

# ARYZTA SUPPLIER CODE OF CONDUCT





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## 1. Introduction

As an international bakery company with a leadership position in convenience bakery with manufacturing sites across the world, ARYZTA understands that it, in partnership with its Suppliers, has a responsibility to do business in a manner that is sustainable, equitable and just.

ARYZTA is fully committed to complying with all applicable laws and regulations required in the conduct of its business, including in relation to due diligence obligations in its supply chain and child labour law requirements. Accordingly, the aim of the ARYZTA Supplier Code of Conduct (hereafter 'the Code') is to help ARYZTA maintain this commitment by setting standards which ARYZTA expects its Suppliers, their employees, agents, subcontractors, and other representatives to respect and adhere to when conducting their business dealings.

The Code is applicable to and must be respected by all our Suppliers and contains the minimum standards applicable to ARYZTA Suppliers. It is integrated into contracts with our Suppliers. Suppliers may also have individual contracts with ARYZTA that contain specific provisions and/or agreements relating to these standards. In case of conflict between requirements outlined in laws, individual contracts and this Code, Supplier must comply with the strictest requirement. The standards of the Code set forth expectations for the Supplier with whom ARYZTA does business, including their parent, subsidiary or affiliate entities, as well as others with whom they do business including all their employees (including permanent, temporary, contract agency, service provider and migrant workers), upstream suppliers and other third parties. It is the Supplier's responsibility to disseminate, educate and exercise diligence in verifying compliance with this Code among its employees, agents and suppliers, including farmers where relevant.

Suppliers who believe that an ARYZTA employee, or anyone acting on behalf of ARYZTA, has engaged in illegal or otherwise improper conduct with respect to their business with the Supplier should report the matter to ARYZTA.

If a Supplier is aware of any breach of the Code, ARYZTA must be notified of the incident within 48 hours and provide an action plan within one week of notification. Any breach notification should be sent through ARYZTA Grievance Mechanism – 'ARYZTA open talk' (<https://secure.ethicspoint.eu/domain/media/en/gui/106421/index.html>).

ARYZTA will provide its Suppliers and the public with up-to-date information on this Code through publication of updates of the Code on: [www.aryzta.com](http://www.aryzta.com)

## 2. Business Practices

ARYZTA requires that all Suppliers observe all applicable national and international laws and regulations; exercise the highest standards of business and personal ethics; and act with integrity in an open and honest manner, including:

### 2.1. Anti-Bribery

Suppliers dealing with ARYZTA or acting on behalf of ARYZTA must comply with all country and local laws dealing with bribery. All forms of bribery, kickbacks, corruption, extortion, embezzlement, and unethical practices with the aim of influencing decision-making processes, independent of whether these processes violate applicable law or not, are prohibited, and Suppliers must have a zero-tolerance policy and prohibit any such behavior. ARYZTA employees cannot accept any gift, no matter what the value, from a current or prospect Supplier or a company in exchange for doing business with ARYZTA. Time to time and under specific conditions such as, by example, the Christmas period, the Supplier may send gifts to employees however, the value of these gift may not exceed €30.00.

### 2.2. Trade Restrictions

Suppliers are not required to forego trade with ARYZTA's competitors to be a Supplier to ARYZTA. Suppliers are free to sell products in competition except when otherwise agreed to in writing with ARYZTA and/or where the product involved is one in which ARYZTA has a substantial proprietary interest. Suppliers will avoid sourcing materials or services in a manner that is in breach of relevant embargoes, trade sanctions and ARYZTA specific embargoes.

### 2.3. Conflict of Interest

Suppliers should avoid any interaction with an ARYZTA employee that may conflict with, or appear to conflict with, that employee acting in the best interests of ARYZTA. Suppliers must declare any confirmed or presumed conflict of interest to ARYZTA on discovery should be sent through ARYZTA Grievance Mechanism – 'ARYZTA open talk' (<https://secure.ethicspoint.eu/domain/media/en/gui/106421/index.html>).

### 2.4. Communication

Suppliers may not utilize ARYZTA's name, trademarks, logos, graphics, or images unless expressly permitted in writing by ARYZTA. Significant agreements with distributors, brokers and Suppliers should be set out in writing.

#### 2.5. Confidential Information

Suppliers who have been given access to confidential information as part of the business relationship must not share this information with anyone else unless authorized to do so by ARYZTA. If a Supplier believes it has given access to ARYZTA's confidential information in error, the Supplier should immediately notify its contact at ARYZTA and refrain from further distribution of such information. Suppliers will be asked to sign a Confidentiality and Non-Disclosure Agreement.

Personal data provided to the Supplier must be processed and stored in accordance with the applicable data privacy regulations, such as GDPR.

#### 2.6. Fair Competition

Suppliers shall not engage in anti-competitive practices such as price fixing, sales volume manipulation and artificial division of the market in conjunction with third party competitors. Suppliers will also adhere to relevant laws pertaining to anti-trust and fair competition.

#### 2.7. Intellectual Property

Suppliers are expected to respect intellectual property rights and safeguard customer information. Suppliers must therefore manage technology and process information in a manner that protects intellectual property rights.

### 3. Employment Related Practices

We expect our Suppliers to conduct their activities in a manner that respects human rights as set out in the United Nations Universal Declaration of Human Rights and is guided by UN Guiding Principles on Business and Human Rights and the Core Conventions of the International Labour Organisation. At a minimum, we expect Suppliers to comply with the relevant local employment laws. Where local law provides weaker protection for human rights than international conventions or this Code, we expect the rights laid out in this Code to be followed.

#### 3.1. Applicable Local Labour Laws

All business activities of Suppliers must comply with all national and local legal requirements along with published industry standards pertaining to employment and manufacturing in the applicable country. Supplier must be able to demonstrate that all employees are eligible to work in the applicable country.

### 3.2. Freedom of Association

Suppliers shall respect the rights of workers to associate or not to associate with any group, as permitted by and in accordance with all applicable laws and regulations. Suppliers should adopt an open attitude to the activities of trade unions and worker representation groups, and their organisational activities. Worker representatives must not be discriminated against and have access to carry out their representative functions in the workplace.

### 3.3. Forced Labour, Slavery & Human Trafficking

ARYZTA explicitly forbids any form of forced, bonded, involuntary or indentured labour, including modern slavery and prison labour as defined in International Labour Organisation (ILO) Conventions and national laws. Suppliers must ensure that all employment is freely chosen, and that workers can leave their job without penalty where reasonable notice is given.

Suppliers must not retain passports or identity documents (unless required by law), and workers must have free and complete access to their documentation if it is retained.

Workers' movement must not be restricted, and workers must not be confined to Supplier premises, including work or accommodation facilities.

Workers must not pay recruitment fees or be required to lodge deposits with the Supplier.

Suppliers must provide to all employees a contract written in a language they understand at the commencement of employment or service. This contract should also be signed by the worker under their free will. This contract must include key details on topics such as their expected wages, working hours, notice period, benefits, leave entitlements, terms and conditions, and any disciplinary and grievance mechanisms.

The use of any form of modern slavery or involvement in activities related to human trafficking as defined in national law and international conventions by Suppliers is forbidden.

### 3.4. Child Labour Practices

Suppliers must comply with all applicable child labour laws and are prohibited from using workers under the legal age of employment in the relevant country or where work interferes with schooling requirements under applicable local laws and regulations. Suppliers shall not hire any worker who is less than 15 years old regardless of the legal age of employment in the relevant country. While ARYZTA follows a zero-tolerance policy for employment of workers under the age of 15, we do encourage Suppliers, in support of local communities, to provide opportunities for young workers (between the ages of 15 and 18) where job conditions are safe and suitable for young workers and local laws or regulations permit such employment.

Any workers under the age of 18 must not experience conditions in their work that are mentally, physically, socially, or morally dangerous, or that interfere with schooling. Where young workers are employed, care must be taken to ensure that child and young workers are prevented from undertaking hazardous work or work at night.

All employment of young workers, including apprentices or vocational students, must comply with laws and regulations on the minimum working age and the compulsory age for schooling and must be of educational benefit.

ARYZTA will follow up on any indications of child labour and will take appropriate action as set forth below to avert or mitigate negative effects, evaluate the results of the measures and communicate these results.

For purposes of identification, assessment, elimination or mitigation of the risks of potential cases of child labour, ARYZTA may use the following instruments:

- adverse media screening prior to the onboarding of a certain Supplier or for monitoring Suppliers during the ongoing contractual relationships;
- assessment of all reports received through ARYZTA's or the Suppliers' whistleblowing system as further described in paragraph 5 of this Code;
- obtain information from public authorities, international organizations or civil society prior to onboarding of a certain Supplier or in case of indications of child labour;
- request certifications from its Suppliers;
- engage specialists of follow-up on specific indications of child labour or to review the effectiveness or implementation of corrective measures;
- consult expert literature;
- ask Suppliers to join the SEDEX platform and to undergo a SMETA audit as set out in paragraph 8 of this Code;
- perform audits as further described in paragraph 8 of this Code;
- request corrective or preventative actions from the Suppliers as set out in paragraph 8 of this Code.

### 3.5. Compensation

Supplier's workers must be fairly compensated and provided with wages and benefits that comply with applicable national and local laws. This includes paying of overtime, premium pay and equal pay for equal work without discrimination where applicable. There shall be no disciplinary deductions from pay.

Suppliers must pay employees wages and benefits that meet at least the government mandated or collective industry-authority agreed minimum, whichever is higher.

Wages must be paid at regular intervals, agreed upon in the worker's contract and should be provided with a valid payslip or document that verifies accurate compensation for work performed.



Suppliers must ensure workers understand and receive any benefits or compensation that they are legally entitled to, including parental leave, paid holidays, or social insurance. Deductions from wages as a disciplinary measure must not be permitted nor must any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

### 3.6. Working Hours

Working hours must comply with national laws, collective agreements, or the provisions of ILO conventions, whichever affords the greatest protection.

All overtime must be voluntary and should be compensated at the legally or collectively agreed required premium, whichever is higher. Under usual circumstances, the total hours worked in a 7-day period should not be more than 60, including voluntary overtime.

Under exceptional circumstances working hours may exceed 60 hours a week. These exceptional circumstances are when all the following criteria are met:

- It is allowed by national law;
- It is allowed by collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce (to the extent a collective agreement exists);
- Appropriate safeguards are taken to protect the worker's health and safety;
- The employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents, or emergencies;
- Workers should be provided with at least one day off in seven, or where allowed by national law, two days off in a 14-day period.

### 3.7. Non-Discriminatory

Suppliers shall not discriminate in hiring or applying employment practices on the grounds of race, colour, religion, sex, age, sexual orientation, physical ability, national origin, or any other prohibited basis or personal characteristic unrelated to job performance and will comply with all applicable employment discrimination laws.

Except where required by applicable laws or regulations or essential for workplace safety, Suppliers must not require pregnancy or medical tests and must not improperly discriminate based on test results.

Suppliers must have anonymous, confidential, and fair grievance mechanisms in place for workers, including or comprising of whistleblowing mechanisms. Suppliers must ensure that reports are made with no fear of retaliation or reprisal.

### 3.8. Diversity & Equality

ARYZTA is an equal opportunity employer and expects its Suppliers to similarly promote the hiring, training, compensating, promoting and termination of employment of persons based on their individual talents and abilities and willingness to do the job and criteria which are allowed under law. ARYZTA actively promotes diversity across its business.

### 3.9. Harassment & Abuse

Suppliers will ensure that their employees and workers are not subjected to psychological, verbal, sexual or physical harassment or any other form of abuse and will comply with all applicable laws on harassment and abuse of workers. Suppliers must have internal policies prohibiting harassment or abuse of employees, along with stated disciplinary processes.

The threat of any form of harassment or abuse is also strictly forbidden

Suppliers who engage with security forces for business activities shall strictly forbid use of violence, and must ensure any security activities are in line with the law.

### 3.10. Migrant Labour

Suppliers will respect human and workplace rights for any migrant workers. Suppliers and/or employment agencies must not charge, directly or indirectly, fees or commissions related to recruitment travel and/or employment processes to those workers transported from their home country to work in facilities. Such fees should be borne by the Supplier, not the worker. Terms of employment should not change from time of recruitment to that provided at the facility, and migrant workers should be free from pressure, coercion, or threats in any way into accepting a job or to maintain employment.

Migrant workers should be treated equally to other workers performing the same or similar work, and must have the same entitlements as local workers as stipulated by local law.

Provisions should be made by the Supplier to ensure migrant workers are able to work safely, understand their duties, rights, and responsibilities, and have mechanisms of reporting issues, especially where the worker's language is not the business language of the employer.

## 4. Health Safety & Workplace Environment

### 4.1. Workplace Environment

Suppliers must provide their workers with safe and healthy working conditions and, where provided, living conditions. This includes, at a minimum, potable drinking water, adequate and clean restrooms, adequate ventilation, fire exits, essential safety equipment, emergency first aid kit, access to emergency medical care, and appropriately lit workstations. Suppliers shall ensure that all workers receive communications and training on emergency planning and safe work practices. In addition, Suppliers shall have systems to prevent, detect, and respond to potential risks to the safety, health, and security of all employees. Suppliers' facilities must be constructed and maintained in accordance with the standards set by applicable national and local laws, codes and ordinances.

Where needed, workers are to be provided free of charge with appropriate, well-maintained, personal protective equipment and educational materials about risks to them associated with these hazards.

Suppliers must respect workers' right to refuse unsafe work and to report unhealthy or unsafe working conditions.

Records of health and safety systems, activities and any accidents or incidents must be kept in accordance with local law or industry standard.

Where local law requires, Suppliers must provide worker compensation to all workers covering medical treatment for work related accidents and compensation for work related accidents resulting in permanent disability.

### 4.2. Worker's Accident and Safety

Suppliers must have adequate accident insurance (e.g., Workers' Compensation) for all workers as required by law.

Suppliers are required to provide relevant communication embedding a safety culture and training to avoid accidents.

Suppliers are required to provide the adequate safety clothing and equipment when relevant.

## 5. Grievance Mechanism – “ARYZTA Open Talk”

Suppliers shall implement internal programs for handling reports of workplace grievances, including anonymous reporting.

ARYZTA has established a whistleblowing mechanism to facilitate the safe reporting of grievances which is open to its supply chain and all of its stakeholders. In the event the Supplier does not have an appropriate grievance mechanism in place, the Supplier is required to communicate and make accessible ARYZTA's whistleblowing mechanism to all its employees in the relevant language. Suppliers are further required to communicate ARYZTA's whistleblowing mechanism to their own suppliers and business partners involved in producing or supplying goods, materials, ingredients or services for ARYZTA.

Any grievance raised to the Supplier pertaining to a product, ingredient, material, supplier, business partner or business activity that relates to ARYZTA, its business activities and its supply chain must be shared with ARYZTA immediately. (<https://aryzta.navexone.eu>)



## 6. Product Quality and Safety

All products and services delivered by a Supplier must meet the necessary specifications and criteria outlined by ARYZTA Food Safety & Quality Assurance Policies and Procedures or, and the relevant ARYZTA local policies when applicable. All products and services supplied must also be compliant with all applicable laws and regulations. ARYZTA sourcing policy is guiding its sourcing and development process collaborating with its supply chain: (<https://www.aryzta.com/esg-2/sustainable-sourcing/>)

The Supplier agrees to notify ARYZTA as soon as it becomes aware that there is a quality and or safety issue regarding any of the products or services the Supplier supplies or intends to supply to ARYZTA.

The Supplier agrees to maintain sufficient records on their direct and indirect suppliers, including name and addresses of all upstream suppliers, production sites or service providers, to enable full traceability along the supply chain of all products supplied to ARYZTA and deliver the corresponding information to ARYZTA.

No changes to be made to ARYZTA specification and or approved supply site, until this has been agreed formally with ARYZTA.

## 7. Environmental Management

Suppliers must comply with all national and local environmental laws and regulations. Suppliers are responsible for managing, measuring, and minimizing the negative environmental impacts of their facilities and supply chain. Specific focus areas include air emissions, waste reduction, recovery and management, water use and discharge, biodiversity, and greenhouse gas (GHG) emissions.

Suppliers should have a strategic plan in place to reduce their emissions, specifically GHG emissions, using Science-based targets. Suppliers are encouraged to report GHG emissions per product to support ARYZTA calculations of Scope 3 emissions.

Suppliers should develop and share a plan to reduce energy, water, and waste to landfill in their facilities in line with UN Sustainable Development Goals (SDGs).

Suppliers will conduct regular risk assessments of their environmental impacts and make adjustments to activities where needed.

Suppliers must ensure that they minimise the use of persistent organic pollutants (POPs), mercury and any other substances harmful to the environment. The acquisition, use, management, storage and disposal of such substances must be recorded clearly and done in compliance with national and international law.

Suppliers must conduct their business activities without causes impacts that illegally deprive communities of land, forests or water. Any land acquisition or use activities must be undertaken according to applicable laws, and with Free, Prior and Informed Consent from local communities and affected stakeholder

Suppliers will work with ARYZTA to ensure that raw materials sourced on behalf of ARYZTA are grown and processed in a sustainable manner. Moreover, Suppliers will use natural resources in a sustainable manner, where applicable supporting regenerative agriculture, and will have an action plan as to how to reduce their environmental impact in line with UN SDGs, not least the extent to which their activities contribute to deforestation. Suppliers will have an environmental management system in place to facilitate timely and accurate environmental performance reporting.

## 8. Audits

Suppliers should maintain accurate and transparent books, records, and accounts to demonstrate compliance with applicable laws and regulations, and this Code. ARYZTA reserves the right to verify the Suppliers compliance with the Code, in particular through on-site visits, by requesting the Supplier to respond to questionnaires or to provide documents. If ARYZTA becomes aware of any actions or conditions that are not in compliance with the Code, the Supplier shall provide corrective and preventative actions. ARYZTA reserves the right to terminate an agreement with any Supplier who does not comply with the Code.

Suppliers must also conduct themselves and their business activities so to meet the requirements of laws that apply to ARYZTA by following this Code.

Suppliers may be asked to join the SEDEX platform and undergo a SMETA audit and share it with ARYZTA through the SEDEX platform. If areas of non-compliance are observed, the Supplier will be asked to take corrective action. In the event that the Supplier fails to do so in a timely manner, ARYZTA may terminate its business relationship with the Supplier.

## 9. ARYZTA's Supplier Code of Conduct Enforcement

ARYZTA considers the Supplier Code of Conduct application as a critical business partnership component. ARYZTA may provide an SAQ (Self-Assessment questionnaire) in due time to assess the Supplier "fit" to the Supplier Code of Conduct. This document is required to be signed by an officer of your company.

This document is required to be signed by an officer of your company.

**Please check both boxes and enter your contact information below:**

- I have read and agree to comply with this Supplier Code of Conduct.
- I agree to allow audits of this Supplier Code of Conduct at any facility that provides products or services to ARYZTA. For on-site Suppliers the audit can be conducted in the ARYZTA facility or in your office. These audits may be conducted by employees of ARYZTA or a 3rd Party Audit Firm.
- Where there are reasonable grounds to suspect child labour related to products or services, I agree provide ARYZTA with the following information on my upstream supply chain:
  - A description of the relevant product or service and, if one exists, the trade name;
  - the names and addresses of all relevant upstream suppliers, production sites or service providers.

**Please also identify whether:**

- your company is a member of SEDEX and will link its SEDEX information to the ARYZTA account.
- your company is a member of Ecovadis and will link its Ecovadis information to the ARYZTA account.

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Print Name Title

Print Company Name(s): \_\_\_\_\_

Telephone Number (Country Code, Area Code, Number): \_\_\_\_\_

E-Mail Address: \_\_\_\_\_





**Version control – for internal use**

<b>Version Number</b>	<b>Modified By</b>	<b>Modifications Made</b>	<b>Date Approved</b>	<b>Approved By</b>
Version 1			19 October 2023	Board Governance Committee
Version 2	General Counsel	Child labour provisions	21 February 2024	NomCo

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