



Ecotone Supplier Code of Conduct

Contents

1. Introduction	1
2. Scope & objectives	1
3. Our approach to human rights	1
4. Supplier selection	2
5. Supplier due diligence expectations	2
6. Sedex requirements	2
7. Remediation and grievance	2
8. Communication with Ecotone	2
Appendix 1: Human rights Principles	3
Appendix 2: Anti-Bribery and Corruption	4
Appendix 3: Due Diligence Legislation	4

1. Introduction

In the last 10 years, Ecotone has become a leading player in sustainable and organic food and is the European leader of sustainable food: organic, vegetarian and fair-trade food. Since 2020, our purpose “Food for Biodiversity” is giving the orientation to everything we do as a company. We know that our supply chains are subject to major societal, social and environmental challenges; for this reason Ecotone has developed an Ecotone Responsible Sourcing Policy.

In addition, 2019 Ecotone became Europe’s first B Corp food business, as it aspires to be a ‘Force for Good’. As part of this journey, Ecotone focuses on human rights and environmental impacts.

Human rights are increasingly important to us because of the changing regulatory environment as well as increasing global awareness of forced labour, especially in some of the countries we source from. Ecotone is committed to meeting its responsibility to respect human rights and we seek to establish relationships with entities that share the same principles and values.

2. Scope & objectives

This document sets out Ecotone’s human rights due diligence approach in its own operations and its requirements of suppliers. Our Code of Conduct applies to all Ecotone suppliers. Suppliers are expected to accept and adhere to this Code and take shared responsibility for meeting its requirements.

3. Our approach to human rights

Our Executive Board are ultimately accountable for human rights, with a Steering Group and Taskforce reporting into them from across different business units. We have conducted a detailed risk assessment of human rights, including forced labour and child labour, using publicly available, reputable information. Our most significant risks lie with the raw materials we source or are sourced by our 3rd party suppliers from our global supply chain. These raw materials are risk assessed via the SEDEX pre-assessment tool annually according to the Ecotone Human Rights Risk Assessment Procedure.

We recognise that we must take steps to address any actual or potential adverse human rights impact which occur either directly or indirectly through our own activities or our business relationships. These risks are managed through tools such as third-party audits and supplier visits depending on risk ratings.

Ecotone conducts human rights assessments of its own operations in countries where this is required by legislation. The company also works with labour providers and other service providers to manage human rights risks. Relevant policies include our Human Rights Risk assessment procedure, Whistleblowing policy, Ecotone Company Code of Business Conduct and our Anti-Bribery and Corruption Policy, which all our staff are required to comply with (see Appendix 2).



4. Supplier Selection

Our processes to select and collaborate with our suppliers are defined in our GPC (General Purchase Conditions), PQB (Product Quality Booklet) and Ecotone Sustainable Sourcing Policy.

5. Supplier Due Diligence Expectations

There is increasing legislation addressing business and human rights, including, but not limited to the UK Modern Slavery Act, the German Supply Chain Act and the draft EU Directive on Corporate Sustainability Due Diligence. Ecotone expects its suppliers' senior leaders to take responsibility for ensuring that this Code of Conduct is implemented and resourced sufficiently to be effective.

Suppliers to Ecotone must:

- Meet Ecotone's SEDEX requirements (see Section 6 below)
- Observe all the applicable laws of the countries in which they operate, including but not limited to those listed in Appendix 3
- Support and respect human rights and strive to ensure that their activities do not directly or indirectly negatively impact human rights
- Comply with the International Labour Organisation Conventions and Recommendations
- Comply with Ecotone's zero tolerance approach to bribery and corruption (see Appendix 2)
- Risk-assess their own operations and supply chain for potential and actual human rights risks, define an approach to risk mitigation and take appropriate actions
- Ensure robust grievance mechanisms are in place to allow stakeholders (including local communities) to raise concerns and provide feedback about adverse human rights impacts that direct or indirect activities may cause
- Provide appropriate and transparent remedy where any legitimate human rights infringement has been found
- Meet the reporting requirements of relevant national laws, e.g. Modern Slavery Act or German Supply Chain law including but not limited to those listed in Appendix 3
- Ensure that their products, services and shipments adhere to all applicable international trade compliance laws, rules and regulations.

Supplier due diligence approaches cover the human rights principles listed in Appendix 1.

6. SEDEX Requirements

Suppliers to Ecotone are expected to register on SEDEX Advance, complete the SEDEX Self-Assessment Questionnaire (SAQ), and allow access to their SAQ and audit report and non-conformances, where these are available.

In addition, Suppliers to Ecotone are required to meet the specific additional SEDEX related requirements laid out in the PQB (Product Quality Booklet).

7. Remediation and grievance

Ecotone has a whistleblowing policy for employees to raise concerns about how colleagues are being treated, or practices within our business or supply chain, without fear of reprisals. Any information is treated confidentially and promptly investigated. We expect our suppliers to have in place locally developed grievance procedures and procedures for remedying human rights issues. Grievance procedures should follow the United Nations Guiding Principles "effectiveness criteria" (Principle 31) for non-judicial grievance mechanisms.

8. Communication with Ecotone

If any human rights infringements are discovered in a suppliers' business or supply chain, they should contact their allocated Ecotone Quality contact or buyer immediately by phone and e-mail. Ecotone actively encourages transparency and openness with its suppliers should issues occur.

Appendix 1: Human rights Principles

Supplier due diligence approaches should be based upon the below human rights principles:

Forced Labour

- Suppliers shall not use forced labour, including prison labour, bonded labour, or involuntary prison labour.
- Workers shall not be required to lodge “deposits” or identity papers with their employer and must be free to leave their employer after reasonable notice.

Freedom of Association and Collective Bargaining

- Suppliers shall recognize and respect the right of workers to freedom of association and collective bargaining.
- Suppliers shall not discriminate against worker representatives or restrict their access to carry out representative functions in the workplace.

Health and Safety

- Suppliers shall comply with applicable health and safety laws and regulations and provide a safe and healthy working environment where steps are taken to prevent accidents and injury to health occurring within or arising out of the course of work, or as a result of the operation of employer facilities.
- Suppliers shall provide regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.
- Access to clean toilet facilities and to potable water and, if appropriate, sanitary facilities for food storage, shall be provided.
- Accommodation, where provided, shall be clean, safe and meet the basic needs of workers
- Responsibility for health and safety shall be assigned to a senior management representative.

Child labour

- Suppliers shall not employ people younger than 15, or the minimum age for completing compulsory education in the country of manufacture, whichever is higher.
- Suppliers shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.
- Young persons under the age of 18 shall not be employed at night or in hazardous conditions.

Wages & benefits

- Suppliers shall pay workers at least the minimum wage required by local law, or the prevailing industry wage if no minimum wage law applies and shall provide legally mandated benefits. Wages shall always be enough to meet basic needs and to provide some discretionary income.
- Suppliers shall provide workers with written and understandable information about their employment conditions and wages.
- Suppliers shall not deduct money from wages as a disciplinary measure nor shall any deductions from wages that are not provided for by national law be permitted without the express permission of workers concerned.

Hours of Work

- Workers should not be required to work more than 48 hours a week on a regular basis and 60 hours a week at a maximum except in extraordinary business circumstances. Workers should be granted at least one day off in every seven-day period or, where allowed by national law, 2 days off in every 14-day period.
- Suppliers shall not require workers to work overtime and shall compensate overtime at a premium rate.

Non-discrimination

- Suppliers shall not subject any person to discrimination in employment (including hiring, salary, benefits, advancement, discipline, termination, or retirement) based on gender, race, religion, age, disability, sexual orientation, nationality, political opinion, union membership or social or ethnic origin.

Regular employment is provided

- To every extent possible work performed must be on the basis of recognised employment relationships established through national law and practice.
- Suppliers shall not avoid their obligations to employees under labour or social security laws and regulations arising from regular employment relationships through the use of labour-only contracting, sub-contracting and home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

Harassment & abuse

- Suppliers shall treat every employee with respect and dignity, and shall not subject any employee to physical, sexual, psychological, or verbal harassment or abuse or other form of intimidation.

Third party labour agencies

- Relationships with labour agencies shall be covered by contracts and Service Level Agreements which meet national legal requirements and the requirements of this Code of Conduct.
- Labour agencies should be audited on a regular basis to ensure compliance with this Code and national legal requirements.

Smallholders

- Where smallholders exist in the supply chain, suppliers will contract with them responsibly ensuring that smallholders basic incomes are met.
- Suppliers shall work with smallholders to ensure they meet the relevant requirements of the Code of Conduct.

Gender Balance

- Suppliers shall promote gender balance, i.e. promoting equal participation of women and men in all areas of work, projects or programs and promoting equal rights, responsibilities and opportunities for women and men.

Environment

- Suppliers, in line with their commitment to sustainable development, shall do all that is reasonable and practicable to minimize adverse effects on the environment and people. This includes; allowing the natural bases for the preservation or production of food, ensuring access to safe and clean drinking water, ensuring access to sanitary facilities and safeguarding the health and wellbeing of people.
- There shall be no unlawful eviction or unlawful taking of land, forests or waters which secure the livelihoods of a person.

Appendix 2: Anti-Bribery and Corruption

Anti-Bribery and Corruption Policy

- Bribes in any form are unacceptable to Ecotone.
- Any personal payments or bribes to individuals employed by Ecotone's suppliers, to government or regulatory officials or receipts of bribes or personal payments by Ecotone employees are strictly prohibited.
- Ecotone expects its suppliers to strive for compliance with the highest levels of transparency and accountability throughout its company
- Records of transactions should be maintained in an accurate, complete and timely manner in accordance with the relevant accounting principles
- No unrecorded funds or assets should be established or maintained.
- Personal gifts or favours of a commercial value of €250 (or the equivalent) or above, may not be made or accepted by any Ecotone employee.

Appendix 3: Due Diligence Legislation

Dutch Child Labour Due Diligence Law (pending)

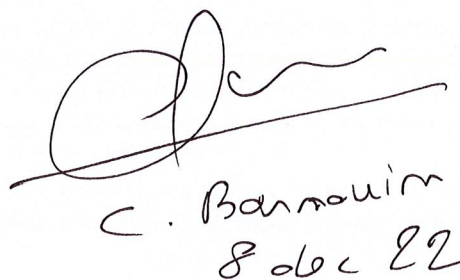
French Corporate Duty of Vigilance Law

German Supply Chain Act

Norwegian Transparency Act (pending)

UK Modern Slavery Act

DRAFT EU Corporate Due Diligence Legislation



C. Bannouin
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