



## 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;
- Abstinance 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.

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

**Signature** \_\_\_\_\_

**Name** \_\_\_\_\_

**Title** \_\_\_\_\_

**Name of company** \_\_\_\_\_