



Code of Conduct Cheffelo Suppliers

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Cheffelo

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This Code of Conduct (referred to as "Code") applies to all suppliers of Cheffelo (all referred to as "suppliers" or "the Supplier"), which in turn shall take the same or equal measures in relation to their sub-suppliers.

Cheffelo's Code is based on our support for the UN Sustainable Development Goals, The Universal Declaration of Human Rights (UDHR), The United Nations Convention on the Rights of the Child (UNCRC), The Convention on the Elimination of All Forms of Discrimination against Women, The United Nations Global Compact, and The International Labor Organization (ILO) Standards and Recommendations.

People

Discrimination and personal integrity

No employee shall be discriminated against or harassed in any way based on gender, ethnic background, nationality, religion, age, caste, parentage, civil status, disability, sexual orientation, health condition, membership in a trade union, or political organization. If, and immediately upon, discovery of such discrimination, measures must be taken to protect the employee and be followed up.

No form of physical punishment or assault may occur. Threats regarding the same, as well as threats of sexual assault, verbal harassment and other forms of humiliation shall be forbidden.

Decent working conditions

Conditions of employment

The Supplier must always ensure that its employment conditions: a) do not cause its employees uncertainty and social or financial vulnerability, and b) the work is performed based on a recognized and documented employment relationship which is established in accordance with national legislation, custom or practice, and international labor norms.

Prior to employment, the Supplier shall provide the employees with information concerning their rights, obligations and conditions of employment, including working hours, wages and payment terms, in a language they understand. In its conditions of employment, the Supplier must pay regard to employees, both women and men, in a manner which supports them in their role as parents or carers.

The Supplier may not, intentionally or unintentionally, circumvent applicable regulations governing the conditions of employment by: a) apprentice programs without any intention of transferring knowledge or providing regular employment, b) seasonal variations or job

placement used to undermine employees' protection and c) contracts that are only available on the labor market. Sub-suppliers may not be chosen to circumvent employees' rights.

Equitable compensation

All employees have the right to equitable compensation and social benefits in accordance with what is stated by law. The employees' salaries must, at a minimum, comply with national provisions relating to minimum wage or a level corresponding to industry standards. If there are deviations in salary or employment, it must be based on legislation or collective agreement. Wages must be paid on time, regularly and in its entirety in legal tender. Part payments in the form of goods or benefits can be accepted in accordance with ILOs specifications. The salary level must reflect employees' skills and education and with reference to ordinary working hours.

Reasonable working hours

The Supplier must ensure that employees do not need to work more than 48 hours per week. However, applicable national laws, standards, industry norms and collective agreements can be interpreted within the framework established by the ILO.

Overtime may only be used as an exception. It must be voluntary, unless otherwise specified in an applicable collective agreement or national legislation, and may never cause employees to be subjected to significant work environment risks. Employees must have the right to breaks every workday and have a minimum of one day off per seven days, unless otherwise specified in an applicable collective agreement, which shall then prevail. National holidays must be respected in accordance with laws or an applicable collective agreement.

Occupational health and safety

The workplace shall be safe and employees' health must be safeguarded. The Supplier must be aware of any risks within the industry and take measures and work to prevent these. There must be clear, comprehensive and well-communicated routines, descriptions and follow-up processes in place for health, safety, fire protection and emergency preparedness which shall be complied with. There must be a representative appointed by the management that works with employee health and safety.

Employees shall on a regular basis undergo relevant training in food safety and food handling if the Supplier works directly with food products, and such training shall always be provided to new employees.

Child and forced labor

Child labor

Cheffelo does not accept child labor. This shall be controlled and followed up by all sub-suppliers. No employees under the age of 15 are allowed to work at any of the company's suppliers or sub-suppliers. If more far-reaching requirements are stated in national

legislation, such requirements shall prevail. Any exceptions must be recognized by ILO. In cases where the national age is below 18 years of age, the suppliers must pay special consideration to young workers, with respect to limited working hours and the possibility to complete their education. A child's right to play and freedom may not be prevented. The company and its sub-suppliers must have routines in place enabling them to investigate and ensure that the aforementioned is complied with.

The Supplier must establish routines for age-verification as part of the recruitment process, which, not in any way, may be degrading or disrespectful to the employee. If child labor already occurs, then immediate measures must be taken. Child labor must cease immediately and an action plan in line with UNICEF and Save the Children's recommendations must be drafted, with the child's best in focus. The concerned children must be given the opportunity to attend school during a period equivalent to the requirements of compulsory school attendance. When appropriate, the Supplier shall offer work to adult household members of the minor child's family.

Special protection for young employees

The Supplier must ensure that young persons do not work at night and that they are protected against working conditions that harm their health, safety and development. Their working hours may not impact their attendance in school or their ability to benefit from education and instruction programs and must be approved by the competent authority.

Forced labor

The Supplier may not engage in or support any form of forced labor, either direct or indirect. Forced labor means that an employee is forced to work under any form of physical, mental or economic coercion. This includes degrading treatment or verbal assault. No form of forced labor, involuntary labor or wage slavery may occur. This applies to all employees in a workplace. An employee has the right to terminate its employment as well as to leave the workplace at the end of the workday.

Employees may not be forced to pay any form of deposit or be forced to hand over its identification documents to an employer. Employees shall be free to terminate their employment after a reasonable notice period.

Business

Legislation

Suppliers and their sub-suppliers must comply with their respective countries' national laws for the country in which they operate. Should any of the requirements differ from principles as defined in this Code dealing with the same issue, whichever is stricter shall prevail. If such a discrepancy is discovered, the Supplier shall inform Cheffelo thereof.

Freedom of association and the right to collective bargaining

The Supplier must: a) respect employees' rights to form trade unions in a free and democratic manner, b) not discriminate against employees based on membership in a trade union and c) respect employees' rights to collective bargaining.

The Supplier may not prevent employee representatives from having contact with employees in the workplace or to interact with them.

For operations in countries in which trade unions are illegal or where free and democratic trade union activity is not permitted, the Supplier must allow employees the freedom to choose their own representatives with whom the employer can initiate a dialogue with regarding issues relating to the working environment.

Protection of the environment and animal welfare

Production may not be in conflict with national legislation or international regulations relating to the protection of the environment and animal welfare. The Supplier must be conscious of its impact on the environment and take necessary measures to avoid harming the environment and to reduce its negative impact. The Supplier must adopt necessary measures to prevent or minimize negative effects on society, natural resources and the general environment, including its climate impact.

Routines and regulations for waste management and disposal of chemicals and other hazardous substances, including treatment of emissions must be established and, at a minimum, fulfil legal requirements. Regards shall be paid to environmental aspects throughout the entire value chain and not only in the company's own activities. Local, regional and global environmental issues must be considered.

Ethical business behavior

In all its activities, the Supplier must adopt and follow a policy against bribery and corruption. The Supplier or its employees must not be implicated in or otherwise involved in any form of corruption, extortion or embezzlement. It must never offer, give or accept any improper monetary or other incentive.

The Supplier must always be transparent and, as far as possible be able to account for the production chain. The Supplier must always provide correct information about its business in accordance with applicable rules and industry practice. Misleading information will not be tolerated.

The Supplier must collect, use and otherwise process personal data (including from employees, business partners, customers and consumers in its sphere of influence) with reasonable care. The collection, use and other processing of personal data shall comply with laws and regulations like General Data Protection Regulation (GDPR) on privacy and information security.

Compliance

Sub-suppliers

The Supplier is responsible for ensuring that its sub-suppliers comply with this Code as well as themselves. The Supplier must be aware of where in the production chain and/or supply or delivery process, deviations from this Code may occur. One shall be able to demonstrate what measures are taken in order to manage and minimize such risks. In countries with great poverty and other challenges to fulfil the human rights, we expect the Supplier and sub-suppliers to work on continuous improvements alongside authorities and other organizations.

Reporting and verification

Upon request by Cheffelo, the Supplier must provide documentation demonstrating that it follows this Code. This includes documentation on

- a) The Supplier's measures to ensure compliance with this Code and
- b) The Suppliers measures to ensure that all sub-suppliers complies with this Code throughout the entire supply chain, from primary production to the finished product which is supplied to Cheffelo.

Audits

Audits will be conducted based on an internal risk assessment of all suppliers to Cheffelo. If Cheffelo assesses that a supplier is in moderate or high risk of non-compliance with this Code, the Supplier shall upon request grant Cheffelo, or those authorized by Cheffelo, free access to its facilities and all relevant records for inspection and monitoring.

Non-compliance

We do not accept that one of our suppliers:

- Presents false information either verbally or in writing
- Offers or receives bribes or is involved in any form of corruption
- Fails to carry out improvements in case of deviations within an agreed period without a reasonable explanation
- Otherwise demonstrate that they do not share our approach on sustainable business and thereby do not respect Cheffelo's Code of Conduct

All the aforementioned cases constitute sufficient grounds to terminate the cooperation with the Supplier.