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**Title: SIG Business Ethics Conduct for Suppliers**

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## **SIG Business Ethics Conduct for Suppliers**

The ethical principles contained in this document describe the principles of SIG and its affiliates for a responsible acting regarding ethics, work conditions, health and safety as well as environment.

The document forms an integral part of the agreements between SIG and its suppliers.

SIG expects its suppliers to comply with these principles.

### **1 Ethical business commitment and fair competition**

- a) The suppliers will adhere to all applicable local, national and supra-national laws and regulations. In countries, or in specific situations where there is no law or regulation governing a particular activity or operation, SIG expects its suppliers to conduct their operations consistent with the principles of this Policy. SIG shall be entitled to verify in a suitable manner whether its suppliers comply with these principles.
- b) The suppliers will never, directly or through intermediaries, offer, promise or make any understandings about any personal or improper advantage in order to obtain or retain a business or other advantage from SIG or a third party, whether public or private.
- c) In the course of making business decisions or carrying out their job responsibilities, the supplier's employees shall avoid conflicts of interests between personal interests and the interests of the business and its business objectives.
- d) The suppliers are committed to the principles of lawful and free competition under observation of the relevant national and international legislation.

### **2 Employment is freely chosen by employees**

- a) There is no forced, bonded or involuntary prison labour.
- b) Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable time.

### **3 Freedom of association and the right to collective bargaining are respected**

- a) Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
- b) The employer adopts an open attitude towards the activities of trade unions and their organizational activities.
- c) Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- d) Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates and does not hinder the development of parallel means for independent and free association and bargaining.

### **4 Working conditions are safe and hygienic**

- a) A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of associated with or occurring in the course of work, by minimizing, so far as it is reasonably practicable, the causes of hazards inherent in the working environment.

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- b) Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.
- c) Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
- d) Accommodation, where provided, shall be clean, safe and meet the basic needs of the workers.

### **5 Child labour shall not be used**

- a) There shall be no use of child labour.
- b) Young persons under 18 shall not be employed at night or in hazardous conditions.
- c) The supplier shall observe the relevant ILO standards.

### **6 Payment of minimum wages**

- a) Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event, wages should always be high enough to meet basic needs and to provide some discretionary income.
- b) All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.
- c) Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

### **7 Working hours are not excessive**

- a) Working hours comply with national laws and benchmark industry standards, whichever affords greater protection.
- b) In any event, workers shall not on a regular basis be required to work in excess of 48 hours per week and shall be provided with at least one day off for every 7 day period on average. Overtime shall be voluntary, shall not exceed 12 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate.

### **8 No discrimination is practised**

- a) There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

### **9 Regular employment is provided**

- a) To every extent possible work performed must be on the basis of recognized employment relationship established through national law and practice.
- b) Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

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### **10 No harsh or inhumane treatment is allowed**

- a) Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

### **11 Environment protection**

- a) The suppliers shall run their business in a way which protects and preserves the environment. This includes amongst others the maintenance of natural resources, the avoidance of the use of dangerous or hazardous substances to the extent possible and a responsible handling of wastes.
- b) The suppliers shall in particular comply with all applicable national and international environmental legislations and obtain all necessary environmental permits to run their business.
- c) Apart from that, the suppliers declare to be aware of SIG's environmental commitments and principles and to comply with these. SIG's environmental commitments and principles can be found on our website under <http://www.sig.biz/responsibility/way-beyond-good>.

The provisions of this code constitute minimum and not maximum standards. Where the provisions of law and this code address the same subject, the provision shall be applied which affords the greater protection.