

# General Terms and Conditions of Purchase (NFR) of Coolblue of 1 April 2022

## 1. Definitions

1.1. The following definitions apply to these Terms and Conditions of Purchase:

**Code of Conduct:** the supplier code of conduct established by Coolblue as included in Annex 1 to these Terms and Conditions of Purchase.

**Coolblue:** Coolblue B.V., located at Weena 664, 3012 CN Rotterdam, registered in the trade register of the Dutch Chamber of Commerce under number 24330087, or a company affiliated to Coolblue B.V., which is understood to include any company or enterprise in which Coolblue Holding B.V. has a direct or indirect interest of at least fifty percent (50%) in the issued share capital.

**Terms and Conditions of Purchase:** these General Terms and Conditions of Purchase (NFR) of Coolblue of 1 April 2022.

**Supplier:** the other party involved in the Agreement, who provides products and/or services to Coolblue.

**NFR:** Not for Resale.

**Agreement:** any agreement and/or (legal) action between Coolblue and Supplier in connection with an NFR purchase and/or delivery of products and/or services by Supplier to Coolblue, including all assignments, annexes and other documents that form a part thereof.

**PO number:** the Purchase Order number provided by Coolblue to Supplier for the purpose of executing the Agreement.

## 2. Applicability

2.1. These Terms and Conditions of Purchase apply exclusively to, and form part of, any Agreement between Coolblue and Supplier.

2.2. Coolblue makes the Terms and Conditions of Purchase available to Supplier when issuing an assignment or signing the Agreement. Supplier can also consult the Terms and Conditions of Purchase at any time at <https://www.coolblue.nl/c/procurement-pagina.html>. Coolblue expressly rejects the application of Supplier's general terms and conditions to the Agreement. If there is any dispute or contradiction between these Terms and Conditions of Purchase and the Agreement, the contents of the Agreement will prevail unless the parties have agreed otherwise in writing.

2.3. Coolblue may extend the use of products and/or services and the scope of the Agreement to companies affiliated with Coolblue, in which case Coolblue will be responsible for its affiliate's compliance with the Agreement. At Coolblue's request, Supplier enters into an agreement with such

affiliate under the same terms and conditions as the Agreement and the Terms and Conditions of Purchase.

### **3. Duration and termination**

3.1. The duration of the Agreement is indefinite unless a different duration is agreed upon between the parties in the Agreement. Coolblue may terminate the Agreement with a notice period of one month. Supplier may terminate the Agreement with a notice period of six months.

3.2. Either party may terminate or cancel the Agreement with immediate effect, without prejudice to any of their other rights, if there is a material breach in the performance of the Agreement of the other party, and:

- a. that breach can be remedied and the Party in default does not remedy such breach within a reasonable period after the other Party has sent it a written notice of default; or
- b. that breach cannot be remedied.

Termination under this article 3 is subject to the condition that the failure justifies the termination of the Agreement.

3.3. Either party may terminate the Agreement in writing with immediate effect without prior notice of default, without prejudice to its other rights, if one or more of the following situations occur:

- a. the other party is declared bankrupt or has applied for suspension of payment;
- b. the other party's business is liquidated or ceases its business operations;
- c. the other party has lost part of or complete control of his or her assets due to receivership, or they were (partially) seized, or otherwise, and the other party did not regain this control within four (4) weeks;
- d. Actions or behaviour of the other party, or factual circumstances concerning the other party, provide a good reason to believe that the other party will not fulfil its obligations under the Agreement;
- e. the other party has justifiably invoked force majeure (within the meaning of these Terms and Conditions of Purchase) and the duration of the force majeure exceeds a period of ninety (90) days or it can reasonably be expected to exceed a period of ninety (90) days.

3.4. Supplier will immediately notify Coolblue if there is a change of control of Supplier. This means a change in the control of Supplier pursuant to i) full or partial acquisition by a third party who directly or indirectly holds an interest of at least fifty percent (50%) in the issued share capital of Supplier or ii) a third party's ability to directly or indirectly exercise at least half of the voting rights at the general meeting of shareholders of Supplier. If there is a change of control, Coolblue may terminate the Agreement with immediate effect if it deems appropriate to do so.

3.5. Upon termination of the Agreement, regardless of the reason for terminating it, Supplier will cooperate fully with Coolblue, whenever Coolblue so requests, for an appropriate transition from

the delivery of the products and/or services to Coolblue or a third party designated by Coolblue. Supplier guarantees the continuity of its services to Coolblue until the moment of such transition. The parties will make further arrangements regarding any reasonable costs to be paid by Coolblue in connection with this Article 3.5.

#### **4. Prices, orders, invoicing and payment**

4.1. The agreed prices and fees are fixed for the duration of the Agreement. All costs connected to the execution of the Agreement by Supplier are presumed to be included in the price. Prices and fees exclude VAT, but include all expenses (including, but not limited to, travel and accommodation costs). Any costs for quotations, samples, test shipments, trial licences and samples shall be borne by Supplier.

4.2. Coolblue confirms each order by providing a PO number to Supplier. The order or Agreement does not come into effect if it is not confirmed in the said manner. Coolblue only handles invoices stating the correct PO number.

4.3. Coolblue will pay undisputed invoices with a correct PO number within sixty (60) days after such invoices have been received. Coolblue processes undisputed invoices on two fixed days a week, namely Monday and Thursday. If Coolblue exceeds an expiry date due to Supplier's non-fulfilment of the Agreement, Coolblue will inform Supplier as soon as possible and Supplier will then remedy its failure.

4.4. If Coolblue incorrectly refuses or suspends payment of an undisputed invoice, Supplier will be entitled to an annualised interest rate of 2% of the undisputed invoice amount or the applicable interest rate laid down by law, whichever of the two is lower, as from thirty (30) days after the due date. Supplier is not allowed to suspend the delivery of products and/or services during this period.

4.5. Payment of the invoice cannot be considered as Coolblue's acceptance of the product and/or service in question.

4.6. All rights of claim that Supplier has against Coolblue under the Agreement shall come to an end after the expiration of a period of three (3) months after these rights were created, or after Supplier became aware or ought reasonably to have known of such right.

4.7. Notwithstanding any rights specified in the Agreement and the compensation of damages suffered, Coolblue is entitled at all times to set off any amount that Supplier owes to Coolblue under the Agreement, together with claims from Coolblue for compensation of damages, payment of penalties and other costs by Supplier against each amount that Coolblue owes at any moment to Supplier under the Agreement or any other agreement between Coolblue and Supplier. Supplier is not entitled to set off any amount against any claim that Supplier has against Coolblue under any agreement whatsoever.

## **5. Transfer of risk and ownership**

5.1. The term of delivery provided by Supplier is binding, save for exceptions for which Coolblue has given its prior written consent. Ownership of the products and/or services supplied to Coolblue by Supplier will be transferred to Coolblue upon delivery. The risk of loss and damages passes to Coolblue upon acceptance by an authorised person to do so. This acceptance takes place at the time of delivery or when Coolblue has accepted the products and/or services in accordance with the written acceptance procedure as agreed upon by the parties.

5.2. Acceptance by Coolblue means that in the preliminary opinion of Coolblue, the external condition of the products or the visible execution of the services is in accordance with the Agreement. Acceptance by Coolblue does not prejudice the guarantees of Supplier and the rights of Coolblue under the Agreement.

5.3. Supplier will at all times be liable for the risk of loss and damages to products and/or services not expressly accepted by Coolblue. Supplier will accept the return of all damaged products immediately and free of charge and replace them as long as the risk has not yet been transferred to Coolblue.

5.4. If Coolblue makes materials such as raw materials, resources, tools, drawings, models, documentation, specifications and software available to Supplier for the purposes of fulfilling Supplier's obligations under the Agreement, the ownership will remain vested with Coolblue. Supplier will keep such equipment separate from other objects and, if necessary, mark them as the property of Coolblue.

## **6. Guarantee**

6.1. Supplier guarantees that the products and/or services meet all conditions as agreed upon between Coolblue and Supplier.

6.2. Supplier guarantees that the products and/or services are complete and fully ready for use. Supplier ensures that all materials which are necessary for the realisation of the objective specified by Coolblue in writing, shall be supplied, also if they are not specifically mentioned, but should have been presumed by Supplier from the start.

6.3. Supplier guarantees that the products and/or services comply with all relevant laws and regulations, including, but not limited to, quality, environmental, health and safety rules. Supplier will ensure that its employees and third parties engaged by Supplier comply with all legal health, safety and environmental regulations, as well as any company rules, regulations and reasonable instructions by Coolblue personnel.

6.4. If Coolblue finds that the products and/or services do not (fully or partially) meet Supplier's guarantees, Supplier is automatically in default unless Supplier can prove that the default cannot be attributed to Supplier.

6.5. In any event, products and/or services do not comply with the Agreement within the meaning of subparagraphs 1 and 2 of this Article 6 if a defect is discovered within two (2) years after delivery unless such defect is fully attributable to Coolblue. A defect is understood to mean: any deviation of the products and/or services from what is stipulated in the Agreement, or any other form of incorrect functioning of (a part of) the products and/or services. This also includes the situation where, in Coolblue's opinion, the improper functioning imposes a risk to Coolblue during the normal use of the products and/or services by Coolblue.

6.6. At the request of Coolblue, parties will make additional agreements regarding the warranty that Supplier provides for a product, service and/or result during the Agreement.

## **7. Intellectual property**

7.1. All rights, including intellectual property rights to brand names, trademarks, logos, trade names, colour combinations, slogans, domain names and other visual and auditory elements, remain the exclusive property of the party that established the right prior to or independently of the Agreement. Use of these rights by the other party is exclusively permitted after the entitled party has given its prior written consent.

7.2. Unless otherwise agreed in writing, Supplier grants Coolblue an irrevocable, non-exclusive and worldwide licence to use, during the course of the Agreement, the intellectual property rights to all products and materials, including data, documentation and work descriptions that Supplier makes available to Coolblue under the Agreement, even if such products and materials are already protected by existing intellectual property rights of Supplier or third parties.

7.3. All rights, including intellectual property rights, to any product and/or material designed and/or made by Supplier for the benefit of Coolblue or any result (including but not limited to software, data, reports, instructions, models, documentation, materials and information contained therein) of a service that Supplier is to provide to Coolblue under the Agreement will vest in Coolblue. To the extent necessary and possible, Supplier will transfer these rights free of charge and unconditionally and provides said rights to Coolblue. Coolblue hereby accepts such transfer and delivery. To the extent possible, Supplier explicitly waives its right to oppose any change/adaptation by Coolblue to the aforementioned products, materials and/or results. If Supplier cannot waive this right, it guarantees that it will not make use of this right.

7.4. Supplier guarantees that its products, services and results do not infringe any third-party rights, including their intellectual property rights.

7.5. If, as a result of a court decision or amicable settlement, Coolblue cannot or may not use a product, service or result, Supplier will undertake to do the following, at its own expense, after it has consulted with Coolblue:

- a. acquire the right for Coolblue to be able to continue to use the product, service and/or result; or
- b. replace the product, service and/or result with a similar alternative that does not infringe third-party rights; or
- c. change the product, service and/or result in such a way that the third-party rights are no longer violated, without substantial loss of functionality or content.

7.6. In addition to Supplier's obligation to indemnify Coolblue for any damage resulting from an infringement of the intellectual property rights of a third party, the repair options in article 7, fifth subparagraph, apply without prejudice to Coolblue's other rights. If none of the repair options provides an acceptable outcome for Coolblue, Coolblue may immediately terminate the Agreement without prior notice of default and without any obligation towards Supplier to compensate Supplier for damages and/or costs. Supplier will immediately reimburse Coolblue for the amounts paid by Coolblue.

## **8. Confidentiality**

8.1. Confidential Information is understood to mean:

- a. the existence and contents of the Agreement;
- b. information about a party that is or can come into the possession of the other party during the preparation and execution of the Agreement;
- c. information designated as confidential by a party; and
- d. information about or received from the other party, which the receiving party can reasonably expect to be confidential.

8.2. Supplier will not disclose any Confidential Information about Coolblue to third parties without Coolblue's prior written consent. This obligation applies for the duration of the Agreement and for a period of five (5) years thereafter.

8.3. However, Supplier is nevertheless permitted to disclose Confidential Information to employees, representatives, suppliers (including external legal counsel and consultants), subcontractors and affiliated companies, where such information is necessary if this information is necessary for the performance of services, provided that:

- a. such a natural or legal person has a confidentiality obligation which is no less restrictive than the confidentiality obligation as set out in this Article 8; and
- b. Supplier will remain responsible for disclosure without permission.

8.4. Supplier who receives Confidential Information from, or is in possession of Confidential Information on, Coolblue:

- a. takes all reasonable measures to ensure that Confidential Information will be kept and used securely;

- b. shall not use the Confidential Information for any purposes other than for which it was shared;
- c. shall not keep Confidential Information longer than is reasonably necessary for the execution of the Agreement and will either return the Confidential Information, including any copies made (with the exception of copies necessary for internal compliance purposes), to Coolblue as soon as possible after the Agreement has been terminated, or destroy such Confidential Information after Coolblue has given written permission to do so.

8.5. If Supplier does not comply with the provisions of this Article 8, Supplier is obliged to pay an immediately due and payable penalty of EUR 50,000 per event. Coolblue also has the right to cancel or terminate the Agreement with immediate effect in full or in part without notice of default and without judicial intervention.

8.6. Supplier is not bound by any obligation of confidentiality regarding Confidential Information which:

- a. was already non-confidentially in the possession of Supplier;
- b. legitimately came into the possession of such party independently of Coolblue;
- c. Supplier is required by law to disclose to a judicial or public authority, on the understanding that Supplier must notify Coolblue of such a disclosure obligation as soon as possible, so that Coolblue has a reasonable opportunity to object to the disclosure.

## **9. Personal data**

9.1. Supplier guarantees that, when executing the Agreement, it will act in accordance with the applicable privacy legislation and regulations.

9.2. Supplier enters into a processing agreement or a data transfer agreement with Coolblue if, in the opinion of Coolblue, this is necessary to comply with the applicable legislation and regulations regarding privacy.

9.3. Supplier guarantees that all data, including personal data of Coolblue employees, customers and/or suppliers, are processed according to Coolblue's instructions. Supplier will take appropriate technical and organisational measures to protect this data which Supplier processes when executing the Agreement.

## **10. Supplier's security measures**

10.1. Supplier guarantees that it, subject to Coolblue's reasonable opinion, adequately safeguards all data and information that forms part of the services provided by Supplier, both physically and digitally. Whenever Coolblue requests so, Supplier will inform Coolblue via the email address [security@coolblue.nl](mailto:security@coolblue.nl) about the security measures Supplier has taken.

10.2. Supplier informs Coolblue immediately via the e-mail addresses [security@coolblue.nl](mailto:security@coolblue.nl) and [privacy@coolblue.nl](mailto:privacy@coolblue.nl), in case of a security incident in an element of Supplier's services. Supplier will also make all relevant information about the incident available to Coolblue.

10.3. Coolblue always has the right to audit (or to have someone audit) Supplier's systems for vulnerabilities. Coolblue will inform Supplier accordingly prior to such an audit. If the security measures are, in the opinion of Coolblue, not in order, Supplier will fix them at its own expense and inform Coolblue thereof.

10.4. If Supplier uses a web portal that is accessible to the public, Coolblue is allowed to have such web portal form part of its bug bounty programme. Coolblue will inform Supplier before doing so. If the bug bounty programme shows a vulnerability on Supplier's web portal, Supplier will fix the vulnerability at its own expense and reimburse the costs of the bug bounty programme to Coolblue, up to a maximum of EUR 1,337.

10.5. If Supplier does not comply with the provisions of this Article 10, Supplier is obliged to pay an immediately due and payable penalty of EUR 50,000 per incident. Coolblue also has the right to cancel or terminate the Agreement with immediate effect in full or in part without notice of default and without judicial intervention.

## **11. Supplier's obligation to report**

11.1. If products and/or services are delivered or provided on a regular basis, Supplier will provide Coolblue free of charge at least monthly with a report on the invoiced costs broken down according to the Coolblue locations. Coolblue may request additional reports as it deems fit. Supplier will provide these reports to Coolblue from that time on.

## **12. Liability and indemnity**

12.1. In the event of a material breach of the Agreement by one of the parties, the defaulting party will compensate the other party for the actual direct damages suffered as a result of this breach, including but not limited to:

- a. all reasonable costs to mitigate damages and protect rights;
- b. all reasonable costs for replacement products and services;
- c. all reasonable costs incurred by Coolblue in connection with incorrect or late delivery by Supplier;
- d. all reasonable costs to demand performance of the Agreement by the defaulting party;
- e. all reasonable costs to determine the cause and scope of the damages;
- f. all reasonable costs related to overtime of internal employees and the costs of hiring external staff;



- g. any costs (including regulatory fines) that arise from infringement applicable privacy legislation and regulations by the defaulting party;
- h. all reasonable costs arising from the loss of data or the loss of data confidentiality;
- i. all reasonable legal costs incurred.

12.2. Coolblue's liability under the Agreement is always limited to an amount equal to a maximum of the invoiced amount for the product and/or service during a period of twelve (12) months prior to the event from which such liability arises.

12.3. Despite the provisions of article 12.2, Coolblue is never liable to Supplier for any indirect damage, incidental damage, punitive, exemplary, special or consequential damages of Supplier, regardless of how this was caused and of the grounds for the claim, including at least the loss of profit, business stagnation, missed savings and loss or reduction of goodwill, reputation, trade, contracts or data. In contrast to Coolblue, Supplier remains liable for any damages as referred to in this Article 12.3.

12.4. Supplier fully indemnifies Coolblue and holds Coolblue harmless against any third-party claims for compensation for any damages suffered by them, including a claim due to the infringement of an intellectual property right caused by or in connection with the execution of the Agreement. Coolblue will notify Supplier of any such claim in writing as soon as possible.

12.5. The limitation or exclusion of liability as set out in this Article 12 will not apply if the damages are the result of intent, gross negligence or deliberate recklessness.

12.6. Payment by a party of a penalty or compensation on the grounds of the Agreement will not prejudice the other party's rights, including the right to compensation for the damage actually suffered, the specific performance of a party's obligations on the grounds of the Agreement and/or termination of the Agreement.

## **13. Insurance**

13.1. During the period of the Agreement, Supplier will have valid and adequate liability insurance with a minimum insured amount of at least EUR 1,000,000. Supplier will adequately demonstrate the existence of such insurance whenever Coolblue requests it to do so.

## **14. Force majeure**

14.1. Each party is entitled to temporarily or definitively suspend its obligations, including payments, under the Agreement in the case of unforeseen circumstances and/or circumstances that are reasonably beyond its control, and which make it unreasonable to expect this party to fulfil its obligations under the Agreement. The following circumstances on the part of Supplier are expressly not considered to be a situation of force majeure: a shortage of raw materials, strikes by the personnel and delays or a delivery stop in the chain of Supplier's chain of suppliers.

## **15. Publicity**

15.1. Neither party shall make any public announcements (such as a reference on its website, adding the cooperation to a portfolio, references, press releases or other announcements) relating to the other party or the Agreement without this other party's prior written consent, unless such communication is required by law, in which case the party making the announcement will notify the other party of such communication as soon as possible.

15.2. Coolblue may withdraw its consent to make a public communication referred to in Article 15.1 at any time. Such consent lapses automatically when the Agreement is terminated. Supplier undertakes to remove the respective communication immediately after the permission has been withdrawn or has lapsed and informs Coolblue immediately on this.

## **16. Supplier's personnel**

16.1. Coolblue is entitled to request, after consulting with Supplier, that such Supplier's employees will be replaced if, in Coolblue's opinion, they are functioning or behaving inadequately. Supplier will immediately replace the respective employee with another employee.

16.2. Supplier is responsible for the payment of salaries, reimbursements and other costs that arise from the employment or hiring in of their employees and subcontractors, including amounts that may be owed to employees of Supplier in accordance with applicable law on current salaries, and for the payment of all employee reimbursements, invalidity insurance contributions and unemployment insurance as well as payment of all source taxes, unemployment contributions, social security contributions and other income tax and national insurance contributions and all other costs in connection with the employees of Supplier and personnel of subcontractors who are involved in the performance of the Agreement.

16.3. Supplier shall indemnify Coolblue against and hold Coolblue harmless from all claims by the tax authorities, which are related to tasks performed by the employees of Supplier for Coolblue. At the moment that Coolblue is held liable by the tax authorities for taxes and social security contribution which concern the tasks under the Agreement, Coolblue is entitled to terminate the Agreement with immediate effect.

16.4. If the employees of Supplier, who have been assigned by Supplier to work for Coolblue, are business owners who work for their own benefit (the so-called "zzp'ers" and/or freelancers), Supplier is required to enter into a standard agreement (modelovereenkomst) approved by the tax authorities. Supplier shall provide further information to Coolblue upon request. If Supplier fails to provide such information to Coolblue, Coolblue is entitled to suspend all outstanding invoices under the Agreement and to terminate the Agreement with immediate effect.

## **17. Subcontracting**

17.1. Supplier may only use third-party services to execute the Agreement with Coolblue's prior written consent. Coolblue shall not unreasonably withhold its consent, but may attach conditions to it.

17.2. Supplier remains fully responsible and liable for fulfilling its obligations under the Agreement if Supplier engages third parties in such execution. Supplier guarantees that such third parties will comply with the Agreement.

## **18. Non-takeover of personnel**

18.1. Unless Coolblue has given its prior written consent, Supplier shall not employ any employees of Coolblue who are directly or indirectly involved in the execution of the Agreement for the duration of the Agreement and until twelve (12) months after it has been terminated. This provision does not apply if an employee of Coolblue responds to a general, public vacancy of Supplier that is not addressed to the said individual employee.

## **19. Code of Conduct**

19.1. The Coolblue Code of Conduct forms an integral part of these Terms and Conditions of Purchase.

19.2. Supplier guarantees that it will comply with the Code of Conduct when executing the Agreement.

19.3. If Coolblue establishes Supplier does not comply with the Code of Conduct, Coolblue may cancel or terminate the Agreement with immediate effect without prejudice to Coolblue's other rights.

## **20. Other provisions**

20.1. Both parties are independent contractors in the performance of the Agreement. The Agreement does not establish a franchise, joint venture or partnership, or create a relationship of employer and employee or client and agent between parties.

20.2. This Agreement is the entire agreement between the parties and supersedes all previous oral or written agreements between parties with respect to the matters governed in the Agreement.

20.3. Supplier may not transfer or subcontract its rights and/or obligations to a third party without prior written consent of Coolblue. Coolblue may transfer or subcontract its rights and/or obligations to a third party subject to prior written notice of such transfer to Supplier.

20.4. Any amendment or supplement to this Agreement requires the prior written approval of both

parties.

20.5. No failure or delay in exercising any of its rights by Coolblue shall constitute or be deemed a waiver of these rights.

20.6. Each notification or other announcement pursuant to the Agreement must be made in writing and sent to the relevant party by email or registered post.

20.7. If any provision of the Agreement is deemed to be illegal, invalid or unenforceable, such provision shall have no influence on the other provisions in the Agreement which shall remain in full force and effect. Parties shall use reasonable efforts to replace any such provision with a valid and enforceable provision as a result of which the same effect shall be achieved as much as possible as would be achieved by application of the invalid provision.

20.8. The provisions of the Agreement that shall remain in force by their nature after termination, shall remain in force until they have been fulfilled, which shall include provisions related to confidentiality, applicable law, warranty, indemnification, intellectual property rights and liability, notwithstanding any commitments as a result of termination.

20.9. This Agreement is governed exclusively by Dutch law. The United Nations Convention on Contracts for the International Sale of Goods (CISG) is expressly excluded. Disputes between Coolblue and Supplier fall under the exclusive jurisdiction of the competent court in Rotterdam.

## Annex 1: Code of Conduct

This Code of Conduct has the following purpose:

- Respect for people and the environment
- Use of sustainable materials
- Promoting improving social and ecological circumstances
- Production of products respecting ethical, environmental-friendly and social standards
- Safeguarding safe and healthy working conditions
- Product safety

Coolblue expects its suppliers to take responsibility in the supply chain of all its products. Coolblue expects prompt action from its suppliers if necessary and a continuing urge to show improvement on all topics mentioned in this Code of Conduct. Coolblue expects from its suppliers that they implement this Code of Conduct in their own supply chains. If suppliers fail to meet any of the requirements deriving from this Code of Conduct, Coolblue will end the relationship with these suppliers.

### Introduction

This Code of Conduct aims to have all suppliers comply with the relevant laws and regulations, respecting internationally recognized human rights and adhere to the applicable standards within the sector, the IAO- and UN-conventions. Compliance is measured according to the SA8000 or BSCI-standard or any equivalent.

### References:

- The Universal Declaration of Human Rights
- Guiding Principles for Business and Human Rights
- OECD Guidelines for Multinational Enterprises
- Global Compact Principles
- ILO-conventions
- Social Benchmarking Requirements

### Right of freedom of association and collective bargaining

Suppliers will respect the right of their employees to join or start an association or union of their own choice. Employees will have the right to negotiate collectively on all work-related topics. Employees will not be discriminated against or treated differently in a negative manner because of their membership to such an association or union. This is in accordance with ILO Conventions 87, 98, 135 and 154.

**No discrimination**

In the event of hiring employees, rewarding them, giving them access to training programs, terminating employment contracts or their retirement, any form of discrimination on the basis of race, religion, handicap, gender, age, caste, nationality, sexual orientation, political affiliation or membership of an association or union is not tolerated. This is in accordance with ILO Conventions 100 and 111.

**Fair compensation**

Every employee should be rewarded at least the country-specific minimum wage and be rewarded for overtime and receive overtime allowances. Wages should be paid at regular times and on time. Deducting (part of) wages as a penalty is not allowed. The information on a payslip must be clear, detailed and have all the proper information on the composition of the wages. All wages must be paid in accordance with the relevant laws and regulations. If the industry standard wage or the minimum wage deriving from a collective labour agreement is higher than the minimum wage in a country, the highest wage should always be considered the minimum wage. This is in accordance with ILO Conventions 26, 95 and 131.

**Fair working hours**

Employees should not be working more than 48 hours per week, doing overtime work for more than twelve hours a week and have a minimum of one day off per week. All working hours must comply with the relevant laws, regulations and standards in the sector. This is in accordance with ILO Conventions 1 and 14.

**Health and safety**

All working conditions must be safe, clean and healthy. Working locations must have clean toilets and access to drinking water. Suppliers must take all the appropriate measures to prevent and reduce health and safety risks. Protective equipment must be made available to all employees if necessary. All accommodations for employees must be safe, clean and healthy. Supplier has set up all necessary procedures (first aid, fire-safety, overall risk assessment) to guarantee a safe working space and to prevent, address and reduce all health and safety risks. Any housing accommodation for employees must be healthy and safe. This is in accordance with ILO Convention 155 and ILO recommendation 164.

**No child labour**

Suppliers shall not use child labour. Child labour means any labour performed by a child whose compulsory education has not been finished or any person under the age of 15. All forms of exploiting children are strictly prohibited. No child under the age of 15 may work in any part of the supply chain, not even if local legislation allows this. Checking the age of an employee must be a routine part of the hiring process of suppliers. Suppliers take all necessary measures if they notice child labour in their supply chain and make sure these children will have the opportunity to go (back) to school. Suppliers have a due diligence process implemented in order to notice, prevent and mitigate all forms of child labour. Young workers between the age of 15 and 18 must only perform

light work at reduced working hours and only during day time. These activities may not stand in the way of the mental and physical development of these young workers. This is in accordance with ILO Conventions 79, 138 and 182.

### **No forced labour**

All forms of labour must be the consequence of a free choice of the employee. No part of the supply chain of Supplier will make use of forced, bonded, involuntary or prison labour or human trafficking. Employees must not be forced to work due to a loan provided by employers. Employees are not allowed to make payments, deposits or other forms of financial guarantees in order to gain employment. Employers are not allowed to store original identification documents of employees. Employees should always have the right to leave the working place outside working hours. Employers must always screen recruitment and employment offices. This is in accordance with ILO Conventions 29 and 105.

### **Protecting the environment**

Suppliers must act in accordance with all local and international environmental laws and regulations, such as CITES, and ensure the responsible procurement of raw material and animal products. Suppliers are expected to minimize waste, air pollution, water and sound disturbance. Suppliers must take all necessary and obligated measures regarding working with chemicals and other dangerous materials. Suppliers must take all environmental aspects into consideration throughout the whole supply chain, from the production of materials to the sale of products to end-users.

### **Ethical business behaviour**

Corruption, extortion, embezzlement and bribery is strictly prohibited. All information within organizations in the supply chain regarding company activities, structure and performance is being tracked accurately, stored and has to be made public whenever this is required on the basis of relevant laws and/or regulations in the industry. Data collection of employees has to meet all privacy and data protection laws and regulations.

### **Complaint mechanism**

Employees should have the opportunity to make notice of any complaints or suggestions regarding the company. Suppliers have created mechanisms to store and handle notices from employees. Suppliers must ensure these notices can be made anonymously.