



Policy

Compliance & Ethical Business

Fundamentals to a sustainable
Business operation by CHANTY



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01.

Our Philosophy



At the heart of CHANTY you will find our commitment to ethical behavior, which is the foundation of all the most essential components of CHANTY operations.

The spirit of CHANTY is professional R&D for sustainable lace creation with intrinsic respect for nature and environment. Clearly focusing on resource optimization, we are balancing tradition with eco-innovation and sinuous design.

Embedded in the CHANTY DNA is a high-quality standard “Made in Germany”, combined with an honest regard for nature and respect for our environment. Focusing on sustainable lace creation with conscious resource usage.

We at CHANTY value all partnerships, both as individuals and as a company. All employees uphold the standards of fair, responsible and ethical work and behavior. We also hold our supply chain to the same standards and ensure ethics and integrity is always being kept in mind.

Thank you for supporting us and doing the right things. Only by working together can we continue to provide our exceptionally products.

01

Caring

CHANTY respects all human rights and is in compliance with socially acceptable working conditions, as well as equal rights and chances. CHANTY stands against all types of discrimination and instead offers a great variety of benefits to all workers.

This is reciprocated by employees staying for a long time at the company, with many being here since over 10 years.

Strong loyalty, high standards, good ethics and good communications are some of the ways to support a good team.

02

Donating

We donate plastic spools to workshops that aid disadvantaged groups. Leftover laces and other materials also get donated to kindergarten, universities and schools.

If there is an interesting idea, CHANTY is there to aid with the material we have on hand.

CHANTY is also always looking for more ways to help and considering possible partnerships and other ways to support not only aspiring designers, but also good ideas.

03

Valuing

We are more than a supplier, we are a lace creator and confidant with a common goal in development of new innovations.

With time CHANTY has become a brand that offers conscious collections to conscious lingerie brands.

CHANTY will make your dreams into reality. We have good and true partnerships since many decades. This ensures not only high quality, but also transparency and a value chain we can stand behind.



04

Saving

CHANTY is taking care to only use as much electricity and power as needed.

All lights are motion sensor triggered LEDs with a long-life duration.

All heaters are connected into a circuit where the heat caused by our manufacturing machines are transferred to a collection tank and distributed to all seats. No one has to freeze and no need for extra energy expenditure.

Using what we have and avoiding unnecessary extras is essential in today's time.



05

Reusing

Not only do we reuse the generated energy, we also reuse whatever else we can.

Cartons and packaging, as well as padding material are perfect examples for reusable material.

Palettes are another good example.

06

Protecting

Responsible use of chemicals where it cannot be avoided & ensuring the avoidance of anything that can be hazardous to health.

This is part of CHANTY's aim to protect the environment.

All materials used in the dyeing process are safe to handle. All CHANTY laces are perfectly fine for touching skin and reach highest quality for colors and finishing processes.

The manufacturing, dyeing and finishing processes all occur in Germany.



This Policy of Compliance & Ethical Business includes our Code of Conduct, which is intended to be a guideline for the entire CHANTY company and therefore applies equally to each of us. The composition and guidelines are in reference to the ten principles of the UN Global Compact.

Specifically, it is addressed to the leadership, the managers, all our employees, as well as our suppliers. On the one hand, it represents the demand we place on ourselves to live up to the values and principles mentioned in this guideline, and at the same time it signals responsible behavior towards our business partners, customers and employees.

The public image of CHANTY is essentially shaped by the appearance and behavior of each individual employee. Therefore, each individual employee is responsible for ensuring that his or her actions and omissions do not damage the environmentally and socially conscious image of the Chanty company, but rather promote it.

These Business Guidelines are binding rules that apply to every employee. They are intended to help overcome ethical and legal challenges in daily work. The Company initiates all necessary steps to implement the values and requirements contained in this Code of Conduct through appropriate organizational measures as well as adequate policies and processes in all business areas.

Respectful interaction with each other is particularly important to us. Therefore, we base our actions on universally valid ethical values and principles.

We respect and support internationally recognized human rights (from The Universal Declaration of Human Rights - Resolution 217 A (III) from the 10th of December 1948) and attach great importance to integrity, honesty, transparency, as well as non-discrimination of religion, ideology, gender and ethics. In doing so, we respect the personal dignity, privacy and the personal rights of each individual.

We work together with women and men of different origin, nationality, culture, religion and skin color. We do not tolerate discrimination and no sexual or other personal harassment or insult. On the contrary, we promote equal opportunities for our employees. In all employment decisions, such as hiring and promotions, remuneration, training, redundancies and terminations, all employees are treated strictly and only according to their abilities and qualifications.

These principles apply both to internal cooperation as well as towards external partners.

This Policy represents our commitment to proper business conduct of all our stakeholders. We at CHANTY are committed to doing business legally, ethically and in a transparent manner. Stakeholders include all staff, as well as any partners and cooperation who do business with us.

CHANTY's success depends on the trust we earn from our employees, customers and partners. Being credible means to adhere to our commitments and reaching all goals solely through ethical conduct. We at CHANTY expect all employees to treat everyone with respect and honesty.



CHANTY pledges to always be open to any questions or complaints and will not allow any punishment or retaliation against anyone reporting in good faith.

Any raised concern is to be addressed promptly and responsibly. All employees must cooperate in case of an investigation of potential or alleged misconduct. Non-compliance is considered a misconduct and can result in disciplinary action, including termination of employment.

CHANTY will also make an effort to apply this policy to our entire supply chain and business partners.

Ethical conduct is value driven decision making. So it is wise to ask oneself:

- ❖ Is this the right thing to do?
- ❖ How will this reflect on me?
- ❖ Will this help create a successful environment?

To build trust and credibility one has to reflect. Everyone should feel comfortable to speak his or her mind. CHANTY and all stakeholders will benefit from open communication.

CHANTY operates with an open-door policy where everyone can decide where they want to raise their concern.



CORE VALUES

Confidentiality

Honesty Integrity

Trustworthiness

Respect Reliability

Responsibility

Safety Fairness

Sustainability

All requirements should be met without compromising the needs and rights of future generations or any other living beings. Committing to this policy means holding everyone to a high standard.

CHANTY will avoid any action that may be perceived as favorable treatment towards specific groups or people.

No matter the business, ethical behavior is a product of clear and direct communication of behavioral expectations. Our actions are what matters.

CHANTY refers to the main points of the EMAS Regulation (No. 1221/2009) and ISO 14001:2015 in regards to its sustainability key points and focus. The reports of the IPCC and IPBES showcase the current situation clearly.

Water discharge

Wastewater originating from processing or operations at the facility must be monitored and checked regularly.

In case there is a need to take action, the process of finding an economic solution will take place.

If at all possible, the usage of water is to be reduced.

Adherence to all applicable local law for the handling of water and wastewater is required.

Contamination of land

In case a release of any material into land happens during processing or operations at any facility, the responsible party has to ensure it shall not contaminate the land and groundwater.

Appropriate measures are to be taken and regular assessment and monitoring of possibly harmful operational procedures are to take place.

Release of energy

Emissions originating from release of energy by transformation of energy sources from electricity and heat are a major part of the total amount of greenhouse gas emissions.

In case this is a process taking place at any location, this release of energy is to be monitored and procedures are to be undertaken to reduce the amount of released energy with due diligence.

Waste generation

It is a goal to reduce the amount of waste generated at the facilities.

Generated waste is to be responsibly documented, recycled and to be disposed of.

In case any of the waste may be harmful to environment and any living being, or declared as such as per valid local laws, it shall be disposed of in a appropriate manner in adherence to valid rules and regulations.

The urgency of environmental and climate protection measures is clear to everyone by now. Companies play a significant role in reaching the necessary goals. Or the end goal of a net zero.

Air emissions

General emissions from company processes, as well as greenhouse gases must be monitored and checked regularly.
In case there is a need to take action, the process of finding an economic solution will take place.

Material consumption

The usage of any kind of resource and raw material is to be reduced as far as possible. This also includes waste generation.
The processes and steps necessary to reach this goal, may be implemented during production and operation processes, changes of processes and operations or by reusing and recycling materials as possible.
Material consumption is to be responsibly managed.

Energy consumption

The energy consumption should be responsibly managed and economic solutions to increase efficiency are to be implemented if reasonable methods are viable.
In case reduction of energy consumption is not possible alternative methods shall be looked into. This includes taking a closer look at the source of energy and other service providers with due diligence.

Biological diversity

Local environmental protection regulations and policies are to be followed.
Operational procedures affecting the biological diversity will be monitored.
Materials used are to be responsibly chosen.
Sustainable resource usage and avoidance of harmful interference of the environment is to be refrained from.

02.

Our Team

CHANTY feels strongly about ensuring human rights. Throughout all its operations human rights are respected. CHANTY is doing its due diligence within its scope of operations regarding potential impacts on human rights.

CHANTY holds dear the principles of the Declaration of International Labour Organization (ILO) in addition to the Treaty on European Union (TEU) as basis upon which to also build further policies.

- “(a) freedom of association and the effective recognition of the right to collective bargaining;
- (b) the elimination of all forms of forced or compulsory labour;
- (c) the effective abolition of child labour; and
- (d) the elimination of discrimination in respect of employment and occupation. „

(ILO DECLARATION ON FUNDAMENTAL PRINCIPLES AND RIGHTS AT WORK AND ITS FOLLOW-UP, p. 7)

“Human dignity shall be inviolable. To respect and protect it shall be the duty of all state authority.” This is the clear mandate in Article 1 of the German Basic Law and CHANTY stands being it.

CHANTY is committed to providing an environment free of discrimination and harassment, while offering all individuals the same respect, dignity and opportunity. This commitment applies to all staff and partners and applies to discrimination or harassment on basis of any ground or similar: Gender, Age, Religion, Ancestry, Family Status, Citizenship, Origins. Anyone at CHANTY found to have engaged in discrimination and/or harassment may be subject to disciplinary action, up to and including termination.

Meaning of Discrimination:

“Any combination of forms of discrimination against persons on the grounds of sex, racial or ethnic origin, religion or belief, disability, age, sexual orientation, gender identity or other characteristics, and to discrimination suffered by those who have, or who are perceived to have, those characteristics.” (European Institute for Gender Equality, <https://eige.europa.eu/thesaurus/terms/1297>)

Meaning of Harassment:

“Unwanted conduct related to the sex of a person occurring with the purpose or effect of violating the dignity of that person, and of creating an intimidating, hostile, degrading, humiliating or offensive environment” (European Institute for Gender Equality, <https://eige.europa.eu/thesaurus/terms/1232>)

CHANTY encourages everyone to pay attention to and report any occurrences of either discrimination or harassment. All employees have the right to freedom from reprisals for refusing to accept harassment or discrimination in any form or formal complaints thereof.

Should any employee notice irregularities of this kind, they shall immediately report their findings.

Contact person is Human Resources (HR), who coordinates and oversees these investigations. HR will treat all notifications received confidentially. No information should be given out and the complainant will be treated anonymously.

All allegations shall be made in good faith. In case of malicious allegations disciplinary or legal action will be taking as appropriate.



The investigation must be completed in a timely manner, generally within 90 days or less, unless there are extenuating circumstances (force majeure, illness, or similar) warranting a longer investigation.

In addition, CHANT puts emphasis on providing accommodation regarding health and safety reasons of all individuals. This ensures the dignity and inclusion of all individuals. CHANTY is also committed to cooperate with all partners in accommodation processes. Any accommodation requests should be made to Human Resources (HR) and provide the necessary information.



CHANTY deeply agrees with the principle of establishing and maintaining human working conditions in all its facilities and locations of all stakeholders.

Individuals naturally strive for sustainable and fair working conditions and protest the lack thereof. To establish an ethical and peaceful environment it is important to offer not only regular and fair wages, working time and conditions, but also a work life balance and protection and discrimination and harassment.

CHANTY only employs individuals above the minimum age for employment according to valid law. Any individual under the age of 18 can temporarily be contract in as trainee or in consideration of a compulsory internship as required by their learning facility or as apprenticeship. Each apprenticeship at CHANTY comes with a guaranteed take-over unless it is otherwise decided by both parties.

Forced labor of any kind is strictly prohibited. CHANTY is engaged eradicate forced labor along the whole supply chain. Voluntarily providing reports and disclosures is a part in that.

CHANTY is firmly against human trafficking, as reference serves the provisions of IMPLEMENTATION OF ANTI-TRAFFICKING POLICY (European Commission) as applicable.

CHANTY working conditions comply at minimum with applicable laws, including maximum working hours, overtime, vacation days, emergency leave, legally mandated benefits and compensation. All agreements are in written form in a language the concerned individual can understand.

Public holidays as applicable are granted to all employees equally, as well as 2 days off every week unless otherwise agreed upon. Overtime is always consensual. CHANTY values the satisfaction of all staff and allows flexible time management regarding family and other emergencies that may occur without prior warning.



Parking spaces are provided directly on company ground, as well as other niceties.

CHANTY pays close attention to maintaining a peaceful and sustainable working environment.



Treatment of any individual shall not be differentiated by other of below points or similar:

Gender, Age, Religion, Ancestry, Family Status, Citizenship, Origins

CHANTY is committed to equal opportunity and all employees are held to these standards to guarantee a fair, dignified and peaceful environment for all individuals.

CHANTY recognizes the importance of diversity in developing and retaining a strong culture.

We aim to promote an environment rich in culture and equal opportunity. A fair treatment of all individuals and the prevention of harassment and discrimination is essential to a harmonious workplace. CHANTY seeks to get routinely various evaluations for a board perspective.

During, before or after employment treatment and evaluation of individuals is done merely based on their merits and not affected by irrelevant personal characteristics.

Our commitment to equal opportunity can be found across all operations. CHANTY will take action to ensure it stays that way while complying with all applicable laws, rules and regulations preventing discrimination and harassment against applicants or employees.

Here we refer to the human rights treaties and their Additional Protocols of Civil Pact, Social Pact, Anti-Racism Convention, Women's Rights Convention, Convention against Torture, Children's Rights Convention, Convention on the Rights of Persons with Disabilities, Convention for the Protection of All Persons from Enforced Disappearance. We understand that equal opportunity applied to every individual and that it is especially important to people in groups that have historically been subjected to unfair treatment in the workplace.

Although we do not promise to employ or promote all people in such groups, we do pledge to treat qualified job applicants and employees eligible for promotion fairly. We also pledge to avoid discriminating against them based on conscious or unconscious biases. CHANTY gives every employee fair access to workplace opportunities and benefits. A diverse environment with equality, respect and consideration should be the norm for all.

CHANTY conforms to the valid norms, rules, regulations and laws regarding the health and safety of all employees and visitors. At the basis of these are the two fundamental building blocks ASiG and DGUV. There are routine checks done by external experts to ensure total compliance.

All employees are offered regular free voluntary check ups from our occupational physician.

First aid training is also offered regularly and open to all interested employees.

Arbeitssicherheitsgesetz

ASiG

Act on Occupational Physicians, Safety Engineers and Other Occupational Safety Specialists of 12 December 1973 (Federal Gazette I p. 1885), last amended by Article 3 (5) of the Act of 20 April 2013 (Federal Gazette I p. 868)

Deutsche Gesetzliche Unfallversicherung DGUV

The legal basis of occupational safety and health activity in Germany

Volume 7 of the German Social Code (SGB VII) formulates the statutory mandate for the work of the German Social Accident Insurance Institutions in Germany.

From the start of the pandemic until now and still ongoing, CHANTY offers free testing done by our occupational physician.

HEALTH & SAFETY

The intent of these laws is the prevention of accidents and work-related illnesses. Managing health and safety risks that may come up, providing safety equipment as necessary, maintaining equipment, machines and offices, as well as working conditions and implementing emergency procedures are included in this body of rules. All employees are to take care of their health and safety as is reasonable and report any concerns that may occur. Full cooperation is expected. Regular risk assessments and trainings are done internally to ensure compliance.

CHANTY recognizes its duty to provide a safe and healthy working environment for all staff and visitors and has appointed a health and safety sub-committee to manage these processes. Each Team and shift have at least one (1) dedicated trained first aid operative always present, to ensure compliance with internal processes.



03.

Commitments

CHANTY and all staff must of course follow the applicable laws and regulations, as well as all practices of lawful business.

We are committed to adhere to every valid and binding contractual agreement that we conclude, and we do not abuse our rights.

CHANTY is producing and dyeing textiles in one of the most environmental conscious regions, while adhering to strict German and EU Standards. And this since over 60 years.

We at CHANTY offer our products based on quality, functionality and competitive pricing. We are dedicated to fair business practices with ethical competition.

CHANTY refrains from any kind of unlawful boycotts and does not offer unsolicited payments or gratuities. We commit to comply with all applicable trade controls, restrictions, sanctions and import-export embargos.

All our relationships and cooperation are based on mutual trust and benefits compliant with applicable laws.

Violence or damaging the reputation of competition or business partners, as well as any kind of behavior that harms the credibility of others will be avoided. CHANTY stands against all unethical practices of malicious, unlawful or unduly payments or debt chains.

CHANTY and all staff are responsible for upholding all valid legal competition, consumer protection and fair marketing regulations. All customers and partners shall be treated fairly and equally, providing all services and products in an accurate manner, disclosing all relevant information

ANTI-CORRUPTION

CHANTY firmly condemns and does not tolerate any form of corruption. It is prohibited to directly or indirectly offer, promise, give, ask, solicit or accept any unfair advantage or benefit, in order to obtain, retain or facilitate the business in any way as defined by the relevant UN Convention (adopted in 2005).

If not regulated in a lawful contract and while adhering to valid law, any kind of payments or gratuities to private persons or businesses meant to speed up or benefit processes or business operations are not tolerated. Misuse of positions of power are included in this condemnation of unlawful business practices.

CHANTY considers any kind of corruption a gross misconduct. As is accepting, witnessing or taking part in such a transaction without preventive actions or reporting to avoid this action from taking place or continuing on.

Company resources are to be used for legitimate business only. CHANTY and all staff are responsible for the secure and economic use.

Company resources are such as time, material, equipment, information and work force.

Personal use in an unlawful way is strongly prohibited, as are any kind of misuse, as well as careless use of company assets.

In case we are unsure if an action is lawful or compliant with the CHANTY policy, we will seek advice.

We all are responsible for preventing violation of the applicable laws and regulations, as well as speaking up about it.





FINANCIAL INTEGRITY

CHANTY is committed to fair taxation and upholding all valid rules and regulations in financial reporting. We are compliant with legal requirements as part of our normal course of business on a day-to-day basis. CHANTY's corporate records must truly and accurately reflect all our transactions in accordance with CHANTY's policy and other applicable accounting principles.

CHANTY is committed to doing the right thing and tackle any tough decision of difficult choices, instead of turning the other way.

Being able to do something does not mean something should be done. Thus, it is necessary to evaluate possible paths and choosing the right one.

Although CHANTY cannot address every concern or issue, nor provide all answers and solutions, this policy can provide the spirit in which to do business with and go about the daily activities.

Every one of us is responsible for upholding this spirit and raising any concerns should they be applicable.

CHANTY acts in compliance with valid international trade laws and keeps internal records in reference to German Commercial Code (HGB) and other local applicable laws.

CHANTY ensures all business transactions are recorded and documented appropriately. All disclosures made in financial reports are full, honest, accurate, timely and understandable. There will be no misleading influence and there is no excuse for misrepresenting facts or falsifying records.

This is the obligation of all employees with any responsibility on the preparation, drafting, reviewing, signing or certifying the information therein.

In case any staff notices information that is misleading or untrue the responsible person shall be informed and act upon it immediately in an appropriate manner.

Fraud includes deceptive actions taken with the intention to gain advantage illegally or unethically. This may be of material value or provision of services.

Dishonest actions, faulty handling, disclosing confidential or proprietary information and knowledge, and other similar activities may be used with the aim of attaining gain.

CHANTY strictly prohibits any instances of such or similar behavior. Any behavior with the intention of unlawful or unethical gains are considered a gross misconduct which will result in disciplinary action, including termination of employment.

It is the intent of CHANTY to promote consistent organizational behavior by providing these guidelines.

CHANTY and all staff shall not retaliate against any person that reports an action they believe to be fraudulent or dishonest with the intent to harm.

CHANTY promotes a culture of honesty and ethical operations inside and outside to the company. This includes clear and honest communication and equal treatment.



Every supervisor bears the responsibility for the employees entrusted to them.

They must earn their recognition through exemplary personal conduct, performance, reliability and social competence. They must set clear, ambitious and realistic goals, leads through trust and gives employees as much personal responsibility and freedom as possible. They or the HR department are also approachable for employees in case of professional and personal concerns.

Employees have the opportunity at any time to report harmful, discriminatory or unethical behaviors. Whether accusations are true or false, CHANTY wants to prevent victimization and other retaliatory behavior towards the employee.

CHANTY believes it is important that employees are not afraid to speak up about any issues. We will follow all legal prohibitions for retaliation and make an effort to preserve legality and business ethics. There is zero-tolerance for any adverse action by employees – there will in no way be any retaliation against an employee filing or reporting a complaint. Neither will complaints be discussed publicly; they will be handled with appropriate discretion. There are several behaviors protected from retaliation. These behaviors are:

- ❖ Disobeying a direct order that is believed to violate a law or company policy
- ❖ Reporting alleged discrimination regarding yourself or others
- ❖ Participating in an internal investigation of alleged misconduct by providing information
- ❖ Refusing unwanted sexual advances or protecting others from unwanted sexual advances
- ❖ Requesting reasonable accommodation due to any understandable reason



CHANTY is committed to confidentiality and information security. All employees are obligated to follow all applicable security measures. The steps taken are in reference to IT risk management of the federal Office for Information security (BSI).

Integrity and accessibility are implemented through technical security measures. We will not disclose confidential and nonpublic information without a valid business purpose and proper authorization.

04. Confidentiality

Proprietary information includes all non-public information about CHANTY itself, customers, businesses, cooperation's, partnerships, or similar to any unauthorized party.

We will not engage in unauthorized use, copying, distribution or alteration of software or other protected intellectual property. CHANTY respects the propriety rights of others.

INFORMATION SECURITY

CHANTY and its employees will not seek to acquire improper means of another's trade secrets or confidential information.



We are dedicated to ethical and fair competition. All staff are instructed to take care when making presentations or proposals to customers or others to avoid mentioning any non-public information.



CHANTY and all employees uphold their respect towards private and personal data. Integral to CHANTY's business practices is the protection of confidential information.

CHANTY only acquires and stores personal information as necessary in accordance with valid law. Proper security measures and accessibility to data owners is a given.

CHANTY staff and associates must observe legal requirements and only apply compliant practices in handling of personal data, acting in accordance with valid laws and regulations.

Access to Internet and Intranet, electronic business transactions, exchange of information, dialogue and the general advantages of electronic communication are associated with risks for personal privacy and data security. Effective precautions against these risks are an important part of our IT management, the leadership and also the behavior of each individual.

In addition to the general confidentiality regulations (e.g., § 17 UWG), we also observe data secrecy in accordance with the General Data Protection Regulation (GDPR).

CHANTY holds itself to a high level of legal and ethical standards in the conduct of our business. All CHANTY Designs are original Designs and thus protected.

It is the policy of CHANTY to compete fairly in the marketplace in adherence with valid copyright law like the german UrhG.

CHANTY is committed to protecting its own intellectual property, such as information, processes, technology, designs, trademarks and patents from infringement by others. It is the responsibility of every employee to help protect CHANTY intellectual property.

CHANTY is also committed to respecting the intellectual property of others. While collecting data on the Company's competitors, all stakeholders are to use legal, ethical resources to prevent the tainting of operations with the improper introduction of the proprietary information of third parties. When a situation is unclear, employees, independent contractors, and agents should consult with experts in this field.

Company employees, independent contractors, and agents having confidential information from a former employer may be bound by a nondisclosure obligation to the former employer. CHANTY expects employees, independent contractors, and agents to fulfill this obligation.

In the event that Chanty discovers counterfeit materials an investigation will be undertaken to discover the source. Full details of the infringement will be reported to the appropriate government trading standards agency for criminal investigation.



Thank you

Need more information? Contact us

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