

zabka group

Code of Conduct for Business Partners



Zabka Group
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Introduction

At Zabka Group, we strive to plan and execute our business activities across the value chain while continuously integrating Environmental, Social and Governance (ESG) factors into our activities and decision-making processes, all supported by a robust governance model and related disclosures. The organisation's mission is to create value by making people's lives easier. Integral to achieving this objective are responsibility and sustainability, underpinned by sound ethical principles of collaboration with business partners who share our values and beliefs. We firmly believe that success is not just about *what* we achieve together, but also about *how* we do it.

This means that our initiatives, investments and partnerships must undergo scrutiny for their impact on the environment in which we operate and on stakeholders. Each decision we make must be compliant not only with legal requirements but also with our own ethical standards, sustainability objectives and, not least, and good market practices. Considering the pivotal role business our partners play in achieving our mission, it is imperative that they are fully committed to building a resilient, responsible and ethical supply chain rooted in shared values, principles and attitudes.

By developing this *Code of Conduct for Business Partners*, we have established ambitious goals for ourselves and our partners. Importantly, we are aware that these goals can only be achieved through close collaboration. We expect our partners to uphold the required principles and standards in their own operations and to guarantee that they are also respected by their subcontractors. This is the only way to ensure that our operations stand for more than merely selling products and services, and can truly contribute to a change for the better and to promoting responsible business practices and value creation.

The Code aims to help Zabka Group manage its material impacts, risks and opportunities created by changing conditions, such as shifts in environmental, economic and social systems, to enhance long-term financial and non-financial value creation for its stakeholders across the value chain. Consideration was also given to the interests of key stakeholders in setting the Code, as its thematic scope includes reflection on the results of the Group's most recent double-materiality assessment, carried out for CSRD-reporting purposes, which included an analysis of stakeholder views.

Art. 1. Document subject and scope

1. The *Code of Conduct for Business Partners* defines the principles, ethical standards and sustainability-related guidelines we expect our business partners to acknowledge and comply with throughout the course of our business relationship.

2. The provisions of this document shall be applied and adjusted if necessary to all material activities of the Group, taking into account among other important considerations, agreed types of control, business maturity, risk assessment, local context, good business practices and regulations.
3. Results arising from the implementation of the *Code of Conduct for Business Partners* shall be monitored and reported using available standards and technology, in line with agreed processes and relevant regulations.

Art. 2. Definitions

The following definitions will apply for the purposes of this document:

- **Zabka Group** or the **Company** means Zabka Group S.A. (RCS: B263068), a company incorporated under the laws of Luxembourg, acting as the parent company of the Group;
- **Group** means Zabka Group as the parent entity and all of the companies controlled by Zabka Group, whether directly or indirectly (within the meaning of Article 1711-1 of the law on commercial companies dated 10 August 1915, as amended);
- **Management Committee** means a collective body established by the Board of Directors of Zabka Group, which is empowered to take all and any action necessary or appropriate, convenient or deemed fit to implement the corporate goals of the Group with the exclusion of the power reserved to the Board of Directors;
- **ESG** helps stakeholders understand how an organisation is managing any impacts, risks and opportunities related to Environmental, Social and Governance criteria (sometimes called ESG factors). ESG takes the holistic view that sustainability extends beyond environmental issues alone, focusing on the creation of long-term financial and non-financial value;
- **The Code** or the **Code of Conduct** or the **document** means specifically the *Code of Conduct for Business Partners* of Zabka Group;
- **Corruption** means providing, accepting, promising or soliciting a financial or personal gain in exchange for the misuse of power or authority, neglect of duty or any other illegal or illicit use of one's role or position in relations with business partners or public sector representatives;

- **Supply chain** means the process from the placement of an order by Zabka Group to the delivery of the product or service and the settlement of the transaction. This includes planning, executing and overseeing all the involved activities that are related to the flow of materials, services and information: from the procurement of raw materials, through various processing and conversion stages, to the final delivery of the product or service to the customer. The supply chain also encompasses the collaboration and interactions of all parties involved at every stage of the delivery process;
- **Supplier** and **business partner** both mean an entity or organisation tasked with transporting specified goods to the recipient, or providing services based on the terms of the agreement met with the recipient. The supplier may be a manufacturer, distributor or service provider. It operates as an entity not directly affiliated with the recipient;
- **Subcontractor** means any entity that works for or otherwise provides services to a contractor;
- **Employee** means any person employed under an employment relationship, irrespective of the employment basis and working hours;
- **Carbon footprint** is the total volume of greenhouse gas (GHG) emissions released directly or indirectly by an organisation's entire value chain, associated with the production of the raw materials, services and utilities it buys, such as electricity, heat, materials, semi-finished products and transport services. The carbon footprint is calculated in three scopes (1, 2, and 3) through the use of the GHG Protocol, a Corporate Accounting and Reporting Standard;
- **The Paris Agreement** is an international treaty on climate change that was signed in 2016;
- **Circular economy** is a model of production and consumption which involves sharing, leasing, reusing, repairing, refurbishing and recycling existing materials and products for as long as possible;
- **Biodiversity** (or **biological diversity**) means the variability among living organisms from all sources including terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species, between species and of ecosystems (as defined in the UN Convention on Biological Diversity).

Art. 3. The Code background and outline

1. The Zabka Group *Code of Conduct for Business Partners* is a set of principles guiding the Company's interactions with the environment in which it operates. While establishing the basis for collaboration and setting the standards to be followed, as expressed in various policies and regulations, it also communicates the ambitions and directions for growth that Zabka Group seeks to pursue with its business partners. The key objective of this Code is to facilitate building a responsible and sustainable supply chain grounded in partnership, mutual accountability and due diligence.
2. Zabka Group is guided by the concept of due diligence. The necessary prerequisite of collaboration with any business partner of Zabka Group shall be to ensure that its operations comply with all applicable international and national laws, as well as with voluntary guidelines and principles on responsible business conduct and sustainable development. These include the Universal Declaration of Human Rights, the International Labour Organization's Fundamental Convention, the Paris Agreement, applicable trade regulations, anti-trust, anti-boycott and anti-corruption regulations, the United Nations Guiding Principles for Business and Human Rights, the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, The Ten Principles of United Nations Global Compact and the Sustainable Development Goals (SDGs) of the UN 2030 Agenda.
3. The Code outlines the essential norms and standards a partner agrees to comply with, upon acknowledgment of the document and within an agreed method and timeframe.
4. The Code and required infrastructure are being deployed across the Group in accordance with the plan agreed to ensure compliance.
5. The document shall be communicated to all stakeholders to help facilitate its effective and efficient implementation.
6. The Code will be kept updated to maintain the relevance of its content and its materiality level to the business and stakeholders, to take all identified ESG impacts, risks and opportunities into account and to ensure due care in the supply chain. If necessary, it may be expanded beyond the specific themes outlined in this document.
7. The Code and eventual related solutions will be gradually cascaded to the Group's businesses and activities in line with Article 1 of this document.
8. The Group, through its governance structures (particularly including appropriate oversight and acknowledgement through the Board of Directors, the Audit Committee and Management Committee) and other measures, shall secure adequate tangible and

intangible resources to ensure the adequate deployment of the Code. These will include monitoring, reporting and continuous development, while simultaneously ensuring the Group's business viability and regulatory adherence.

9. The policy and other related solutions (such as specific goals and measures supporting the Code's effective and efficient deployment across the Group) shall be gradually monitored covering both qualitative and quantitative results. These shall be reported in an appropriate manner and in a suitable timeframe to a defined group of stakeholders.

Art. 4. Compliance and reporting

1. Since the credibility of our business partners affects the credibility of Zabka Group, we would like to secure the right to be able to verify our business partners' compliance with the Code's provisions and those other non-financial policies, guidelines and provisions that are available to see on the corporate website: zabkagroup.com. Zabka Group business partners will be required to undergo a self-assessment in relation to our principles of conduct as described in the document. Depending on the nature of the business partner's activities, and the level of risk associated with our business relationship, the verification process may be extended to include an ethical audit that precisely identifies deviations from standards and highlights potential risks associated with doing business with the organisation. The Group accepts the results of audits conducted by independent auditing organisations that carry out assessments according to accepted international standards.
2. Failure to adhere to the standards defined in this code poses a direct threat to a company's credibility and may have legal, financial, reputational and safety implications. At Zabka Group, we apply the principle of zero tolerance to any instances of violation or non-compliance relating to the provisions of the Code. Every agreement with a business partner shall explicitly specify the norms and standards that the Group expects to be upheld.
3. Instances of non-compliance with the Policy may be submitted via dedicated reporting channels. Specific information on the reporting channels is available on the Zabka Group corporate website: www.zabkagroup.com. The whistleblower will remain fully anonymous unless they choose to provide their details in the report. Zabka Group will refrain from any attempts to identify the person making an anonymous report.
4. Business partners shall enable their employees to report instances of non-compliance with the law and/or the provisions of this Code of Conduct as part of their compliance system or in accordance with this Code. Business partners shall ensure that

whistleblowers are protected against any retaliation. In the event of a breach, business partners shall conduct an investigation and, where appropriate, implement corrective measures.

Art. 5. Specific Code provisions

Ethics and governance

Governance and risk management

- 1. Governance and compliance.** Business partners shall uphold fairness and legal compliance in all their business interactions and activities, as outlined in their agreement with Zabka Group. They shall also maintain openness, integrity and transparency in their communication with the organisation, and promptly report any irregularities related to matters addressed in this Code.
- 2. Risk management.** Business partners should identify within their organisations the key risks (including job-related accidents and hazards) that could impact their organisation and business continuity. They should then document the risks (such as through a SWOT analysis), and put in place and apply appropriate risk-management procedures.

Ethics

- 3. Conflicts of interest and gifts.** Business partners must take steps to prevent any conflicts of interest. Any actual or potential conflicts of interest related to their relationship with Zabka Group should be promptly disclosed to the Company via the dedicated whistleblowing channel. Business partners shall also comply with specific guidelines on offering gifts and entertainment to Zabka Group employees.
- 4. Fair competition.** Business partners shall conduct their business with due regard to the principles of free and fair competition. They shall comply with all applicable anti-trust and competition regulations. And they shall maintain the confidentiality of any information regarding Zabka Group and/or its business partners that is not in the public domain.
- 5. Anti-corruption measures.** Business partners shall not engage in or condone any forms of corruption, bribery, extortion or fraud. Any confirmed cases of corruption must be thoroughly investigated and documented, and appropriate corrective measures must be implemented. Business partners should also implement an anti-corruption compliance programme, which should include due diligence assessments before they enter into new partnerships with subcontractors.

- 6. Protection of data, confidential information and intellectual property.** Business partners shall respect intellectual property rights, protect confidential data and ensure compliance with privacy rules and regulations. They shall also respect and protect the intellectual property rights of all parties by using only software and information technologies that have been properly licensed and obtained lawfully.

Business partners shall additionally ensure the appropriate protection of the personal data of employees and all stakeholders. They shall also ensure appropriate protection of any data and information regarding their relationship with Zabka Group. Any irregularities or incidents concerning data provided by the Group must be reported to the Company by the appropriate channels.

- 7. Ethics management.** Business partners shall take steps to foster an ethical culture within their organisations. Business partners should develop and maintain documentation that outlines the core standards and principles of conduct, the ethical standards expected of employees, and procedures for reporting irregularities, such as whistleblowing.

Engagement of subcontractors

- 8. Subcontractors.** Business partners shall ensure that subcontractors involved in developing products or services for Zabka Group know and follow the guidelines contained in this Code of Conduct, within the scope relevant to the services they provide.

Workplace standards

Respect and integrity in the workplace

- 9. Protection of human rights.** Operating in alignment with, and with utmost regard for, human rights is fundamental to the operations of Zabka Group. The inalienability of these rights forms the cornerstone of the Company's interactions with all its stakeholders. Business partners shall comply with all applicable national and international laws and regulations governing the protection of human rights in all places where they operate. Business partners shall also uphold a zero-tolerance stance against any instances of physical, psychological or sexual violence, verbal abuse, intimidation, or any other forms of inhumane treatment directed towards employees.
- 10. Non-discrimination and equal treatment.** Business partners shall treat all employees and co-workers on an equal footing, without discrimination based on gender, age, ethnicity, nationality, religion, disability, trade union membership, political beliefs, sexual orientation, parenthood, hereditary disease, social status, or any other factors unrelated

to job performance. Business partners shall ensure that their employees are not subjected to any form of harassment or discrimination.

We encourage our business partners to annually monitor equity, diversity and inclusion matters within their companies, for example by analysing the gender distribution of employees. Regular tracking of this data allows a better understanding of the employment structure and identification of areas where action can be taken to promote greater diversity and equality. This enables business partners not only to create a more inclusive work environment but also to strengthen their reputation as employers who care about social values.

- 11. Prohibition of child labour.** Business partners shall comply with the provisions of national law and international standards for the protection of the rights of children and minors. According to the International Labour Organization's Convention No. 138, the minimum employment age must not be less than the higher of the age of completion of compulsory schooling or the minimum statutory age for admission to employment. In any case, it must not be less than 15 years. This also applies to training and internships/apprenticeships. Business partners should also prevent child labour throughout the supply chain.
- 12. Voluntary labour.** Business partners shall not engage in or condone forced labour, human trafficking, forced prostitution, the use of prison labour (except as part of legitimate rehabilitation programmes), or slave labour within their supply chains.

Pay and working hours

- 13. Pay.** Business partners shall pay remuneration in a timely manner, in compliance with relevant national wage laws, ensuring that the amount involved meets or exceeds the national minimum wage set for the corresponding working hours. Business partners shall provide statutory social benefits and other entitlements mandated by national regulations, such as insurance coverage, overtime remuneration and paid leave.
- 14. Working hours and days off.** Business partners shall ensure that their employees' regular working hours do not exceed 48 hours per week (as per International Labour Organization standards) or the maximum allowable limit established by relevant national laws. Compliance with national regulations concerning overtime conditions and limits is mandatory, and clear policies on overtime should be included in the workplace regulations. Business partners shall provide all employees with rest periods mandated by relevant national laws. Business partners shall also respect the right to sick leave, other types of leave including maternity and parental leave, and the protection of pregnant

women's rights in accordance with applicable national laws. Business partners shall guarantee each employee at least one day off within a seven-day working week.

- 15. Job stability and social security.** When hiring employees, business partners shall comply with all requirements set out in local labour laws. They shall also guarantee each employee the freedom to terminate their employment with proper notice. In the event of an employee's dismissal, business partners shall observe the required notice periods in accordance with national legislation.

Freedom of association

- 16. Freedom of association.** Business partners shall uphold employees' rights to organise freely, including forming trade union organisations and engaging in collective bargaining, as per local legal requirements and obligations. Any form of intimidation, discrimination or harassment of employees based on their trade union activities shall be prohibited.

Occupational health and safety

- 17. Occupational health and safety.** Business partners shall ensure the safety and well-being of their employees within the workplace, taking appropriate measures in line with relevant national regulations to mitigate risks associated with the work environment, particularly those related to workplace accidents.

Under no circumstances should business partners create situations where employees are exposed to significant health and safety hazards. It is mandatory for business partners to inform employees about occupational risks and certify that this information has been provided to an employee. Business partners shall implement all feasible measures to prevent and mitigate risks. Business partners shall also provide regular health and safety training to employees, as mandated by local law. In addition, business partners shall monitor and record on an ongoing basis any health and safety incidents, for instance by keeping accident and near-miss records, and provide occupational health and safety (OHS) training for employees.

Business partners shall establish and follow procedures to monitor the impact of working conditions on employees. They shall also identify occupational health and safety risks, including mental health risks and risks of occupational diseases resulting from exposure to physical, chemical, biological or mechanical factors, and shall take any necessary corrective actions to safeguard employee health.

Environmental and climate protection

Environmental management and compliance

18. Regulatory compliance. Business partners shall comply with all applicable environmental laws and regulations, including, but not limited to, those governing hazardous materials, water use, GHG emissions and waste. They shall also comply with all applicable laws, regulations and requirements of Zabka Group that impose legal or contractual restrictions on the use of certain substances in the manufacturing or design of product and services. Business partners shall obtain and maintain all required permits, regulatory approvals and registrations required by environmental regulations.

19. Managing environmental issues. We encourage our business partners to designate a dedicated individual or department to be responsible for environmental management, monitoring and mitigating risks associated with the business partners' operations, to at least the extent required by law. Business partners shall take preventative measures to mitigate the risk of environmental pollution (extending beyond the requirements stipulated by the permits they hold).

We also encourage our business partners to monitor and analyse data regarding the environmental impact of their operations on an annual basis. Systematic collection and assessment of this information allow for a better understanding of how their activities affect the environment. They also enable the implementation of potential changes and improvements aimed at minimising negative environmental impacts. As a result, business partners can manage their resources more consciously and contribute more strongly to sustainable development.

Use of raw materials and waste management

20. Use of raw materials. Business partners shall: comply with laws governing the introduction of single-use plastic products; ensure a sufficient proportion of recycled materials is used in product packaging; facilitate the recycling of used raw materials to support efforts to meet national waste-collection targets; and fulfil any other obligations mandated by regulations. Business partners shall also exercise due diligence (in accordance with relevant international and national regulations) when sourcing raw materials: this particularly applies to (e.g. 'conflict minerals') and selecting suppliers to ensure the materials do not originate from conflict regions. Sourcing from such areas could directly or indirectly support groups involved in human rights violations, forced or slave labour, human trafficking or various types of environmental degradation including biodiversity loss and deforestation.

Business partners shall design packaging, materials, services and processes in line with the principles of the circular economy: facilitating the reuse or further recycling of packaging. Where applicable, business partners shall adhere to policies regarding the use of palm oil and other components and materials.

- 21. Waste management.** Business partners shall comply with all national and local regulations concerning waste management (including the transport, treatment and storage of waste), with a specific focus on hazardous waste. At least once a year, business partners shall review and document waste production weights, codes and handling methods, as mandated by law.

Business partners should reduce the generation of food waste, both within the organisation's operations and throughout the production, storage and delivery of food products to Zabka Group. Food business partners are expected to monitor and document the quantity of food waste.

- 22. GHG emissions and climate protection.** Business partners should make their best efforts to continuously reduce their Scope 1, 2 and 3 greenhouse gas (GHG) emissions under in order to align with the provisions of the Paris Agreement. We encourage our business partners to comply with greenhouse gas emission laws and market best practices, and to conduct related performance reviews at least annually. Business partners' efforts towards a net zero economy should be driven by setting ambitious science-based targets for reducing GHG-emissions. They should also share relevant information with Zabka Group when required to do so.

Products and services

Industry guidelines

- 23. Industry guidelines.** Business partners shall comply with all relevant international and national trade regulations.
- 24. Product quality.** Business partners shall ensure that the products they supply meet quality and safety standards, safeguarding consumers from any defects that may endanger their life, health or physical integrity, in accordance with applicable laws. Food manufacturers shall have a certified food safety management system in place, such as IFS, BRC, ISO22000 or FSSC. Those who do not meet this requirement shall voluntarily undergo an audit conducted by or on behalf of Zabka Group.
- 25. Supply chain traceability.** Business partners shall maintain and, upon request from Zabka Group, disclose comprehensive information about their products and services from

manufacture to end user. This information shall include the origin of materials and parts, the history of processing or conversion, product distribution and product location after delivery, to the extent that such disclosure does not compromise business confidentiality.

- 26. Labelling.** Business partners shall comply with all laws and regulations governing product and packaging labelling, product composition, material content determination and recyclability and disposal in accordance with Zabka Group's guidelines contained in its business agreements. The labelling of products and packaging should not mislead consumers.

Art. 6. Final provisions

1. The document in its present wording was adopted by the Board of Directors of Zabka Group on 27 November 2024.
2. The document will be reviewed periodically whenever needed and, if necessary, updated accordingly to conform to current legal requirements and best business practice.

