



Suppliers

Responsible Sourcing Practices

Fundamentals to a sustainable
Business operation by CHANTY



01. Introduction	03
02. Social Responsibilities	04
❖ Human Rights	04
❖ Fair Working Conditions	05
❖ Health & Safety	06
❖ Complaints management	06
03. Sustainability	07
04. Ethical Business	09
❖ Integrity	09
❖ Data Protection	10
❖ Information Security	10
❖ Intellectual Property	10
05. Implementation	11
06. Consent	11

01.

Introduction



This guideline for responsible sourcing practices includes the CHANTY Code of Conduct, which is intended to be a guideline for the entire CHANTY company and associates. The composition and guidelines are in reference to the ten principles of the UN Global Compact and valid law, rules and regulations.

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.

INTRODUCTION

CHANTY is conscious to ensure ecological, social and ethical behavior takes place or is considered. The goal is further optimization of sustainable behavior and operational procedures in cooperation with all associates.

This guideline is intended as a reference to an ongoing good and sustainable partnership. Suppliers shall acknowledge these practices and behaviors.

Suppliers are compelled to initiate the necessary steps to implement the values and requirements contained in this guideline 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, CHANTY bases our actions on universally valid ethical values and principles.

The internationally recognized human rights (from The Universal Declaration of Human Rights - Resolution 217 A (III) from the 10th of December 1948) shall be respected and integrity, honesty, transparency, as well as non-discrimination of religion, ideology, gender and ethics are to be honored. In doing so, the personal dignity, privacy and the personal rights of each individual will be respected as is their due.

Equal opportunity for all employees and employment decisions are to be promoted. No matter origin, nationality, culture, religion and no kind of harassment or violence shall take place.

02.

Social Responsibility

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.

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

Suppliers shall take care to monitor and manage compliance and any issues appropriately.

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 deeply agrees with the principle of ensuring humane working conditions in all its facilities, locations of all stakeholders and associates.

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.

Suppliers shall obey valid local laws and only employ 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.

Forced labor of any kind is strictly prohibited. All employees and works are to have freely signed any contractual agreements.

CHANTY also expects suppliers to respect the provisions of IMPLEMENTATION OF ANTI-TRAFFICKING POLICY (European Commission) as applicable.

As basis the Business Social Compliance Initiative (BSCI) and International Labor Organization (ILO) are to be referred to.

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

FAIR WORKING CONDITIONS

All employees must be treated equally. Overtime is to be consensual. The right for assembly shall be respected.

Employees must be able to speak to supervisors without fear of retaliation.

A commitment to equal opportunity must be found all across the board. Equal opportunity refers 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.



Suppliers shall be compliant with valid norms, rules, regulations and laws regarding the health and safety of all employees.

The intent of this guideline 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.



HEALTH & SAFETY

COMPLAINTS MANAGEMENT

Suppliers are compelled to implement an appropriate complaints management system and allow any employee to report and file any irregularities they notice without retaliation. Legal prohibitions for retaliation and efforts to preserve legality and business ethics are to be followed. Generally, 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



03.

Sustainability

The sustainability key points and focus refer to the main points of the EMAS Regulation (No. 1221/2009) and ISO 14001:2015.

Water discharge

Waste Water 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 waste water 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 ground water.

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 decalred 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.

04.

Ethical Business

Suppliers shall firmly condemn and 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).

Company resources are to be used for legitimate business only. Company resources are such as time, material, equipment, information and work force.

Dishonest actions or any action that can be considered fraud, faulty handling, disclosing confidential or propriety information and knowledge, and other similar activities may be used with the aim of attaining gain shall be prohibited by suppliers. Instead, a culture of honesty and ethical operations inside and outside to the company shall be promoted. This includes clear and honest communication and equal treatment.

Suppliers shall ensure all business transactions are recorded and documented appropriately. All disclosures made in financial reports shall be full, honest, accurate, timely and understandable. There will be no misleading influence, misrepresenting facts or falsifying records. A commitment to fair taxation and upholding all valid rules and regulations in financial reporting is expected, as well as compliance with legal requirements as part of a normal course of business on a day-to-day basis. Corporate records must truly and accurately reflect all transactions in accordance with applicable accounting principles.

Suppliers must refrain from any kind of unlawful boycotts and refrain from offering unsolicited payments or gratuities. Commitment to comply with all applicable trade controls, restrictions, sanctions and import-export embargos is expected.





DATA PROTECTION

Suppliers shall implement proper security measures for acquiring and storing personal information and allowing accessibility to data owners. 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.

The data secrecy shall be observed in accordance with the General Data Protection Regulation (GDPR).

INFORMATION SECURITY

CHANTY is committed to confidentiality and information security. Suppliers shall follow all applicable security measures in reference to IT risk management of the federal Office for Information security (BSI). No confidential or nonpublic information shall be disclosed without valid business purpose and proper authorization.

No improper means are to be used to acquire another's trade secrets or confidential information. Engagement in unauthorized use, copying, distribution or alteration of any protected intellectual property is strictly prohibited.

INTELLECTUAL PROPERTY

Suppliers shall respect applicable copyright law and fulfill valid nondisclosure obligations and refrain from sharing any confidential information.

In the event that counterfeit materials are discovered they are to be reported and an investigation shall be undertaken to discover the source. Full details of the infringement will be reported to the appropriate government trading standards agency for criminal investigation.

05. Implementation

06. Consent

CHANTY expects all suppliers to identify risks within supply chains and to act accordingly.

To ensure the fundamentals of this guideline as adhered to, CHANTY requests all suppliers to provide a self assessment.

If the supplier notices any occurrence conflicting with this guideline, they are to inform CHANTY.

In case of transgressions CHANTY will take appropriate action. Any dispute or controversy arising out of or in relation to this guideline shall first be settled amicably by negotiation between the Parties.

If there are any queries, CHANTY will be available and do its due diligence in providing relevant information.

The suppliers confirms to commit to this guideline and act responsibly to fulfill the listed topics and operations.

This guideline will be communicated to all employees, contractors, partners and suppliers by the supplier. Adherence to this guideline will be confirmed by the supplier.



Thank you

Need more information? Contact us

info@chantylace.com

+49 6074 8684 0

chantylace.com

