a greater responsibility. Should they suspect the existence of any forbidden actions and fail to report them, they could also be deemed as jointly liable and, therefore, be sanctioned.

As part of personnel, we must inform Human Resources Department or responsible person, whenever we are unable to perform our duties objectively as a result of any pressure by a third party because of his/her position, authority or influence in the organization.

The personnel shall cooperate with the investigations related to possible infringements of the Code, maintain absolute confidentiality and speak forth the truth at all times