

### 1 Introduction

For over 120 years Cefetra Group, to which Tracomex belongs, has been supplying agricultural ingredients to the animal nutrition, food- and energy industries. With a broad portfolio and extensive expertise in supply chains and logistical solutions, our companies deliver the best possible service to customers. For the Cefetra Group, quality and food safety are an absolute priority, yet we also take our responsibility when it comes to sustainability. We aim to establish maximum integrity of our supply chain and to guarantee sustainable raw material flows, which is why this Supplier Code of Conduct has been established.

### 2 Objective

The purpose of this Code of Conduct is to improve the responsible conduct in the agricultural supply chains. In general, Tracomex expects its suppliers to work in accordance with local and national laws. The overarching goal of this Code of Conduct is to increase awareness and encourage responsible business conduct in supply chains Tracomex operates in; i.e. by setting the minimum compliance level for Tracomex's suppliers when conducting business.

The requirements that have been included in this Code of Conduct are based on the UN Sustainable Development Goals (SDGs), the OECD Guidelines for Multinational Enterprises as well as ILO conventions.

### 3 Scope

This Supplier Code of Conduct applies to all direct and indirect suppliers of all entities within the Cefetra Group.

### 4 Driving improvement in Tracomex's supply chain

Companies that deliver goods and services to Tracomex are encouraged to set up their own Code of Conduct and to include similar requirements as detailed in this Code of Conduct to strive for compliance of the whole supply chain.

### 5 All suppliers must be in compliance with applicable legal requirements

All Tracomex's suppliers must comply with applicable (inter)national and local laws and regulations.

### 6 Human rights are supported and respected

6.1 Tracomex requires its suppliers to support and uphold the protection of internationally recognized human rights and to ensure that they are not involved in any human rights abuse or use forced, bonded or prison labor.

6.2 Suppliers undertake to respect the rights and interest of local communities and indigenous people.

### 7 Children and young workers are protected

Tracomex's suppliers must comply with the minimum standards of the ILO Conventions on the minimum age for admission to employment or work and the prohibition of child labor and take all necessary measures to prevent the hiring of persons below the legal minimum age (No. 138), and the worst forms of child labour convention (No. 182). Children and young

workers need to be protected from economic exploitation and from performing work that is likely to jeopardize their health and safety, morality, interfere with their education or harm their development. Children and young workers shall not be employed at night or in hazardous conditions.

## **8 Labor rights are supported and respected**

8.1 Suppliers shall remunerate employees appropriately, and at least in line with minimum wages guaranteed by law, or in absence of such legislation, ensure employees receive at least a living income or minimum income, whichever is higher. A living income is defined as 'the net income a household would need to earn to enable all members of the household to afford a decent standard of living'.

8.2 Suppliers must not engage in modern slavery, forced labor, human trafficking and/or other forms of exploitation. Human trafficking is defined as the trade in people and does not necessarily involve the movement of persons. Modern slavery is the severe exploitation of people for personal or commercial gain.

8.3 Suppliers shall respect employees' freedom to form and/or join trade unions and collective bargaining. If this right, the freedom to association and collective bargaining, is restricted by law, then the supplier shall facilitate alternative means of independent and free association for bargaining for employees such as workers forums etc.

8.4 Suppliers must protect employees from discrimination, intimidation, oppression or harassment in any form. No harsh, inhumane, or unequal treatment is permitted.

## **9 Employees are protected against hazards inherent to the working environment**

9.1 Suppliers shall provide employees with a safe and healthy work environment and ensure at least access to potable water, sanitary facilities, fire safety facilities, first aid facilities, emergency procedures and provide required trainings to safely perform tasks. Where accommodation is provided it should be clean, safe and meet the basic needs of workers.

9.2 Suppliers shall ensure that employees' are not endangered in any way due to the use of dangerous machinery, unsafe building structure or layout, harmful noise emissions, or dangerous substances. Where serious or fatal accidents have occurred, suppliers shall be able to demonstrate that all appropriate measures have been taken to prevent similar accidents to occur in the future.

9.3.1 Suppliers shall not use dangerous substances, such as chemicals, when other, less dangerous substances, are available in the market. Chemicals as named in the Stockholm and Rotterdam Conventions shall not be used.

9.3.2 Suppliers shall use chemicals, and other dangerous substances, according to the instruction provided by supplier of the chemicals, as mentioned on the label of the chemicals.

9.3.3 Suppliers shall implement procedures for safe handling, movement, storage, recycling, reuse and disposal of dangerous substances.

9.4.1 Suppliers shall implement a procedure to ensure employees' working hours comply with legislation, with minimum standards applicable for the industry concerned, or relevant ILO

Conventions, whichever is more stringent. Employees shall not be required to work extreme hours without adequate rest periods. Suppliers shall maintain proper accurate employment records including calculation of pay and hours worked.

## **10 Ethical business practices are of paramount importance for Tracomex's suppliers**

10.1 Suppliers shall prevent any form of extortion, embezzlement, corruption, money laundering and/or bribery to prevent unethical business practices.

10.2 Free Prior and Informed Consultation of the affected communities must be conducted before any legally permissible change in land use or consumption of water and other resources of local and indigenous communities.

## **11 Tracomex's suppliers shall do their utmost to protect the environment**

11.1 Suppliers shall make all reasonable efforts to protect the environment and to limit, the negative impact of their activities and products on the environment (e.g. water, air, soil) and local communities.

11.2 Suppliers shall implement procedures for handling, movement, storage, recycling, reuse and disposal of materials in such a way that the environment is protected, and the negative impact of their activities are limited. Suppliers should operate in compliance with the Basel Convention.

11.3 Suppliers shall be in possession of relevant environmental permits, licenses and registrations necessary for its operations.

11.4 Suppliers shall not engage in activities for which High Conservation Value Areas, including but not limited to high carbon stock forests and peatlands, will be further developed. Conservation Value Areas (HCVAs) are natural habitats, which are of outstanding significance or critical importance due to their high biological, ecological, social and/or cultural values.

11.5 Land, water and forests which serve as a person's means of livelihood may not be unlawfully seized or such persons evicted for the purpose of acquisition, construction or other use.

11.6 Suppliers shall make use of resources (e.g. water, electricity) in an appropriate manner and shall be reduced over time (e.g. by improving the resource efficiency), as far as reasonably possible.

11.7 Waste generated from operations, industrial processes and/or sanitation facilities shall be monitored, controlled for and treated as required prior to (environmentally) safe discharge or disposal. The amount of waste shall be reduced or eliminated at the source, as far as reasonably possible, by optimizing (production) processes. It is expected that recyclability is pursued.

11.8 Suppliers shall implement practices, to reduce the Greenhouse Gas emissions resulting from its operations. It is Tracomex's ambition to get insight in the Greenhouse Emissions generated in our supply chain.

## **12. External contractors are protected (e.g. security staff, private or public)**

If third parties are employed, suppliers must ensure that employees' basic rights are protected through appropriate instruction and supervision. This also means in a prohibition of torture, cruel, inhumane or degrading treatment or injury to life or limb. In addition, freedom of association and freedom to form a coalition must be guaranteed.

## **13 Data protection and confidentiality**

Suppliers undertake efforts to protect and safeguard personal and confidential information obtained in the course of business.

## **14 Potential collaboration between Tracomex's suppliers and Tracomex**

Tracomex is always looking for ways to improve the responsible conduct of its supply chains. As such, Tracomex is open for long-term partnerships with our suppliers: work together and improve the responsible practices in our joint supply chain. If you envision a partnership with Tracomex, please reach out to your normal contact person or Tracomex's sustainability department (please find contact details in the footer).

## **15 Verification of suppliers' compliance with this Code of Conduct**

Tracomex, also via BayWa, reserves the right to monitor adherence to the Supplier Code of Conduct. For this purpose, suppliers shall provide information in response to enquiries. Suppliers shall provide access to required documentation for the purpose of the respective audit. In the event of non-compliance with this Supplier Code of Conduct, the supplier is obliged to immediately and independently initiate necessary remedial measures. Regardless of whether the direct supplier themselves or the subcontractors they use fail to take appropriate remedial action, Tracomex shall have the right to terminate the business relationship in accordance with contractual or statutory provisions.

Tracomex offers, via its mother company BayWa, training courses that serve to prevent human rights and environmental violations, and which explain the obligations mentioned in this Supplier Code of Conduct. The training course can be accessed via the following link: [baywa.com/hr-elearning](https://baywa.com/hr-elearning).

## **16 Reporting violations and obligation to cooperate**

If suppliers become aware of a violation of this Supplier Code of Conduct, they must report it immediately. They commit to fully cooperating in clarification procedures. The legitimate interests of the suppliers as well as the observance of the rights of employees, in particular with regard to the protection of data and company secrets, shall be protected in the reporting of violations. This also applies to violations of suppliers' subcontractors. Furthermore, suppliers shall inform potentially affected parties of the rights provided by this Supplier Code of Conduct and point out the possibility of reporting violations directly to BayWa.

Suppliers warrant that they will refrain from taking any adverse or disciplinary action against whistleblowers in connection with the processing of the reported information.

Information on violations of this Supplier Code of Conduct can be reported to BayWa at any time – also in anonymized form – via the CompCor digital whistleblowing system ([baywa.compcor.de/en](https://baywa.compcor.de/en)) or via email ([socialcompliance@baywa.de](mailto:socialcompliance@baywa.de)).

The information is processed by BayWa AG's Social Compliance Team together with the necessary internal departments. The whistleblowers are informed about the processing and the result.