



SUPPLIER CODE OF CONDUCT

At CSM Ingredients Group ('CSM'), we believe that fostering partnerships and collaboration with our suppliers, third parties partner is a mutually advantageous and inclusive approach to uphold responsible sourcing across our supply chain. We are dedicated to embarking on a journey of continuous improvement with our suppliers, firmly convinced that it will yield shared benefits for us, our suppliers, and the communities in which we operate.

This Supplier Code serves as a tool to engage our suppliers and guarantee a supply chain characterized by fairness, sustainability, and transparency and in full line with any applicable legal requirements.

1. CONTEXT

This Supplier Code applies to all Supplier(s), i.e. all vendors and sellers, including its employees and their subcontractors, that produce, trade, sell, lease and/or provide goods or services to CSM and where such vendors and sellers have a commercial relationship with CSM (Supplier). This Supplier Code focuses on **5 AREAS** that are strategically important for the CSM:

- 1. Business Integrity**
- 2. Environmental Protection and Sustainability**
- 3. Human Rights and Social Practices**
- 4. Safety and Health**
- 5. Due Diligence and Data Management**

Each of these key areas set out in this Supplier Code require the development and deployment of multiple initiatives on an ongoing basis. We recognize that the implementation process of such initiatives will require tailored initiatives associated with the risks of the Supplier's operations along the Supplier's supply chain.

It is under the Supplier responsibility to make such Supplier Code enforceable with its subcontractors.

2. RULES OF ENGAGEMENT – APPLICABILITY

This Supplier Code outlines our overarching expectations for each of the **AREAS** identified herein.

Each Supplier is expected to disseminate this Supplier Code and conduct due diligence throughout their supply chain, covering employees, agents, subcontractors, suppliers, and sub-suppliers involved in providing goods and/or services to CSM. In implementing this Supplier Code, each Supplier is expected to apply a **due diligence-based approach**, which involves self-declaration exercises, online assessments, risk and impact assessments, data collection, internal or third-party audits, as well as providing certifications, accreditations, and/or documents demonstrating alignment with this Supplier Code.

Each Supplier is encouraged to remain receptive to new tools and approaches that aid in addressing and managing the responsible sourcing in a standardized and structured manner. This includes establishing effective management systems, implementing policies and mechanisms for due diligence, grievance reporting, and remediation, as well as ensuring compliance with all applicable laws and regulations in the countries of operation.

3. CSM SUPPLIER CODE OF CONDUCT - 5 AREAS OF APPLICABILITY

3.1 BUSINESS INTEGRITY

Compliance with Applicable Law and regulation

Each Supplier has to comply with all applicable laws and regulations in the countries in which the Supplier operates, including all applicable international laws and regulation related but not limited to international trade (such as those relating to sanctions, export controls and reporting obligations), data protection, antitrust and competition laws.

Anti-Bribery and Anti-Corruption

Each Supplier shall fully comply with the United States Foreign Corrupt Practices Act, the UK Bribery Act, and with all other anti-bribery and anti-corruption laws applicable in the jurisdictions in which the Supplier engages in business with or on behalf of CSM. Each Supplier cannot carry out any and all form of bribery, corruption, extortion or embezzlement and the Supplier shall make sure that there are adequate procedures in place to prevent bribery in all commercial dealings undertaken.

Conflict of Interest

Each Supplier is aware that any conflict of interest has to be declared to CSM contact point. Any ownership or beneficial interest in the Supplier's business by a government official, representative of a political party are to be declared to CSM.

Gift and Hospitality

Each Supplier is aware that any gift, hospitality or business entertainment is not allowed by CSM into the extent that this is a form of bribe and/or aimed to take improper advantage.

Financial Records, Money Laundering and Insider Trading

Each Supplier is aware that all business and commercial dealings are transparently performed and accurately recorded in the Supplier's book and records. There is no actual or attempted participation in money laundering. No confidential information in the Supplier's possession regarding CSM is used to either engage in or support insider trading.

Safeguarding Information and Property

Each Supplier is aware that all CSM confidential information, assets, know-how and intellectual property is respected and safeguarded. All information provided by CSM that is not in the public domain is deemed confidential and it is only used for its intended and designed purpose. The Supplier shall not purport to make any announcements or release any information on behalf of CSM to any member of the public, press, official body, business entity, or other person, or claim, without the express prior written consent of CSM. All and any personal information about individuals, such as CSM's employees, is handled with full respect for the protection of their privacy and for all relevant privacy laws and regulations.

Whistleblowing and reporting

Each Supplier must implement programs to ensure the implementation of whistleblowing procedure and encourage its subcontractors to set it up while protecting its workers against any form of retaliation.

3.2 ENVIRONMENTAL PROTECTION AND SUSTAINABILITY

Biodiversity¹

Each Supplier shall take appropriate steps to ensure throughout their operations and their entire supply chain, that biodiversity is preserved. When establishing new operations or expanding existing ones, the Supplier shall take appropriate steps to foster biodiversity. Supplier shall keep documentary evidence and provide it, if requested.

Air quality and carbon footprint

Each Supplier shall take appropriate steps to minimize greenhouse gases 'GHG' emissions and impact on air quality, as far as possible and put in place practices to assess and reduce their carbon footprint and provide documentary evidence of their carbon footprint, if requested.

No deforestation

Each Supplier shall take appropriate steps to ensure their actions do not have any negative impact on forests and other protected territories of any depth. When establishing new operations or expanding existing ones, the Supplier shall obtain all legal approvals and permissions. The Supplier shall keep documentary evidence and provide it, if requested.

¹ Biological diversity is defined as the variability among living organisms from all sources including, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species, between species and of ecosystems. Source: <https://www.cbd.int/convention/articles/?a=cbd-02>

Chemicals management

Each Supplier shall not use chemicals considered harmful to the environment and/or to people. Each Supplier sourcing agricultural commodities perform and promote, across their supply chain and towards farmers, a reduced use of chemicals and fertilizers. The Supplier shall put in place practices on chemical management across its supply chain. The Supplier shall provide documentary evidence of their chemical management and usage, if mandatory by law and/or if requested..

Water management and conservation

Each Supplier shall take appropriate steps to minimize its impact on water by reducing their water consumption and ensuring groundwater quality is maintained or improved, as far as possible, supporting water conservation. The Supplier shall take appropriate steps to provide documentary evidence of their water footprint assessment, if requested.

Waste management

Each Supplier shall take appropriate steps to minimize the production of waste and the consumption of natural resources. The Supplier shall put in place practices on waste management, reducing their waste footprint and promoting circular economy.

Energy Efficiency

Each Supplier shall take appropriate steps to minimize the consumption of energy, as well as put in place energy saving strategies (i.e. use of renewable sources and fuels, fuel-efficient logistics operations).

Animal welfare

Each Supplier shall take appropriate steps to ensure the protection of animals and the respect of animal welfare, seeking a constant progressive improvement of needs of animals involved in the production of our products, including but not limited to milk, milk derivatives and eggs. We expect our Supplier of ingredients that come from farm animals to be aware and comply with all applicable national laws on animal welfare and, where legislation does not exist, the guidelines of the World Organization for Animal Health (OIE).

Sustainable packaging

Each Supplier shall take appropriate steps to minimize the environmental impact of packaging. The Supplier shall continuously improve its processes in the aim of removing unnecessary packaging, selecting recycled materials whenever possible, reducing the amount of materials, particularly if coming from non-renewable sources and facilitating future packaging reuse or recycling.

Lands rights of communities and permits

Each Supplier is aware that all rights and title to property and land of the individual, indigenous people and local communities are respected. All negotiations with regard to their property or land, including the use of and transfers of it, adhere to the principles of free, prior and informed consent, contract transparency and disclosure. The Supplier has to obtain, maintain, and keep current all required environmental permits (e.g. discharge monitoring) and registrations and follow the operational and reporting requirements of those permits.

3.3 HUMAN RIGHTS AND SOCIAL PRACTICES

No Forced, Bonded and Compulsory Labour

Each Supplier is aware that all workers, both permanent and casual, are provided with employment documents that are freely agreed and which respect their legal and contractual rights. Each Supplier is required to actively oppose forced labor in accordance with the International Labor Organization (ILO) definition and denounce the utilization of any type of forced or compulsory labor within our supply chain. This includes but is not limited to forced prison labor, indentured labor, bonded labor, modern slavery, and any form of human trafficking. The Supplier is expected to strive for ensuring that all employees have the freedom of movement, are not subjected to physical restrictions, abuse, threats, or practices such as withholding identity documents and valuable possessions. Employees shall also have the right to work without constraints, be informed about their employment terms in advance, and receive regular compensation. Additionally, the Supplier is obligated to take necessary measures to identify, prevent, and address any instances of forced labor that may be caused, contributed to, or linked to its business relationship through its supply chain.

Fair Wages

Each Supplier shall provide all employees with a fair and competitive salary in line with the relevant ILO Fundamental Labor Conventions on wages while considering the needs of employees and their families. Salary arrangements should be established under global principles, informed by structures that reflect local market practices and values while complying with the applicable laws and legal requirements.

Working Hours

Each Supplier shall recognize the challenge of managing work-life balance and the right to rest and leisure. The Supplier shall comply with collective agreements, if any, on working hours and paid leave. The Supplier shall aim to provide all employees a balance in meeting company and personal demands and all overtime working hours have to be performed on a voluntary basis. The Supplier shall support ILO Conventions on working hours and weekly rest.

Diversity and Inclusion No Discrimination and Harassment

Each Supplier shall value diversity and inclusion and condemn any forms of discrimination and harassment, any inappropriate or disrespectful behavior, such as physical and verbal abuse and sexual harassment at the workplace or at any work-related events. The Supplier shall aim to take proactive measures to promote equal opportunities for all employees, including transient and temporary workers, seasonal workers and workers engaged in a country other than their country of origin or nationality. The Supplier shall follow the ILO Conventions on discrimination and migration for employment. Supplier shall take appropriate steps and measures to identify, prevent and mitigate discrimination they may cause, contribute or may be linked to through its business relationships, through its supply chain.

Freedom of association and Collective bargaining

Each Supplier shall recognize the right of their employees to form and join a trade union of their choice and the right to collective bargaining without fear of intimidation or reprisal. The Supplier shall oppose and take appropriate steps and measures to identify, prevent and address any discriminatory behaviors with respect to trade union organization, union membership and activity in such areas as applications for employment and decisions on training, award, advancement, dismissal or transfer. Supplier shall follow ILO Conventions on freedom of association, collective bargaining and workers' representatives.

Health and Safety

Each Supplier shall recognize that people are at the heart of the company. In accordance with the ILO Convention on health and safety, the Supplier shall work continuously and take appropriate steps and measures to provide and maintain a safe and healthy working environment for all employees and subcontractors by addressing identified risks, carrying out preventive measures, assessing the effectiveness of those measures and seeking continuous improvements..

Child Protection and No Child Labour

Each Supplier shall recognize the human rights of children, such as the right to education, right to play and right to basic needs and follow ILO's definitions on the minimum age for employment and hazardous work. The Supplier shall take appropriate steps and measures to identify, prevent and address child labor issues the Supplier may cause, contribute or be linked to through its business relationships, through its supply chain.

3.4 QUALITY AND HEALTH SAFETY

Product safety

Each Supplier is committed to provide high-quality products, ingredients, and services that meet all applicable quality and food-safety standards. The Supplier must demonstrate that it has robust food safety and quality management systems, following GFSI (Global Food Safety Initiative), including Hazard Analysis and Critical Control Points (HACCP) principles.. The Supplier must immediately report to CSM any concerns about material and product safety.

Work Environmental safety

Each Supplier shall ensure a healthy and safe working environment and undertakes to promote a culture of safety in the workplace across all levels of its supply chain. The Supplier engages through its Supply chain to foster the health of workers not only in terms of absence of diseases but also in terms of physical, psychological and social well-being by adopting adequate organizational and management measures to prevent any occupation injury and illness. CSM expect the Supplier to conduct safety training that can support an optimal health and safety culture across the Supplier's supply chain and to help employees and subcontractors refraining from any conduct that could endanger their own integrity or that of others.

3.5 DUE DILIGENCE AND DATA MANAGEMENT

Each Supplier shall trace where its commodities originate from, retain critical records and report and manage the information as per agreed data set, when requested. The Supplier shall adopt a due **diligence-based approach to the Areas** identified herein and shall take appropriate steps to have management systems in place, including policies, objectives and procedures. The Supplier shall provide trainings to workers and/or employees, ensuring all Areas of this Supplier Code are understood and addressed consistently.

4. AUDIT - INSPECTION AND FAILURE TO COMPLY

Each Supplier should conduct audits and inspections to ensure its compliance with this Supplier Code and applicable legal and contractual standards. In addition to any contractual rights of CSM, the Supplier's failure to observe the Supplier Code of Conduct may engage disciplinary actions, which could include termination of the business relationship. CSM reserves the right, as a condition of continuation of approval, to conduct (or have its designee conduct) periodic, unannounced inspections of Supplier facilities and to require information concerning the Supplier's supply chain, including its subcontractors.

Each Supplier shall report any failure to comply with this Supplier Code to CSM as soon as possible. Failure to do so will be a breach of the business relationship between CSM and the relevant Supplier.

If remediation is required, the Supplier will devise and inform CMS of their corrective action and implementation plans and timeline to effectively and promptly resolve the breach.

5. SUPPLIER DECLARATION

By acknowledging the Supplier Code of Conduct, the Supplier agrees:

- a) on the content of this Supplier Code, which is an essential requisite for conducting any business relationship with CSM;*
- b) to carry out due diligence, which may include self- declaration, online assessment, risks and impact assessment, internal or third-party audits as well as providing us with certifications, accreditation demonstrating alignment with this Supplier Code;*
- c) that CSM can do by itself or appoint a third party to carry out announced or unannounced audits;*
- d) to cascade this Supplier Code and conduct due diligence through its supply chain on their employees, agents, subcontractors, suppliers to the extent they are involved in the provision of good and/or services to CSM.*