

# Hela Supplier Code of Conduct

## 1 Introduction

Hela is an internationally orientated family-owned company, which operates across a diverse range of market segments within the food industry. Hela is determined to act globally as an ethical and responsible company within our industry. Hela is therefore committed to acting fairly and responsibly with our customers, our employees, and our suppliers as well as towards our society and our environment.

An important element of our Vision and Mission is our commitment to sustainable operation in the fields of environment, social responsibility, and the economy.

We act in accordance with generally recognized values and principles as integrity and legality. We comply with human rights, labour standards and are committed to environmentally and socially responsible corporate governance as set out in this Code of Conduct (“CoC”). We have expressed our core values and defined the non-negotiable minimum standards within this CoC that our suppliers must observe and comply with in business transactions.

The rules set out in this CoC shall become an integral part of the contracts between the supplier and us.

At all times the supplier shall comply with all applicable laws, contractual agreements and generally recognized standards.

## 2 Human rights and labour standards

We always strive to neither cause nor contribute to human rights violations. We expect the same from our suppliers. As far as necessary and possible, we support our supplier in this. In particular, Hela expects all suppliers to respect the Universal Declaration of Human Rights created by the United Nations General Assembly at its third session on 10 December 1948 as Resolution 217 and the International Labour Organisation - ILO – standards.

### 2.1 Fair employment relationships

All employees shall be informed about the essential terms and conditions of employment (e.g. remuneration, working hours, holiday entitlements, termination). Applicable national labour law must be observed.

The use of any physical punishment or any other form of physical, mental, or sexual violence or abuse is strictly forbidden as well as the threat of any such treatment. The contract between all parties is driven by respect.

## **2.2 Prohibition of forced labour and slavery**

Forced and compulsory labour (including but not limited to any form of bonded labour, slavery or slave-like practices, serfdom or trafficking in human beings) is prohibited. Employees must be free to terminate the employment contract in accordance with the statutory notice periods.

## **2.3 Prohibition of child labour**

Child labour is not acceptable at any time. The supplier shall comply with the ILO Convention 138 recommendation on the minimum age for the employment of children. In any case, the age of an employee must not be less than 15 years.

We expect our suppliers to have adequate means of determining age to prevent child labour. If the use of child labour is identified, the supplier shall immediately take all necessary measures, focusing on the welfare, protection and development of the child.

Similarly, the rights of young employees under 18 years shall be protected by not assigning them to work which, by its nature or the circumstances, is likely to be harmful to the health, safety or morals of children. The supplier shall ensure that the tasks of young workers do not interfere with school attendance.

## **2.4 Remuneration and Working hours**

The supplier shall comply with the applicable national laws on working hours (including overtime, rest breaks and annual leave) and remuneration.

In countries or regions without a statutory or collective wage framework, the supplier pays particular attention to the fact that the wages paid are sufficient for regular fulltime work in order to meet the basic needs of the employees. Deductions from wages that are not permitted by law, including deductions from wages as a disciplinary measure, are not acceptable.

## **2.5 Health and safety at work**

All employees will be supplied with safe and healthy working conditions, environment and equipment. The facilities must be constructed and maintained according to the applicable laws. Adequate sanitation, fire exits, and personal protective equipment is to be provided where needed including the enforcement of their use.

Furthermore, the supplier shall ensure that work-related accidents are recorded and investigated and that employees are adequately trained and instructed.

## 2.6 **Freedom of association**

The supplier shall respect the right of employees to freedom of association, freedom of assembly, strikes, and the right to collective bargaining and wage negotiations.

In cases where freedom of association and the right to collective bargaining are restricted by law, the supplier shall provide alternative means of independent and free association of employees for the purpose of collective bargaining

## 2.7 **No discrimination**

Any form of discrimination against employees must be avoided. In particular, no one may be discriminated based on skin color, gender, age, religion or ideology, nationality, ethnic origin, social background or political opinion or sexual identity.

This applies in particular in the recruitment of employees and in relation to their further training, promotion and remuneration.

Inclusion and diversity should be valued. The principle of equal pay for employees of all genders for work of equal value should be observed.

## 3 **Environment and Sustainability**

The supplier must meet all environmental laws and regulations in his operations.

### 3.1 **Usage of resources, avoidance of environmental pollution**

Suppliers are expected to use natural resources in an economical way and to minimize or eliminate negative impacts on the environment. Suppliers are encouraged to engage in the development of climate friendly products and processes.

Suppliers will pursue farming and agricultural practices and other business activities that result in the reduction of power and water consumption, the minimal use of fertilizer, and the lessening of greenhouse gas emissions. Suppliers are expected to continuously improve their sustainability performance by implementing appropriate measures and by training employees and their supply chains.

### 3.2 **Climate protection**

Hela expects suppliers to take appropriate measures to reduce the carbon footprint. All suppliers are encouraged to find economic solutions to improve energy efficiency and minimize energy consumption and greenhouse gas emissions.

All suppliers shall ensure that the production of raw materials does not involve the clearing of primary forests and other areas in need of special protection, and that in the case of legal

deforestation, compensation is provided through reforestation. The respective provisions of the EU regulation on deforestation shall be observed where applicable.

### **3.3 Animal and species protection**

We expect that the suppliers respect the principles of animal welfare and biodiversity and align their corporate actions accordingly. The keeping and use of animals must comply with the applicable law and be appropriate to the species. The Washington Convention on International Trade in Endangered Species of Wild Fauna and Flora shall be complied with.

### **3.4 Waste and packaging**

Waste that is contaminated with hazardous substances must be disposed of properly and in an environmentally friendly manner. The impact of packaging on the environment shall be minimized, e.g. by avoiding or reducing packaging.

## **4 Product Safety and Quality**

The suppliers will always comply with all applicable quality, health and food safety laws and regulations in their home countries and in the countries where Hela plants that they supply to. Furthermore, they will meet generally recognized or contractually agreed upon quality requirements in order to provide goods that are not adulterated and are safe for their intended use.

## **5 Business Integrity**

At all times the supplier will comply with all applicable laws, contractual agreements and generally recognized standards. We pursue only legitimate business objectives and practices and build and maintain business relationships only with reputable partners.

### **5.1 Fair competition**

We support free and fair competition. We do not tolerate any anti-competitive agreements and ensure that we act in accordance with the applicable antitrust laws. We reject competitive advantages due to unfair business practices. We expect the same from our suppliers.

### **5.2 Corruption, trade control, money laundering**

The suppliers shall ensure compliance with the UN and OECD anti-corruption conventions and relevant anti-bribery laws. They will monitor and enforce their compliance.

The suppliers will pursue a zero tolerance policy in prohibiting all forms of bribery, corruption, extortion and embezzlement. They will comply with legal requirements for the prevention of money laundering.

### 5.3 **Personal data protection**

We expect that the suppliers attach particular importance to the protection of personal data. They will comply with the applicable data protection regulations when handling personal information.

### 5.4 **Whistleblowing**

The suppliers shall implement a whistleblowing system in accordance with the requirements of Directive (EU) 2019/1937 or the respective national legislation.

## 6 **Implementation**

The supplier shall establish and maintain an effective and appropriate risk management system with the aim of identifying and remedying human rights-related, environmental and ethical risks. For that purpose he shall nominate one or more contact persons to us.

The supplier shall use best effort that its affiliated companies and contractual partners in their supply chain comply with all the principles and requirements described herein. The supplier shall train their employees on relevant topics as required.

In the event of a material breach of the principles and requirements of this CoC, the supplier shall inform us immediately of the identified breaches and risks as well as the measures taken.

We reserve the right to monitor our suppliers compliance with our expectations, e.g. by means of auditing. Should we identify serious violations, we reserve the right to appropriate contractual consequences, including corrective measures, suspension of the execution of the contract or termination of the business relationship. In any case, we expect that any violations that are identified will be dealt with by appropriate preventive or remedial measures.

As at: May, 2023