GREENYARD

## GROUP POLICIES

# SUPPLIER CODE OF CONDUCT

Version 2

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## REVISION HIGHLIGHTS

These highlights provide an overview of the current procedure revisions.

**May 2024:** **Caring for our people and communities**
Clarifying provisions in terms of child labour, employee representation and forced labour.
Clarifying provisions in terms of working conditions, in particular regarding remuneration

**May 2024:** **Caring for our environment**
Inserting requirement on zero deforestation.

**May 2024:** **Supply Chain Responsibility and Traceability**
Inserting requirement on supplier risk assessments and an effective grievance mechanism.

**May 2024:** **Governance**
Clarifying the right to conduct audits at suppliers and sub-suppliers and extending the right to Greenyard's clients.

**May 2024:** **Appendix I: Compliance and accreditation**
Inserting requirement on sustainable water management certification for suppliers in high water risk regions.


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# 1 Purpose and Principles

Greenyard is a global market leader of fresh, frozen and prepared fruit & vegetables, flowers and plants. Our purpose is to improve life through plant-based food experiences - connecting healthy lifestyles and sustainable food value chains.

We are fully aware of our responsibilities within the food value chain regarding the products and services we deliver to our customers as well towards all other involved stakeholders in our value chain and continually shape our response to assess supply chain risks, working daily to meet all our legal, regulatory, ethical, environmental, social, and health and safety obligations.

We can only achieve this with the cooperation of all of our supply chain partners, which we hold to the same standards as ourselves. That is the purpose of our Supplier Code of Conduct. It applies to all suppliers of Greenyard, whether direct or indirect suppliers, co-packers, contractors, agents or any external party doing business with Greenyard ("Suppliers"). It enables us to engage with our Suppliers on material sustainability issues relating to their operations, and to set minimum criteria set out in this Supplier Code of Conduct. In enforcing this Code, we will apply a risk-based supply chain approach, putting more resources and focus on suppliers, subjects or regions we consider to be of higher risk.

This Code of Conduct is inspired by the general principles and guidance provided by international instruments dealing with human rights and responsible business conduct. Greenyard recognizes and adheres to the following instruments:

- the UN Global Compact and UN Sustainable Development Goals (SDGs);
- the Universal Declaration of Human Rights;
- the UN Guiding Principles on Business and Human Rights;
- the UN Convention of the Rights of the Child;
- the UN Convention on the Elimination of All Forms of Discrimination against Women;
- the ILO Declaration on Fundamental Principles and Rights at Work;
- the OECD Guidelines for multinational enterprises;
- the OECD-FAO Guidance for Responsible Agricultural Supply Chains;
- the EU code of conduct on responsible food business and marketing practices;
- Regulation (EU) 2023/1115 on deforestation-free products; and
- Directive (EU) 2024/1760 on Corporate Sustainability Due Diligence.

Likewise, we expect Suppliers to adhere to the above-mentioned instruments. Suppliers shall in general comply with all applicable and relevant laws and regulations that govern their business operations and activities. Where there are differences between the terms of this Code and national laws or other applicable standards, the supplier shall adhere to the higher or more stringent requirements.

Compliance to this Code of Conduct is a pre-requisite of any agreement/contract between Greenyard and its Suppliers.

# 2 Caring for our people and communities

## 2.1 Human and labour rights

Suppliers shall comply with applicable human rights laws and regulations[1] and, in particular:

a) Treat all workers with respect and dignity and not permit harassment or labour practices which involve the harsh or inhumane treatment of workers.

b) Not employ child workers[2] for any services or products in any country, and have a documented policy to prevent it.
   - If a supplier identifies any form of child labour, it must take immediate action to identify and implement measures to ensure the protection of the children in question.
   - If a supplier employs adolescents, it must ensure that (a) the type of work does not have any negative impact on their safety, health, development or morale; (b) their working hours do not interfere with their participation in vocational training programmes that are recognised by competent bodies.

c) Support equal opportunities and not allow discrimination, including in hiring practices. Hiring, remuneration, benefits, training, advancement, discipline, termination, retirement or any other employment-related decisions shall be based on relevant and objective criteria.

d) With respect to union rights, uphold the stronger of the ILO standard or applicable local social and collective action rights of workers.
   Suppliers operating in countries in which trade union activity is unlawful or free and democratic trade union activity is not permitted shall respect the right to freedom of association and collective bargaining by allowing employees to regularly and freely elect their own representatives with whom the company can engage in a dialogue regarding workplace issues.

e) Refrain from any form of forced labour[3], notably that of a physical, psychological or financial nature. Suppliers shall grant their employees the right to terminate their employment contract in compliance with the contractually agreed or statutory notice period. Withholding identification documents from employees is prohibited.
   Suppliers shall ensure that employees, in particular national and international migrant workers, do not have to make any unlawful payments or deposits to get their jobs. If legitimate payments for employment agencies are incurred, these shall be paid for by the supplier.
   Suppliers shall exercise particular care when assigning employment agencies, both directly and indirectly. Only legal and responsible employment agencies may be appointed. If possible, the supplier shall refer to certified employment agencies.

[1] For a list of applicable human rights, labour and social laws and regulations, see 1. Introduction.

[2] We uphold the International Labour Organization (ILO) Minimum Age Convention No. 138, which sets the basic minimum age at which a child may be employed at 15 years of age, and the minimum age for hazardous work at 18 years of age. If local minimum age law is set at 14 years of age in accordance with developing country exceptions to ILO Convention No. 138, the lower will apply. When local minimum age law stipulates a higher age for work or mandatory schooling, the higher age applies.

[3] For definitions of modern slavery, human trafficking, forced labour, and other references, we refer to the ILO Forced Labour Conventions No. 29 and 105.

## 2.2 Employment conditions

a) Suppliers shall provide remuneration in accordance with local law, on a regular basis and in compliance with all regulations relating to the welfare benefits resulting from the law or an individual or collective agreement.
   Suppliers shall respect the right of their employees to appropriate remuneration, sufficient to enable them and their families to live in dignity.
b) All employees must be informed of their rights and conditions, such as remuneration, working time regulations and leave entitlements, in a comprehensible way and have written employment contracts as far as this is stipulated in national regulations and laws.
c) Wages shall be paid in legal tender and on a regular basis. Deductions from wages shall be transparent and must never be used as a disciplinary measure.
d) Suppliers shall not permit working hours that exceed the applicable legal limit, nor that set out in the ILO Conventions. Overtime must be voluntary and must always be paid at the statutory rate.
e) Pregnant employees/ employees on maternity leave shall not be discriminated against. Suppliers shall take into special consideration employees with children, especially seasonal/migrant workers with children residing elsewhere, making it possible to combine work with parenthood.

## 2.3 Health and safety

Suppliers shall comply with applicable and relevant health and safety laws, regulations and standards, and in particular:

a) Provide safe and healthy working conditions for its employees, and clean sanitary infrastructure including toilets and potable water. Accommodation, if provided by the supplier, shall conform to the same requirements.
b) Designate the responsibility for health and safety to senior management.
c) Have a Health & Safety Policy freely available to all employees to access at any time.
d) Demonstrate compliance with the policy and continuously strive to minimise accidents and risks, including regular awareness and training sessions for all employees.
e) Respect the right of employees to leave the business premises in dangerous situations without having to ask for permission.

## 2.4 Product quality and safety

a) Suppliers are expected to comply with applicable law and regulations concerning food safety and hygiene, relevant to both the supplied material or service as well as with regard to the (processing) activities, the place where these activities take place and the means used.
b) Suppliers are expected to apply good agricultural practices and/or good manufacturing practices relevant to the supplied goods or services provided.
c) Suppliers are expected to comply with additional requirements as stipulated in Quality Agreements specific to the contracting business unit.

### 2.5 Land tenure

Suppliers shall respect legitimate tenure right holders and their rights over natural resources; including public; private; communal; collective; indigenous and customary rights; potentially affected by their activities. Natural resources include land, fisheries, forests, and water. Unlawful forced evictions are not permitted.

## 3 Caring for our environment

Suppliers shall comply with all relevant environmental laws and regulations and recognise their responsibility throughout the entire supply chain in which they operate by conducting business in a way that does not have negative impact on the planet or natural resources, and in particular:

a) Manage water, energy and other natural resources responsibly.
b) Set (preferably science-based) reduction targets in terms of their greenhouse gas emissions.
c) Avoid and reduce the generation of hazardous and non-hazardous waste, maximize recycling and enhance the productive use or ensure a safe disposal of waste.
d) Maintain biodiversity, protect wildlife and endangered species and commit to zero deforestation (i.e. products do not come from deforested land or have not led to forest degradation, including of irreplaceable primary forests, after 31 December 2020).
e) Show responsibility towards the communities in which they operate, and manage community impact resulting from company and factory operations.

## 4 Supply Chain Responsibility and Traceability

a) Suppliers shall ensure that their own suppliers (and, if such supplier is a non-producing supplier, like an agent or trader, that supplier's own supplier), either comply with this Code of Conduct or an equivalent thereof.
b) Suppliers shall identify, analyse and prioritise their impacts relating to human rights and the environment and determine appropriate measures to mitigate or remediate these impacts. In doing so, the interests of the right holders should be taken into account, notably those of vulnerable groups, such as children, women, indigenous communities, smallholders and migrants.
c) Suppliers shall map out their supply chain and ensure full details including name and description of the party, location and country of origin of the product for both their supplier and that party's own supplier to warrant full traceability. This material should be available for inspection at any time.
d) Suppliers shall establish easily accessible, trustworthy and fair grievance mechanisms to prevent, identify, limit and remediate harm to employees. Their functionality should be reviewed annually.

# 5 Working with others

## 5.1 Fair business practices

Suppliers shall comply with applicable anti-bribery, anti-corruption and competition laws, regulations and standards, and in particular:

a) Not be involved in any form of bribery or corruption, and shall avoid facilitation payments as well as giving or accepting improper gifts and hospitality.
b) Operate in accordance with the principles of free enterprise and fair market competition.
c) Avoid circumstances, situations, or relationships that could improperly influence business decisions. They must avoid all appearances of potential conflicts of interest. Suppliers must immediately disclose relationships, associations or activities that can create actual or potential conflicts of interest.
d) Not engage – directly or indirectly – in any form of money laundering. They may not conduct business that violates the anti-money laundering laws. This includes accepting, concealing, converting and/or transferring any funds obtained from criminal activities, including and related to terrorist financing.

## 5.2 Trade regulation

Suppliers shall comply with all applicable laws and regulations concerning import and export, trade embargoes and sanctions, and in particular:

a) Not directly or indirectly provide Greenyard with any service or material from a country, entity or person that is subject to trade sanctions or embargoes (typically referred to as 'Blacklisted', 'Restricted' or 'Denied Parties').
b) Implement appropriate due diligence, screening and compliance procedures or practices in order to ensure compliance with the above obligations.

## 5.3 Confidentiality, Data and Intellectual Property

a) Suppliers undertake to respect the confidentiality, integrity and security of confidential information received from employees of Greenyard and/or stakeholders, and not to divert it from its initial use by appropriating it or making it available to a third party.
b) Suppliers shall respect the intellectual property rights of Greenyard.
c) Suppliers shall comply with the laws and regulations applicable to it in relation to personal data protection and respect the intellectual property rights of Greenyard.

# 6 Governance

## 6.1 Monitoring, engagement and improvement

Greenyard and its Suppliers will ensure ongoing compliance with and improvement of the Supplier Code of Conduct as follows:

a) Greenyard welcomes open dialogue about meeting the criteria of the Code of Conduct and expects all Suppliers to reflect the willingness to live up to its standards.
b) Suppliers shall have or work towards a culture of continuous improvement.
c) Suppliers shall have in place adequate policies, procedures or practices to ensure compliance with the provisions contained in the Supplier Code of Conduct.
d) Suppliers shall register on industry-wide recognised supplier approval or supply chain due diligence platforms and assure full linkage to Greenyard.
e) Supplier shall cooperate with our reasonable requests for information.
f) Greenyard, and its clients, reserve the right to carry out (un)announced assessments of any supplier by means of on-site inspections, questionnaires, interviews, etc.
   Suppliers shall stipulate this right in favour of Greenyard and its clients in their contracts with sub-suppliers and to ensure that these, in turn, stipulate this right in contracts with their sub-suppliers, so that Greenyard and its clients are entitled to carry out assessments throughout the entire supply chain.

## 6.2 Consequences of non-compliance

a) Greenyard will work with its Suppliers to help them comply with the Code of Conduct, recognizing that withdrawal of Greenyard's business may cause hardship and loss of employment.
   Greenyard will apply the key principle of "Protect, Respect and Remedy" in line with the United Nations Guiding Principles on Business and Human Rights.
b) Suppliers shall be aware of any non-compliance, proactively take corrective action when necessary, and inform Greenyard accordingly.
c) Greenyard reserves the right to cease buying products or services from Suppliers in case of non-compliance.

## 6.3 Grievance mechanisms

Greenyard values the help of stakeholders who identify potential problems that we need to address. Greenyard will undertake all steps possible to ensure that reports are kept confidential, including the identity of the reporter. Greenyard will not tolerate retaliation of any kind against stakeholders who, in good faith, report breaches or violations of Greenyard's Supplier Code of Conduct or any other illegal conduct.

You may contact any of the following people to report your concern:

- the Managing Director of the business entity with which business is conducted;
- the Corporate Legal Department;
- or by means of any other channel, as set out in Greenyard's Whistleblowing Policy (Greenyard Whistleblower Tool).

## 7 Signature

*(no need to print the form, it contains pre-configured fields to enter the information directly from your computer)*

By signing this Supplier Code of Conduct, I acknowledge and accept its contents and commit to full compliance.

Name:

Date:

Function:

Email Address:

Signature:

*You can sign with your name or initials in the pre-configured field or use E-Sign.*

# 8 Appendices

## Introduction to the appendices

The Greenyard Supplier Code of Conduct sets out the main principles, standards and criteria that all Suppliers should abide. In addition, certain Suppliers will be asked to comply with additional technical standards or guidelines, laid out in Appendices, which form part of the Supplier Code of Conduct, but are supplementary to it. These Appendices only apply to the subject matter and the applicable Supplier. Whereas the Supplier Code of Conduct is principle-based, the following Appendices are more detailed and rule-based.

In case of any conflict or confusion between the Supplier Code of Conduct, its Appendices and the applicable laws or regulations, Suppliers should follow the law, regulation or standard that ensures the best result or protection, always in discussion and cooperation with Greenyard.

## Appendix 1 – Compliance and accreditation

We require our Suppliers to demonstrate compliance and accreditation as follows:

a) We require food operators active in high and medium risk countries[i] in terms of social standards to undergo an ethical audit[ii]. We align with the Sustainability Initiative Fruits and Vegetables (SIFAV) basket of social standards and recognise the following:
   - High risk countries:
     - GSCP-benchmarked standards (B-level): BSCI, ETI/SMETA, Fairtrade Flocert, IMO- (Fair) For Life, Rainforest Alliance, SIZA, SA 8000, SCS Sustainably Grown
     - Except for smallholders[iii] (same as medium risk countries)
   - Medium risk countries: GlobalGAP-GRASP add-on, FSA 3.0, GlobalGAP-SAI FSA add-on and GSCP-benchmarked standards (B-level)

b) We require food operators active in high water risk regions[iv] to undergo a sustainable water management audit[v]. We align with the Sustainability Initiative Fruits and Vegetables (SIFAV) basket of water standards and recognise the following: AWS, Fairtrade, GlobalGAP + On the way to Planetproof, GlobalGAP + FSA add-on, GlobalGAP + SIZA add-on, GlobalGAP + SPRING add-on, Rainforest Alliance, SIZA, Sustainably Grown.

c) Greenyard operates its own audit scheme and we expect that suppliers or their suppliers permit access for Greenyard or its agents. Greenyard reserves the right to conduct these audits on an unannounced basis.

d) Failure to comply with any of the named standards, schemes or certifications will be deemed a breach of contract and we reserve the right to terminate.

e) Where Greenyard customers' requirements are stricter or more comprehensive, these will be stipulated in Quality Agreements specific to the contracting business unit.

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[i] The country classification follows the reporting framework of the Sustainability Initiative Fruits and Vegetables (SIFAV) and uses the World Governance Indicators as a starting reference. It is updated annually.

[ii] Suppliers which do not yet have external assurance in place, should pro-actively agree a roadmap with Greenyard.

[iii] Smallholder as defined in the reporting framework of the Sustainability Initiative Fruits and Vegetables (SIFAV):

- A family farm (mother, father, brother, sister) which employs less than 5 FTE on yearly basis (on permanent or temporary basis).
- A small single farm which employs less than 5 FTE on yearly basis (on permanent or temporary basis).
- A smallholder producer organization for which more than two third of the farms correspond to the above definition of family farm or small single farm.
- A producer that corresponds to the definition of smallholder according to the national laws.

[iv] The country classification follows the reporting framework of the Sustainability Initiative Fruits and Vegetables (SIFAV) and uses the WWF Water Risk Filter as a starting reference. It is updated annually.

[v] Suppliers which do not yet have external assurance in place, should pro-actively agree a roadmap with Greenyard.