

LD Celulose

Global Supplier
Code of Conduct





Safety and sustainability are the corporate values of Lenzing and form an integral part of the sCore TEN business strategy.

Lenzing is committed to high standards of sustainability and ethical conduct. Lenzing's suppliers are required to provide safe working conditions, treat workers with respect, act fairly and ethically, and use environmentally responsible practices wherever they make products or perform services on behalf of Lenzing. Lenzing requires its suppliers to operate in accordance with the principles contained in this Lenzing Global Supplier Code of Conduct ["Code"] and in full compliance with all applicable laws and regulations. This Code outlines Lenzing's expectations for supplier conduct regarding safety, health, labor and human rights, environmental protection, ethics, and management practices. The Code helps promote an environmentally and socially conscious supply chain.



Safety

01

Lenzing suppliers are required to provide a safe working environment to employees. Suppliers should provide employees with appropriate procedures and training on occupational health and safety, injury and illness reporting systems, machine safeguarding, safe facilities and medical treatment and/or compensation for ill/injured workers resulting from working for the supplier. Suppliers are also required to identify, evaluate, and manage occupational health and safety hazards through a process of hazard elimination, engineering controls, and administrative controls.

Compliance with laws

02

Suppliers providing products or services to Lenzing are obliged to operate in full compliance with the laws of their respective countries and with other applicable laws, rules and regulations. Suppliers should operate in full compliance with laws relating to labor, worker health and safety, and environmental regulations. To ensure compliance with this Code, suppliers are required to allow Lenzing and/or any of its representatives to have access to their facilities and to all relevant records upon advance notice and carry out assessments through supplier assessment tools.

Labor standards

03

Working age, child labor - Suppliers are to abide by all local employment laws related to minimum age and child labor laws. Child labor is not to be used under any circumstances. Suppliers are expected to maintain official documentation verifying each worker's date of birth. Suppliers are obliged to comply with all applicable child labor laws, including those related to hiring, wages, hours worked, overtime and working conditions.

Forced labor - Forced, bonded or involuntary labor must not be utilized by suppliers. Slavery or the trafficking of persons is to be strictly prohibited by suppliers. All work done on behalf of suppliers must be on a voluntary basis.

Non discrimination - Suppliers are obliged to employ workers on the basis of their ability to do the job, not on the basis of personal characteristics or beliefs. No employee may be unfairly disadvantaged, favored, or excluded on the basis of race, ethnicity, skin color, nationality, religion, gender, age, marital status, maternity or parental status, disability, physical characteristics, sexual orientation, union membership or political affiliation. Suppliers are required to ensure a harassment-free environment.

Humane treatment- Suppliers should treat all workers with respect. Suppliers are not to resort to punishment or any other form of physical or psychological coercion, sexual harassment, sexual abuse, verbal abuse or the threat of any such treatment.

Working hours and compensation - Suppliers are required to set working hours in compliance with all applicable laws. Compensation paid to employees must comply with applicable national wage laws and ensure an adequate standard of living. Suppliers have to pay employees in a timely manner.

Environment

04

Sustainability is a core value of Lenzing and is an integral part of how the company conducts business on a daily basis. The company strives to provide sustainable innovations and products to our customers. Therefore it is important to think and act along the entire value chain in a manner enabling us to decrease the mutual environmental impact. Lenzing suppliers are obliged to comply with all applicable environmental laws and regulations and are encouraged to exceed those minimums whenever possible.

Waste and emissions - Suppliers are required to have systems in place to ensure the safe handling, movement, storage, recycling, reuse, or management of waste, air emissions and wastewater discharges. Any of these activities, which have the potential to adversely impact human or environmental health should be appropriately managed, measured, controlled and treated prior to the release of any substance into the environment. Suppliers are also required to install systems to prevent or mitigate accidental spills and/or releases into the environment.

Resource conservation and climate protection - Suppliers are expected to use natural resources (e.g., water, sources of energy and raw materials) in an economical and responsible way. Negative impacts on the environment and climate should be minimized or eliminated at their source or through practices such as the modification of production, maintenance and facility processes, materials substitution, conservation, recycling and material reutilization. Suppliers should engage in the development of climate-friendly products and processes to reduce power consumption and greenhouse gas emissions.



Ethics

05

Business integrity - Suppliers should not engage in or permit any form of corruption, extortion or embezzlement. Suppliers are expected not to offer bribes or other unlawful incentives to anyone. Suppliers are also expected not to give or offer Lenzing employees gifts beyond a nominal value or any other personal benefit.

Fair competition - Suppliers should conduct business in line with fair competition and in accordance with all applicable laws concerning fair competition.

Privacy & intellectual property - Suppliers should appropriately handle confidential information and protect all the privacy and valid intellectual property rights of all employees and business partners.

Identification of concerns - Suppliers are required to provide means for their employees to report concerns or potentially unlawful activities in the workplace. Any report should be treated in a confidential manner, if possible. Suppliers are required to investigate such reports and take corrective action if needed. It is expected that suppliers do not retaliate against or harass any employee making a report in good faith.

Critical raw materials - Upon request, suppliers are asked to provide information on the country of origin for raw materials in order that Lenzing can conduct due diligence on the raw materials' source and chain of custody. Suppliers are expected to ensure that products supplied to Lenzing do not contain metals derived from minerals or their derivatives originated from conflict regions that directly or indirectly finance or benefit armed groups.

Continuous improvement - Suppliers are expected to continuously improve their sustainability/ quality performance by implementing appropriate measures.



Fiscal responsibility

06

Suppliers are obliged to keep accurate and complete financial and operational records as well as maintain a system of effective internal control. Suppliers are expected to comply with laws on insider trading.

Monitoring & enforcement

07

In order to do business with Lenzing, suppliers are expected to abide by this Code and all applicable laws. Suppliers should ensure that their organization is set up as to be in compliance with this Code.

If Lenzing determines that any supplier has violated the Code, Lenzing may, at its discretion, terminate the business relationship and/or require the supplier to implement corrective actions. If corrective actions are advised but not taken, Lenzing may terminate current orders and may suspend the placement of future orders.

Lenzing encourages suppliers to define and implement policies for social responsibility and environmental improvements and to establish their own internal compliance management systems. Performance in social and environmental responsibility will be considered as criteria determining supplier preference ratings.

Lenzing reserves the right to assess suppliers on the basis of (external) supplier assessment tools.

Issuance of and amendments to the code

08

The Ethics Committee, the Company's Executive Committee and the Group Compliance Officer are responsible for approving and issuing the Code. The effective date of this Code, revision 1, is 01.01.2017. This Code is reviewed periodically by the Ethics Committee to determine whether revisions may be required due to changes in the law or regulations, or changes in our business. The Ethics Committee and the Executive Committee must approve any changes to this Code. The online version accessible at www.lenzing.com supersedes all previous versions.