

## **CODE OF CONDUCT & ETHICS**

Conducting business with the highest ethical standards and in compliance with all applicable laws and public regulations is fundamental to LA LORRAINE BAKERY GROUP (LLBG).

In light of this, LLBG's management has formalized this Code of Conduct & Ethics (the "**Code**"), which sets forth LLBG's expectations with respect to sound and responsible ethical, social, labor and environmental practices.

This Code applies to all LLBG's employees, managers and board members around the world (including these of subsidiaries). By agreement LLBG requires its independent consultants, intermediaries, franchisees, suppliers or others acting on behalf of LLBG to adhere to this code.

Regardless that LLBG recognizes that people operate in different legal and cultural environments throughout the world, this Code sets forth the **minimum requirements** that LLBG expects all of its directors, officers, employees, service providers, suppliers and other business partners to meet when acting with, for or on behalf of LLBG.

This Code cannot foresee every situation that might arise and only identifies guiding principles to help make decisions consistent with LLBG's values. It should be seen as a baseline, or a minimum requirement, which must always be followed unless doing so would violate the law. There may be specific internal policies that require more of LLBG's directors, officers, employees, service providers, suppliers and other business partners than required by this Code; the same may be true for local legislation. In all of those instances, associates must follow the stricter policy or legislation.

## **MISSION STATEMENT**

LLBG inspires with a wide & unique range of superior bakery products to meet consumer demand for authentic, fresher and tastier bakery products as part of a well-balanced nutrition & lifestyle. LLBG therefor engages large-scale production & go-to-market concepts with respect for artisan-scale quality to bring innovation, consistency in quality and product authenticity in 'look' and 'taste'.

To achieve this, LLBG's management pays in particular attention to ensuring a high degree of expertise and motivation amongst its employees, managers and stakeholders constantly looking for the best standards of craftsmanship for all its products and investing in state-of-the-art technology that allows large scale production of traditional scale quality.

LLBG believes that the very best way to consumer satisfaction is through constant innovation, consistency in quality and product authenticity in both taste and appearance.

## **LLBG'S VALUES**

LLBG's values are part of its DNA. Through its company values:

- entrepreneurial & innovative,
- no-nonsense,
- ownership & accountability,
- respect
- shared passion

LLBG has created a vibrant company that is continuously moving forward, innovating, and improving.

## **PEOPLE**

### **1. LLBG's Employees**

Respect for people, recognition of their fundamental rights and a belief in the power of their diversity are key principles underlying LLBG's policies and operations.

For LLBG, this means, amongst others:

#### **No child labor or forced labor**

LLBG does not use nor tolerate the use of child or forced labor. No employees under the age of 15 or under the local legal minimum age for work or mandatory schooling age, whichever is the highest, are allowed. No worker is made to work against his/her will or work as bonded/forced labor, or subject to corporal punishment or coercion of any type related to work.

#### **Diversity and non-discrimination**

LLBG strives for a diverse workforce. LLBG recruits, employs and promotes employees on the sole basis of their qualifications and abilities for the work to be performed. Any direct or indirect discrimination based on race, ethnic background, color of skin, language, physical traits, social background, income, capital, nationality, age, religion, gender, sexual orientation or disability is not tolerated.

#### **Harassment and Personal Security**

LLBG protects employees from harassment, bullying and victimization in the workplace, including all forms of sexual, physical and psychological abuse.

### **Freedom of association**

LLBG recognizes and respects the right of its employees to form or join trade unions as well as the right to collective bargaining. Employees are not intimidated or harassed in the exercise of their legal right to join or refrain from any organization.

### **Working hours**

LLBG does not demand that its employees work excessive hours. In cases where employees are asked to work overtime, LLBG adheres strictly to the applicable local legislations to compensate the employees for the such work.

### **Employee development**

LLBG supports its employees in their growth and personal development by offering them training, coaching and mentoring. LLBG invests in the knowledge and skills of its employees on an ongoing basis to support their long-term employability.

### **Fair remuneration**

LLBG pursues a fair and competitive remuneration policy with due recognition for performance and without any discrimination. (Minimum) wages are paid in full, on a regular basis and in line with local national laws and standards.

### **Health and safety**

LLBG chooses unconditionally for a proactive safety culture and aims to create an incident- and injury-free work environment and to prevent the occurrence of occupational illness and health problems associated with its activities. Safety at work is based not only on the technical reliability of the facilities and the equipment used, but also on employee awareness and training. All employees must comply with the hygiene, health and safety rules and procedures.

### **Protection of personal information**

LLBG respects the privacy of its employees and those of its business partners, and stores and uses personal data in accordance with good practices and with the applicable legislations, such as the European General Data Protection Regulation (GDPR).

### **Dealing with colleagues**

LLBG expects its employees to behave in a professional manner in all circumstances, and treat colleagues with respect and dignity. Each employee is expected to perform his or her work in a safe manner, free of the influence of alcohol or drugs. Each employee is responsible to identify, communicate and control risk exposures in order to prevent accidents and minimize losses.

### **Conflict of interest**

LLBG expects its employees to avoid conflict of interests, whether real or perceived, in the performance of their duties. A conflict of interest is considered to be any situation or arrangement where the employees personal activities or

interests conflict with his/her responsibilities to LLBG. Employee's actions should never lead to personal gain to the detriment of LLBG's stated business interests.

## **2. LLBG's customers**

LLBG is committed to establish long term, sustainable and mutual beneficial relationships with its customers that will benefit the end consumers.

LLBG treats all its customers with integrity and fairness.

LLBG is committed to promoting our products and services in a manner that is honest and fair.

LLBG ensures that any statements, communications and presentations that are made, are accurate and reliable and do not mislead its customers.

## **3. LLBG's suppliers and subcontractors**

LLBG is judged on the quality of relationships that it maintains with its suppliers. In particular, LLBG's customers and rating agencies evaluate LLBG on the basis of its selection criteria as well as the commitment of its suppliers to conduct their business responsibly.

LLBG selects suppliers through open and competitive invitations to tender. LLBG is committed to establishing long term relationships and partnerships with its suppliers.

All relationships should therefore be handled in an equitable manner in the interest of parties concerned, disputes are dealt with professionalism and as quickly as possible.

LLBG requests its suppliers to share its commitments as set out in this Code.

# **PLANET**

## **4. Our environment**

LLBG is aware of its corporate responsibility for the environment, and we are convinced of the importance of sustainable entrepreneurship. LLBG therefore strives to conduct its activities in a way that meets today's needs without compromising the ability of future generations to meet their needs.

LLBG has translated this principle into the following rules:

#### **Fundamental Principal**

LLBG conducts all its operations in full compliance with all applicable environmental laws and regulations and pro-actively aims at minimizing its impact on the environment. We are sensitive to the impact of our operations on the local community and the cultural setting within we are active.

#### **Animal Welfare**

LLBG requires that products deriving from animals used in its products are from animals that are treated according to animal welfare laws and international recommendations.

#### **Waste reduction and recycling**

LLBG focusses on reducing waste as a result of the segregation and recycling of its waste flows.

#### **Energy consumption reduction**

LLBG focusses on reducing energy consumption by source reduction, optimizing its production equipment and processes, utilities, building insulation, etc.

#### **Water security**

To safeguard sustainable access to adequate quantities of acceptable quality water for sustaining livelihoods, human wellbeing, and socio-economic development, we are committed to the responsible use of water resources in the light of an increasing water scarcity around the world.

## **PRODUCT**

### **5. LLBG's products**

LLBG aims to produce and sell a wider and unique range of superior bakery products to meet the consumer demands for fresher and tastier authentic products as a part of a well-balanced nutrition and lifestyle.

To this purpose, LLBG strives every day to respect the tradition and the history of bread & other bakery products making and tries to implement these learnings into an enlarged scale production environment.

Products are produced, stored and delivered to guarantee the quality and safety criteria specified in the relevant contract and product specifications and are safe for their intended use.

LLBG ensures the strict application of quality controls at each stage of the production and logistics process and quickly reacts to any quality issue in order to correct it.

LLBG is only too well aware of the excessive waste of food in our society, hence we are focusing on a zero food waste policy. In line with the value retention chain we earmark our production surpluses to food banks or for other human consumption purposes and for animal feed or fermentation.

LLBG has developed significant direct or indirect relationships with producers, farmers, customers and consumers in order to create win-win relationships.

LLBG applies a sustainable ingredients policy, with increased focus on naturalness of ingredients, clean labelling and fully transparent ingredient declarations to customers and consumers.

## **PROFIT**

By strictly abiding by the aforementioned principles (respecting people, planet & product) LLBG envisages a sustainable and profitable growth, allowing her to generate a growing cash flow allowing her to continuously invest in state of the art assets, quality innovations and R&D, as well as a strong and motivated organization.

## **6. Economic Impact**

LLBG seeks to achieve long-term profitability and to contribute to the success of its customers, shareholders and other stakeholders by entering into partnerships with them and jointly creating sustainable value. All these partnerships are based on free, fair, transparent, ethical and legally compliant business practices, on which LLBG seeks to maintain a constructive dialogue with the community. For us, this means:

### **Compliance with laws**

All applicable laws and regulations are complied with in the countries in which LLBG operates.

### **Business integrity**

LLBG conducts its business honestly, transparently and ethically. LLBG refrains from any arrangement or transaction that is suspected to be used for illegal business practices or other violations of law. LLBG's accounting records and supporting documents truly, fairly and completely describe and reflect the nature of the underlying transactions.

### **Free and fair competition**

LLBG values free and fair competition in all countries of the world. Therefore, LLBG complies with competition laws in all areas where it operates. These laws apply to every level of business. LLBG does not tolerate any violation of antitrust laws. Antitrust laws and competition laws prohibit competitors from entering into any form of agreement, from concerted action, from express or tacit understanding or collusive action that may have the object or the effect of restricting free competition.

### **Embargoes and trade law**

LLBG respects applicable trade laws and restrictions as imposed by the United Nations or other national or supranational bodies or government in which LLBG operates.

### **Bribery and corruption**

LLBG prohibits any form of bribery and corruption including extortion and active or passive bribery. LLBG does not give or accept any gift or favor that could compromise or raise doubts about the neutrality of the decisions made by its people or its business partners. LLBG ensures that any commission payment, agent fee, etc., is based on a real, legitimate, documented service.

### **Gifts and hospitality**

Any business entertaining or hospitality is kept reasonable in nature, entirely for the purpose of maintaining good business relations and not intended to influence in any way decisions about future business. Gift giving should occur sparingly and always be legitimate and aligned with the company's policy

### **Conflict of interest**

LLBG's directors, officers, employees, service providers, suppliers and other business partners should avoid any conflict of interest between the company's interests and their private interests and avoid any behavior that could raise doubts about their integrity or the integrity of the company.

### **Public dialogue**

LLBG seeks constructive dialogue with politicians and society to pursue its legitimate business interests. LLBG bases its arguments on facts and on scientifically sound, publicly stated positions. LLBG does not make any payments or donations in kind to political parties or their institutions, agencies or representatives.

### **Company Property**

Company property should only be used for legitimate business purposes.

### **Insider Trading**

Employees or other persons working for LLBG must not use inside information to buy or sell securities of LLBG. Securities include shares, bonds, equities and related

derivates. Inside information means information that is not available to the public and that a reasonable investor would probably consider important in deciding whether to buy or sell company's securities. Trading or encouraging others to trade on inside information, or giving it to unauthorized parties, is a criminal offence in many countries: a breach of the applicable laws can lead to fines or imprisonment. Non-compliance may also entail disciplinary sanctions.

### **Confidential Information**

LLBG values and protects its confidential information and respects the confidential information of others. Confidential information consists of any information that is not or not yet public information. It includes trade secrets, business, marketing and service plans, consumer insights, engineering and manufacturing ideas, product recipes, designs, databases, records, salary information and any non-published financial or other data. LLBG's continued success depends on the use of its confidential information and its nondisclosure to third parties. Unless required by law or authorized by their management, employees shall not disclose confidential information or allow such disclosure. This obligation continues beyond the termination of employment. Furthermore, employees must use best efforts to avoid unintentional disclosure by applying special care when storing or transmitting confidential information. LLBG's respects that third parties have a similar interest in protecting their confidential information. In case that third parties, such as joint venture partners, suppliers or customers, share with LLBG confidential information, such information shall be treated with the same care as if it was LLBG's confidential information. In that same spirit, employees shall protect confidential information that they have obtained in the course of their prior employment.

## **7. Company records**

LLBG's accounting and financial records need to accurately and fairly reflect the transactions and financial condition of the company in reasonable detail and in accordance with generally accepted accounting principles, practices and procedures. No false or artificial entries shall be made for any reason.

## **COMPLIANCE**

LLBG ensures that the Code is communicated to each of its employees, clients, suppliers, independent contractors.

LLBG takes a preventive approach to compliance which heightens employee awareness and knowledge in order to prevent potential rule breaches before they happen. LLBG's HR and legal department shall complete compliance checks, conduct necessary investigations on a regular basis, perform spot checks in the absence of suspicion, and examine the circumstances in cases of alleged





misconduct. Human Resources and Group Legal respond by applying the relevant measures.

Compliance with the Code is however everyone's responsibility and interest and there will be no tolerance for any violation. If you know or suspect that any of the policies contained within the Code have been or are threatened to be violated, you must immediately report the (suspected) violation or threat to your confidential counsellor, manager, your supervisor or to a member of the LLBG Legal Department.

LLBG will take serious all reports of violations and will investigate all reports promptly, will treat all reports as confidential to the extent possible, will make every effort to protect the anonymity of anyone who reports a possible violation in good faith and will not tolerate retaliation against anyone who reports in good faith.

Not reporting known or suspected violations or refusing to seek guidance in situations of doubt are severe violations of this Code and can lead to disciplinary actions, as well as legal proceedings or criminal sanctions.

If you have questions or need guidance on the interpretation or application of this Code or certain of its rules, please contact the LLBG Legal Department or your Human Resources representative.