CODE OF CONDUCT FOR SUPPLIERS

1. Scope & application

The Lotus Bakeries' Code of Conduct for Suppliers defines the minimum standards which a Supplier must commit to when conducting business with Lotus Bakeries:

- "Lotus Bakeries" refers to Lotus Bakeries NV and any of its direct and indirect subsidiaries;
- "Supplier" refers to any third party providing goods or services to Lotus Bakeries.

The standards outlined in this Code complement, rather than replace, any provisions contained in agreements between the Supplier and Lotus Bakeries. In the event of any ambiguity or conflict between this Code and the contractual terms, the provisions of the contract shall prevail.

Suppliers must comply with the standards set out in this Code and all applicable laws and regulations, and shall do so by establishing adequate internal policies and procedures. Suppliers must equally ensure that all its employees, subcontractors, agents, and upstream suppliers comply with the standards outlined in this Code or equivalent standards in their internal policies and procedures, and communicate these requirements accordingly.

Lotus Bakeries reserves the right to conduct audits at a Supplier's premises to verify compliance with this Code when (i) there are serious indications of non-compliance or (ii) required under applicable laws and regulations. Lotus Bakeries will make reasonable efforts to provide the Supplier with sufficient advance notice of its intention to conduct an audit. The Supplier shall ensure appropriate documentation is in place in order for Lotus Bakeries to be able to verify adherence to the standards set out in this Code and provide any assistance or access as required to conduct the audit. In the event that Lotus Bakeries becomes aware of any act of non-compliance, it reserves the right to request corrective action and/or terminate the agreement with a Supplier.

Lotus Bakeries reserves the right to review, amend, or supplement this Code. If any change materially impacts the Supplier, Lotus Bakeries will provide prior notice of such change. Should the Supplier fail to submit a written objection within fourteen (14) days of receiving the revised Code, the revision shall be deemed accepted.

2. Making safe and qualitative products

Food safety and quality

All products and services delivered by the Supplier comply with food safety and quality specifications as defined by Lotus Bakeries and applicable food safety and quality standards and legislations. The Supplier maintains adequate records of its own suppliers and ensures that products supplied to Lotus Bakeries can always be traced back to their original source.

Transparent food labeling

The Supplier always communicates promptly, proactively and honestly about (changes to) its products and ensures the labels on its products disclose all mandatory information, in compliance with applicable laws and regulations.

3. Promoting a healthy working environment

Respect and fair treatment

The Supplier is expected to promote fair treatment, diversity and equal opportunity in its organization, respect human rights and all relevant labour law rights, and implement guarantees to ensure no unlawful discrimination or harassment takes place. This shall include but is not limited to compliance with the UN Universal Declaration of Human Rights, the UN Guiding Principles on Business & Human Rights, the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises. The following standards shall apply in all instances:

- **No employment of children or young people under the minimum age for employment**: the use of child labour by the Supplier is strictly prohibited. This means that the Supplier must not employ children or young people under the minimum age for employment, in line with the rules and conditions defined in applicable national law in the country of employment and ILO Convention 138 and 182.
- **No forced labour and freedom of movement:** Under no circumstances should the Supplier use, or in any other way benefit from, forced labour, including bonded or indentured labour, human trafficking, or any other form of coercion, in compliance with ILO Convention 29 and 105. All work shall be voluntary and on the basis of documented terms of employment, and workers shall be free to terminate their employment upon reasonable notice. The Supplier must ensure that its employees' work conditions, including working hours and rest periods, are in compliance with all applicable laws.
- **Freedom of association:** the Supplier must respect its employees' right to form and join trade unions and other worker organizations, in accordance with all applicable laws and regulations.
- **Adequate standard of living:** the Supplier must provide its employees with adequate wages and benefits that, at a minimum, comply with national laws, as well as binding collective agreements, that enable them to maintain an adequate standard of living.
- **Respect for the rights of people in communities impacted by our operations:** the Supplier must respect the rights of all people in communities which are, or may be, impacted by their operations. This includes respect for the land use rights of communities and indigenous people, people's access to water and other natural resources.
- **No discrimination or harassment:** the Supplier, including their employees and other representatives, shall not discriminate against employees, contractors, customers and business partners based on race, color, gender, religion, physical ability, national origin, sexual orientation, age or any other characteristic protected by local law or international standards. The Supplier must also refrain from any conduct which diminishes the dignity of another person or creates a non-inclusive, intimidating, offensive, or hostile work environment, including but not limited to verbal abuse, threats or bullying, physical assault or violence, sexual harassment or unwanted sexual advances, racial or ethnic slurs or jokes, age, gender, or disability-based discrimination.
- **Grievance mechanisms:** the Supplier must ensure that its employees have access to safe, confidential reporting mechanisms and fair procedures and remedies to report concerns in the workplace without retaliation.

Health and safety in the workplace

The Supplier shall provide its employees with a safe and healthy working environment and must implement all necessary and reasonable measures to prevent accidents, injuries and illnesses in the workplace, in line with applicable occupational health and safety standards.

4. Contributing to a sustainable future

The Supplier shall ensure that its business is conducted in a way that embraces sustainability and reduces its environmental impact, in alignment with Lotus Bakeries' commitment to reduce greenhouse gas emissions, to optimize energy usage and to limit the impact of packaging waste. The Supplier shall therefore 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:

- **Environmental compliance, permits and reporting**: The Supplier must comply with applicable environmental legislation and shall obtain and document all necessary environmental permits, licenses and registrations and comply with any reporting requirements under applicable local or international standards.
- **Sustainable sourcing**: the Supplier shall source all ingredients and packaging materials sustainably and responsibly with the aim of protecting and preserving the environment, including the conservation of the biodiversity, preventing land degradation and deforestation, preserving water resources and ensuring proper water management. The Supplier shall not use prohibited products and must meet applicable environmental standards related to use of pesticides or other hazardous substances, soil preservation, wastewater treatment, emissions and waste management. For suppliers of specific commodities, the following additional requirements apply:
  - Suppliers of commodities covered by the EU Regulation on Deforestation-free Products (EUDR) must ensure that no ingredients or packaging materials linked to deforestation or land conversion are supplied to Lotus Bakeries, in accordance with the relevant cut-off dates set by the legislation.
  - Suppliers of palm oil must ensure that their sourcing practices comply with RSPO standards and adhere to the Lotus Bakeries Sustainable Palm Oil Policy.
- **Reduction of greenhouse gases:** Lotus Bakeries has set greenhouse gas reduction targets aligned with the Science Based Targets initiative (SBTi). Suppliers are encouraged to adopt a similar commitment under SBTi or an equivalent science-based framework.
- **Country of origin**: the Supplier shall maintain adequate records to ensure traceability of products to their origin and, upon request by Lotus Bakeries, promptly disclose the country of origin and any other relevant product information, along with supporting documentation necessary for Lotus Bakeries to meet its regulatory obligations.
- **Continuous improvement**: the Supplier shall strive for continuous improvement of its environmental performance, including putting in place measures and processes aimed at reducing waste, diminishing energy consumption, minimizing emission and preventing pollution, in dialogue with Lotus Bakeries.

5. Doing business with integrity

Preventing bribery and corruption

The Supplier must implement reasonable measures to prevent bribery in its operations and ensure its compliance with applicable anti-bribery laws. The Supplier shall never offer, pay, solicit, or accept any payments, gifts, hospitality or other favors (e.g. promise of a job, charitable contribution or sponsorships) to obtain or retain an improper advantage.

Avoiding conflicts of interest

Suppliers must avoid any situation that could create a conflict of interest or the appearance of one in their dealings with Lotus Bakeries.

Fair competition

The Supplier must ensure compliance with applicable antitrust and competition laws, both in its dealings with competing undertakings as in its dealings with its own suppliers, customers or other business partners.

Trade sanctions and export controls

The Supplier shall not engage in any business dealings with countries or third parties which would be contrary to applicable trade sanctions, embargoes or export controls.

Money laundering

The Supplier shall comply with applicable anti-money laundering laws. The Supplier will take all necessary steps to prevent inadvertent use of business resources for these purposes and shall monitor any unusual or suspicious activities or transactions.

Fraud

The Supplier shall not engage in any fraudulent behavior, including theft, counterfeiting, smuggling, misuse of business property, forging invoices or other documentation.

6. Safeguarding the interests of Lotus Bakeries

Data protection

The Supplier complies with applicable data protection laws and ensures that security measures are in place to protect the data of Lotus Bakeries' customers, suppliers, and employees.

Information security

The Supplier shall maintain an effective information/cyber security program, appropriate to its size and operations, including conducting risk assessments and implementing measures to continually ensure the security, integrity and confidentiality of its systems, data and services. As soon as the Supplier becomes aware of any actual or suspected incidents affecting Lotus Bakeries' information, they must promptly notify Lotus Bakeries and fully cooperate in any investigations.

Protection of intellectual property and confidential information

The Supplier shall take all required steps to protect Lotus Bakeries' confidential information and intellectual property (such as trade secrets, copyrights, patents, and trademarks), and only use such confidential information or intellectual property as permitted under the terms of its agreement with Lotus Bakeries. If the Supplier becomes aware of any misuse of Lotus Bakeries' confidential information or intellectual property rights by a third party, it shall notify Lotus Bakeries immediately.

The Supplier must promptly report any issues or potential situations of non-compliance with this Code to their business contact at Lotus Bakeries. Suppliers can also make use of the Lotus Bakeries Whistleblowing Line to report concerns.

I, the undersigned, duly representing the Supplier, hereby confirm acknowledgement and acceptance of the Lotus Bakeries Code of Conduct for Suppliers.

Signature _____

Date _____

Name _____

Title _____

Name of Supplier _____