



“Reputation takes years to build, but only a second to lose. Trust in our company makes consumers want to buy our products, retailers to list our products, (co-)manufacturers to produce our products, investors to value our stock and talented people to join our Lotus community. We cannot risk the long-term success of our company due to anyone’s failure to comply with our way of doing business.

The 6 principles set out in this Code will not come as a surprise to you. Every person working for this company is selected on the basis of our TOP values ‘Team spirit, Open dialogue and Passion’ and are all individuals we have faith in. We expect you all to do the right thing. Putting pen to paper will however help you in your reflection on ethical and compliant business behaviour.

Lotus Bakeries is committed to act with integrity, honesty, fairness and in full compliance with applicable laws, rules and regulations at all times. So please acquaint yourselves with the principles set out below. And speak up if you have any questions or concerns!”

Jan Boone, CEO

Who & What?

Who?

Each full-time or part-time employee at every level of the Lotus Bakeries Group, including any person working for the Lotus Bakeries Group¹ on a self-employed basis (hereinafter also "Employee"), shall have a responsibility to use good judgement and follow the principles set out in this Code.

Each employee will receive this Code upon the start of his/her employment at Lotus Bakeries². In all new contracts concluded with a person working on a self-employed basis, this Code will be added as an annex. Each will be asked to acknowledge that they have read the Code and agree to uphold the Code by returning a signed version to his or her relevant HR business partner.



What?

The 6 principles of this Code set out the way we do business and confirm our commitment to adhere to all applicable laws and regulations. All employees of Lotus Bakeries have a responsibility to:

- **Know and live this Code**, as well as the laws and any other policies that apply to your job;
- **Exercise common sense and good judgement** to uphold the spirit of the code where not explicitly covered;
- **Ask for help** whenever necessary or useful;
- **Report concerns** and potential or actual breaches of the Code.

Lotus Bakeries prohibits retaliation against any person that reports concerns in good faith and commits itself to investigate any such reported concerns. Lotus Bakeries will take corrective action if warranted by the situation. Failure to comply with the Code, and by extension with the principles listed in the Code, which may be further elaborated in a separate policy and/or training, may result in disciplinary or legal action.

¹ Reference to Lotus Bakeries shall mean Lotus Bakeries NV or any of its controlled subsidiaries and reference to employee will also include consultants, unless indicated otherwise.

² Or, if already employed at the date of its launch, via email and LotusLink.



PRINCIPLE I: TRANSPARENCY

Accurate and clear communication

Customers, suppliers, consumers and business partners place a great deal of trust in our brands and our company and we should nurture and protect that trust. Everything we tell them must be clear and truthful. This applies to information on our product labels, in advertisements or any other means of communications. Society is concerned about the role marketing plays in people's food choices, and rightfully so. It is imminent to stay far from any non-compliant, unfair, deceptive or misleading practice. Our products should at all times be described truthfully, accurately and transparently, where relevant with appropriate factual and nutritional information.

Top quality & food safety right down the line

We work to achieve high-quality products and processes every day, accompanied by high levels of investment in research. Continuous improvement is realised through insights gained from applicable performance measures and any consumer and customer feedback. This constant striving for high-quality and food-safe products and processes is furthermore audited both externally and internally.

To maintain the required level of quality, Lotus Bakeries needs to be able to rely on capable employees who carry out the corporate values (TOP values) and go about their work diligently, confidently and efficiently.

Open communication and full transparency is key and Lotus Bakeries encourages employees to report concerns relating to product safety, integrity, quality and legality to their supervisor, or alternatively to the Compliance Officer.

PRINCIPLE II: RESPECT FOR PEOPLE

Safe working environment & decent business conduct

Lotus Bakeries aims to create a workplace where people are treated fairly and provided with a healthy and safe working environment, enabling each and every individual to reach their full potential. The same principles apply when interacting with Lotus Bakeries' stakeholders.

To this end, please:

- **Respect the dignity and human rights** of colleagues and all other people you come into contact with in your job;
- **Value diversity** amongst the people you work with. Diversity comes in many dimensions (race, ethnicity, gender, age, political beliefs, background...), each of which makes all of us unique.
- **Treat people with dignity, honesty, fairness and respect** and abstain from any form of discrimination, harassment, verbal or physical abuse;
- **Comply with health and safety procedures** and instructions relevant to your work and ensure that those people you work with (including contractors and visitors) are familiar with such health and safety procedures;
- **Uphold employment laws and regulations @ the workplace**, e.g.:
 - Work should be conducted on a voluntary basis and on the basis of documented terms of employment;
 - All workers are of an appropriate age. No child labour is accepted (as defined by international standards);
 - All workers are paid fair wages, in line with the applicable law and appropriate prevailing industry standards;
 - Working hours for all workers are reasonable, in line with the applicable law and appropriate prevailing industry standards;
 - All workers have freedom of association and a right to collective bargaining;
 - All workers should have access to fair procedures and remedies to resolve difficulties at the workplace.



Respect for personal data

All information about individuals, such as Lotus Bakeries' employees and customers, is treated with respect and in accordance with the relevant privacy laws and regulations, which have been implemented by means of [Lotus Bakeries' GDPR manual](#). All employees are to familiarise themselves with the manual, the business onepager and, where applicable, undertake relevant trainings as required by their manager.

PRINCIPLE III: TRADE FAIRLY & COMPLIANT

Fair competition

Lotus Bakeries believes in the value and benefits of a free marketplace, so we conduct business in compliance with the relevant antitrust and competition laws. Lotus Bakeries trusts fair competition encourages enterprise and efficiency, creates a wider choice for consumers and results in an optimal price/quality balance.



Therefore, never enter into any agreement or understanding with a competitor to fix prices, divide territories or customers, prevent another company from entering the market, refuse to deal with customers or suppliers for improper reasons or boycott another company. Fair competition equally applies in your relationships with customers or distributors.

Compliant international trade

Our products are consumed and enjoyed in many countries around the world. Lotus Bakeries is committed to follow applicable import and export laws and regulations when transferring products internationally. Moreover, no unauthorised business is conducted with countries or third parties in as far as this would be contrary to trade embargoes or economic sanctions.

No trade on inside information

Insider information is any information in connection with Lotus Bakeries (and its affiliated companies) that is not publicly available, that is sufficiently accurate and certain, and that – should it become publicly known – might have a significant effect on the share price of the Lotus Bakeries shares. One is not permitted to buy or sell Lotus Bakeries securities when in the possession of insider information.

PRINCIPLE IV: COUNTERING CORRUPTION

Conflicts of interest

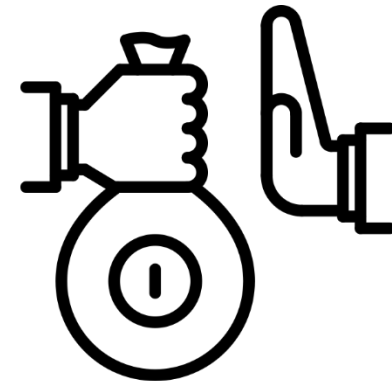
Employees are expected to act in the best interest of Lotus Bakeries and have a responsibility to report any potential conflict of interest to their manager. A conflict of interest occurs when personal interests of an employee or a third party to which it is related compete with the interests of Lotus Bakeries. To avert conflicts of interest, each person must in any event make sure:

- not to exploit their professional capacity for their own personal benefit;
- not to divert any potential business opportunities that are, or could be, of interest to Lotus Bakeries.

Anti-bribery and corruption

Lotus Bakeries has a zero-tolerance approach towards bribery and corruption: we will not offer, pay, seek or accept any payments, gifts or other favours (e.g. promise of a job, offer of a trip, charitable contribution) to improperly influence a business outcome.

Lotus Bakeries accepts and offers gifts and hospitality only as an appropriate business courtesy, i.e. they should occur sparingly, always be appropriate (e.g. branded token items or modestly priced gifts or entertainment) and cannot influence business decisions. In case you are in a situation you cannot decline a gift which you fear may be excessive (due to it being perceived as an insult to the giver or if offered in front of a large group), accept it but immediately notify the Compliance Officer.



Accurate records, reporting and accounting

All transactions and commercial deals should be performed transparently and are recorded in an accurate, complete and prompt way. Employees must make sure to:

- Never falsify, conceal or create misleading information they are responsible for;
- Only carry out and record transactions for which they are authorised and which are based on valid documentation;
- Heed all applicable laws as well as all internal and external reporting standards and regulations.

PRINCIPLE V: SAFEGUARDING INFORMATION

Our confidential information

Confidential information can be virtually anything about the company that outsiders do not know. One can consider everything to be confidential information unless it is known, or is accessible to the general public. It includes trade secrets, strategy & marketing plans, consumer insights, prices, innovative ideas from R&D/engineering/production, product recipes, databases, salary information, non-published financial information and any other data that is secret and has commercial value. Moreover, all information, knowledge and data acquired or processed by employees by way of their duties belong to the Lotus Bakeries Group.



Confidential information is a very valuable business asset to our company. Lotus Bakeries is committed to safeguarding and protecting our confidential information and expects its employees not to disclose confidential information other than to other employees or authorised third parties with a genuine business need and with whom confidentiality agreements have been concluded.

The emergence of the 'digital workplace' has given rise to additional challenges. All employees need to acquaint themselves with the guidance provided by ICT to prevent all forms of hacking of Lotus Bakeries systems.

The obligations set out in this section continue beyond the termination of employment.

Third party's information

In case third parties (suppliers, co-manufacturers, customers etc.) share confidential information with Lotus Bakeries, such information shall be treated with the same degree of care as Lotus Bakeries' own confidential information.

PRINCIPLE VI: RESPECT FOR THE ENVIRONMENT & RESPONSIBLE SOURCING

Environmental compliance

As a starting point, it is imminent that all necessary environmental permits, licenses and registrations shall be obtained and documented.

CAREful management

Our objective is to make Lotus Bakeries' products more and more sustainable. This ambition involves much more than just the production process. Great attention is given to the environment, which we treat with care and respect. Lotus Bakeries closely monitors the impact of its activities on the environment and constantly strives to reduce its ecological footprint, such as:

- Reduction and prevention of waste through optimisation of production processes & efficient use of ingredients;
- Deliberate packaging choices;
- Reduction of energy consumption and emission.

Lotus Bakeries expects all employees to do their bit. Each small step in e.g. waste reduction or minimizing energy consumption is a step in the good direction.

Responsible Sourcing:

Sustainable and responsible ingredient sourcing is imminent to our business. When entering into a contract³ with a supplier⁴, our employees must make it clear that the suppliers must meet the Supplier Business Principles attached hereto as Annexure I. The commitment of the supplier can be codified by mere sign off of the Supplier Business Principles or may be integrated into the contract. Lotus Bakeries shall keep adequate records on direct suppliers to be able to trace volumes back to the supplying sites and expects its suppliers to do the same.

³ It is also advised to have other suppliers, with whom no contract is formalized, sign off on the Supplier Business Principles.

⁴ Supplier for the purposes of this Code means a supplier of packaging, raw materials, equipment and final products.





CONTACT INFORMATION

If you wish to report a concern or breach of the code, start by contacting your manager. Alternatively, you can connect to the Lotus Bakeries Whistleblowing line, which is made available for confidential reporting of issues.

The **Lotus Bakeries Whistleblowing line** is available on our corporate website: www.lotusbakeries.com/governance-practices-and-policies.

More information can be found in our **Whistleblowing Policy**.



ANNEX: SUPPLIER BUSINESS PRINCIPLES

By becoming a supplier of Lotus Bakeries, you are committing to these Supplier Business Principles.

1. Lawful and integer business operations

The Supplier confirms compliance to all laws and regulations relevant to its business, including but not limited to the United Nations Global Compact's Ten Principles, the Universal Declaration of Human Rights and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work. This includes:

- Respect the dignity and human rights;
- Value diversity amongst the people you work with;
- Treatment of people with dignity, honesty, fairness and respect;
- Abstinence from any form of discrimination, harassment, verbal or physical abuse;
- Implementation of thorough health and safety procedures;
- Respect for employment laws and regulations @ the workplace, e.g.:
 - Work should be conducted on a voluntary basis and on the basis of documented terms of employment;
 - All workers are of an appropriate age. Children's right to childhood & education should be respected at all times and no child labour is accepted (as defined by the ILO International Labour Standards on child labour);
 - All workers are paid fair wages, in line with the applicable law and appropriate prevailing industry standards;
 - Working hours for all workers are reasonable, in line with the applicable law and appropriate prevailing industry standards;
 - All workers have freedom of association and a right to collective bargaining;
 - All workers should have access to fair procedures and remedies to resolve difficulties at the workplace.

2. Fair and integer business conduct

The Supplier is committed to fair and integer business conduct, which shall include but not be limited to:

- Compliance with the relevant antitrust and competition laws;
- Use of fair and transparent pricing mechanisms and other contractual provisions towards suppliers;
- A zero-tolerance approach towards bribery and corruption: Supplier shall not offer, pay, seek or accept any payments, gifts or other favours (e.g. promise of a job, charitable contribution) to improperly influence a business outcome.
- Safeguarding of Lotus Bakeries' confidential information (e.g. trade secrets, strategy & marketing plans, innovations, recipes, non-published financial information, other data which is secret & has commercial value) in accordance with legal and contractual provisions and at least with the same degree of care as it would treat its own confidential information.
- Do not facilitate or support counterfeiting, smuggling, or other related crimes, such as money laundering.



3. Respect the environment

The Supplier ensures it shall obtain and document all necessary environmental permits, licenses and registrations. The Supplier shall furthermore put in place a system, appropriate to its size and operations, to manage, measure, assess and control the environmental aspects of its operations, including but not limited to:

- Processes aimed at reducing waste, diminishing energy consumption, minimising emission and preventing pollution;
- Conservation of biodiversity, including endangered flora and fauna (no deforestation) and attention to soil conservation;
- Respect for water resources and assurance of proper (waste)water management;
- No use of illegal products and minimalization of the use of pesticides and other legal chemicals.

4. Traceability

The Supplier keeps adequate records on direct suppliers and is able to trace volumes back to the supplying site and shall impose the same obligation on its own suppliers so that products can be traced back to their source.

5. Moreover

We expect all of our suppliers to implement the Supplier Business Principles and inform their employees, agents and sub-contractors in a diligent and transparent manner, though with respect of their own structure and means. The supplier shall ensure appropriate documentation is in place in order for Lotus Bakeries to be able to verify adherence to these Supplier Business Principles. Lotus Bakeries expect suppliers to take any requisite mitigating actions as a consequence of any gaps identified.

If you have a questions or wish to report a concern about the Supplier Business Principles, please speak up! Do get in touch with your commercial contact @ Lotus Bakeries and discuss the matter openly and transparently.

I, the undersigned, duly representing Supplier, hereby confirms acknowledgement and acceptance of the Supplier Business Principles

Signature _____

Name _____

Title _____

Name of company _____