

Code of Conduct

for Suppliers and Business Partners

Farmel Dairy Products B.V.



FARMEL
dairy business

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1. Introduction

At Farmel, we believe in long-term partnerships built on trust, transparency and respect. This applies both to the way we conduct our business and to the way we work with our suppliers and business partners.

This Code of Conduct sets out the principles we consider important in these relationships. We expect our business partners to comply with these principles and to act in accordance with applicable laws and regulations.

By working from the same principles, we build long-term and reliable relationships throughout the dairy supply chain.

In this Code of Conduct, Farmel Dairy Products B.V. is hereinafter referred to as 'Farmel'.

2. Who does this Code of Conduct apply to?

This Code of Conduct applies to all suppliers, service providers and other business partners of Farmel.

In this Code of Conduct, we use the collective term 'business partners'. This includes all organisations that provide products or services to Farmel or are involved in their delivery, such as suppliers, service providers, contractors, subcontractors and other vendors.

We expect our business partners to comply with the provisions of this Code of Conduct and, where relevant, to apply them within their own organisation and towards the parties they engage in the supply of products or services to Farmel. Business partners are also responsible for promoting these principles within their own supply chain.

3. Our expectations

Our business partners play an important role in ensuring the quality and reliability of our services. We therefore expect them to act in accordance with the principles set out below.

3.1 Compliance with laws and regulations

We expect our business partners to act in accordance with the applicable laws and regulations in the countries in which they operate. They must also hold the permits, registrations and certifications required to carry out their activities responsibly.

We also expect them to have appropriate processes and measures in place to ensure compliance with laws and regulations within their organisation.

3.2 Product quality and food safety

Product quality and food safety are paramount at Farmel. We therefore expect our business partners to supply products and services that comply with the agreed quality and safety requirements and all applicable laws and regulations.

If deviations, incidents or other circumstances arise that may affect the quality, food safety or regulatory compliance of products or services, we expect our business partners to inform Farmel in a timely manner, actively cooperate in finding an appropriate solution and take all reasonable corrective measures to minimise risks to quality, food safety or regulatory compliance.

3.3 Human rights and good working conditions

We consider respect for human rights and good working conditions to be fundamental. We therefore expect our business partners to provide a safe, inclusive and respectful working environment.

This means, among other things, that they:

- do not use child labour, forced labour or any other form of compulsory labour;
- can demonstrate that workers meet the applicable minimum working age where required by law;
- ensure that work is voluntary and that employees can terminate their employment in accordance with applicable laws and regulations;
- do not require employees to surrender identity documents or pay fees as a condition of employment;
- treat employees equally and do not tolerate discrimination based on, among other things, sex, origin, skin colour, religion or belief, sexual orientation, gender identity, age, disability or any other legally protected characteristic;
- treat employees with respect and dignity and do not tolerate physical, verbal, sexual or psychological abuse, harassment or other inappropriate conduct;
- ensure fair working conditions, working hours and remuneration in accordance with applicable laws and regulations;
- provide additional protection for young workers and do not assign them work that could endanger their health, safety, development or education;
- when using temporary employment agencies or other labour intermediaries, ensure that these parties also act in accordance with the principles set out in this Code of Conduct.

3.4 Health and safety

A safe and healthy working environment is an essential part of responsible business practices. We therefore expect our business partners to provide a safe workplace and comply with applicable health and safety laws and regulations.

We also expect them to take appropriate measures to prevent accidents, health risks and hazardous situations as far as reasonably possible. They must be prepared for emergencies and have appropriate procedures and facilities in place for fire safety, evacuation and other emergency situations, so that the safety of employees, visitors and the surrounding environment is safeguarded.

Employees must be able to report unsafe situations and, in cases of immediate danger, remove themselves from a hazardous situation without suffering adverse consequences.

3.5 Environment and sustainability

Farmel considers responsible treatment of people, animals and the environment important. We therefore expect our business partners to conduct their activities with due regard for sustainability and to minimise their environmental impact as far as reasonably possible.

We expect our business partners to comply with applicable environmental laws and regulations and to obtain and maintain all permits, registrations and approvals required for their activities. In addition, they are expected to use raw materials, energy and water responsibly, manage waste and hazardous substances appropriately, and make efforts to minimise emissions and other adverse environmental impacts.

Illegal discharges of wastewater, waste, hazardous substances or other environmentally harmful emissions are not permitted.

We expect our business partners to take appropriate measures to prevent environmental pollution and to handle waste and hazardous materials responsibly. If an incident occurs that may affect

people or the environment, we expect them to take appropriate measures to limit the impact, comply with applicable laws and regulations and inform Farmel in a timely manner.

Sustainability and continuous improvement are important principles for Farmel. We therefore encourage our business partners, where relevant, to participate in recognised sustainability initiatives and certifications that are appropriate to their activities.

For suppliers in the agricultural supply chain, Farmel encourages participation in recognised sustainability initiatives such as Duurzame Zuivelketen, On the way to PlanetProof, or comparable nationally or internationally recognised sustainability programmes. These initiatives contribute, among other things, to reducing environmental impact, the responsible use of natural resources, promoting biodiversity and animal welfare, and building a future-proof dairy supply chain. Where business partners participate in such sustainability programmes, we expect them to be able to demonstrate compliance with the relevant requirements upon request.

3.6 Animal welfare

Animal welfare is an important part of responsible business practices within the dairy supply chain. We therefore expect our business partners to treat animals with care and respect and to comply with applicable laws and regulations and internationally recognised animal welfare standards.

Farmel endorses the Five Freedoms of Animal Welfare, as defined by the World Organisation for Animal Health (WOAH), as important principles for the responsible treatment of animals:

- freedom from hunger and thirst;
- freedom from discomfort;
- freedom from pain, injury and disease;
- freedom to express normal behaviour;
- freedom from fear and distress.

We expect business partners that work with live animals to apply these principles and provide proper care, suitable housing, access to food and water, and timely veterinary care. We also expect them to handle animals carefully and prevent unnecessary pain, stress and injury.

We expect business partners to continue working towards further improvements in animal welfare and sustainable business practices throughout the supply chain.

3.7 Fair and ethical business conduct

At Farmel, we consider doing business honestly, transparently and with integrity the norm. We therefore expect our business partners to act according to the same principles.

This means, among other things, that they comply with applicable laws and regulations and are not involved in fraud, corruption, bribery, facilitation payments, money laundering or other forms of unlawful conduct. They must also comply with applicable sanctions legislation and international trade restrictions.

In addition, we expect business decisions to be made independently and any actual or perceived conflicts of interest to be avoided. Business partners must avoid situations in which personal or financial interests could influence independent and ethical business decision-making. Gifts, invitations or other benefits must never be intended to influence business decisions, audits, inspections or other controls.

3.8 Confidentiality and information security

Confidential information may be shared during the course of the business relationship. We expect our business partners to handle this information with due care and to take appropriate measures to protect it against unauthorised access, loss or misuse.

Confidential information must only be used for the purpose for which it was provided and must not be shared with third parties without permission, unless required by law.

We also expect our business partners to handle personal data with due care, respect the intellectual property rights and confidential information of Farmel, its customers and other business relations, and not use such information for their own commercial purposes or in any way that could disadvantage Farmel or its business relations.

Farmel's name, trademarks and logos may not be used for promotional or commercial purposes without prior written consent.

These obligations remain in force after the business relationship has ended.

4. Cooperation and compliance

We expect our business partners to comply with this Code of Conduct and to promote its principles within their own organisation and, where relevant, within their own supply chain. Where business partners outsource activities to third parties, we expect those parties to act in accordance with the principles of this Code of Conduct as well. At Farmel's request, business partners must be able to explain how they comply with these principles, provide relevant information and documentation, and cooperate with reasonable requests for information, inspections or other assessments. Open and transparent cooperation is important to us.

In addition, we expect our business partners to inform Farmel in a timely manner of any situations that may affect our cooperation or compliance with this Code of Conduct. This also applies to any suspected or actual violations of this Code of Conduct or applicable laws and regulations within their own organisation or, where relevant, their supply chain.

This is particularly important when business partners become aware of possible forced labour, child labour or other serious human rights violations within their own organisation or supply chain.

Where improvements are necessary, we expect our business partners to be willing to take appropriate corrective measures. Farmel prefers to first discuss such matters with the party concerned in order to work together towards an appropriate solution.

In the event of serious or repeated breaches, or if a business partner is unwilling to implement appropriate improvement measures, Farmel reserves the right to suspend or terminate the business relationship in whole or in part.

5. Closing provisions

This Code of Conduct sets out the basis for the way Farmel works with suppliers and business partners. By working with Farmel, business partners confirm their willingness to comply with this Code of Conduct and to actively apply its principles within their own organisation.

Farmel may ask business partners to periodically confirm their compliance with this Code of Conduct.

Together, we contribute to a reliable, sustainable and future-proof dairy supply chain.