

## Policy statement pertaining to safeguarding and respecting human rights

### 1. Introduction

Griesson – de Beukelaer (GdB) is a leading company in the European sweet and savoury biscuit market. As a modern family-owned enterprise with a long tradition, our corporate character is shaped by the principles of responsibility, sustainability and action with a long-term perspective.

It is the declared aim of the company management to respect, protect and promote human rights and the environment along the value chain. We are aware that we can only be commercially successful in the long term if the impact of our business activities is in harmony with people and the environment. We, therefore, support the implementation of internationally recognised regulations on human rights, fair working conditions and environmental protection, both within our company and along the supply chain.

GdB undertakes to comply with applicable law. We are a signatory to the UN Global Compact and align our socially and environmentally responsible corporate governance with the United Nations Universal Declaration of Human Rights (UDHR), the United Nations Guiding Principles on Business and Human Rights (UN Guiding Principles), the core international labour standards of the International Labour Organization (ILO) and the OECD Guidelines for Multinational Enterprises.

This declaration of principles specifies our position and requirements on human rights and environmental due diligence in our own company and with business partners. Our business segment comprises all locations and operating facilities of Griesson – de Beukelaer GmbH & Co. KG and its affiliated companies.

### 2. Requirements for our business partners and suppliers

We expect our business partners and suppliers to respect human and labour rights in their business activities, to comply with environmental standards, to prevent corruption and to promote and demand these requirements in their supply chain to the best of their ability.

This includes the following criteria, among others:

- No child labour in accordance with the provisions of the ILO and/or national regulations.
- All forms of forced labour are forbidden.
- Work is fairly remunerated, the salary corresponds at least to the national minimum wage. The working hours take into account the respective national legislation, and are based on the international labour guidelines.
- The health and safety of employees are ensured, and a safe and clean working environment is guaranteed.
- Every worker in the supply chain has the right to freedom of association and collective bargaining.
- Discrimination is unacceptable, regardless of form or fashion.



- Environmental and climate protection are taken into account.

The complete requirements can be found in the Supplier Code of Conduct published on the website.

### 3. Risk management

Executive management is responsible for implementing this policy statement. This ensures that every department is aware of the requirements for implementing due diligence obligations pertaining to human rights and the environment, and that it implements the necessary measures in its business processes.

The Sustainability department, which acts as an independent function of Quality Management and is supported by Purchasing, is responsible for operational implementation. It coordinates the company-wide activities to implement the due diligence obligations: Implementation of risk analysis, organisation of preventive and corrective measures, documentation and reporting. Monitoring efforts as a Human Rights Officer are managed by the Compliance Officer, who is also responsible for the complaints mechanism.

The process is described in a procedural instruction that is available to all departments and employees at all times.

We carry out an appropriate risk analysis to identify and assess potential and actual negative impacts on human rights and environmental obligations in our business segment and at our direct suppliers. In the event of substantiated knowledge, we will include the indirect suppliers in our risk analysis on an ad hoc basis. If risks are recognised, preventive and corrective measures are implemented in a targeted manner. All measures taken as part of our human rights and environmental responsibility follow the principle of "empowerment before withdrawal".

We also know that the implementation of human rights and environmental due diligence obligations in our own business segment and along the value chain is an ongoing process. We will, therefore, carry out the risk assessment annually and on an ad hoc basis, incorporating the findings from the whistleblower system and the effectiveness review of our preventive measures.

### 4. Risk analysis & preventive measures

As a manufacturer of sweet and savoury biscuits, GdB carries out comprehensive risk analyses with regard to compliance with human rights and environmental obligations within its own business segment and at its direct suppliers. In our efforts to implement our due diligence obligations pertaining to human rights and the environment, we focus on the direct suppliers of our raw materials and packaging materials, as well as production-related services. This means that the type and scope of the business activity are taken into account in the prioritisation.



The complexity and scope of our international supply chains require the use of technical solutions that support us in identifying, verifying, weighting and prioritising risks.

Our risk analysis system (osapiens supplier hub) enables us to determine the individual risks of each business partner. Based on the general supplier information – in particular, country of origin and sector – an abstract risk analysis is carried out based on a large number of recognised indices and studies by external experts for each legal position of the Supply Chain Due Diligence Act (LkSG). A more detailed risk assessment is performed in cases where there is an increased risk of child and/or forced labour or where the overall risk across all legal positions is correspondingly high.

For suppliers identified as high risk, the specific risk is determined on the basis of supplier self-assessments, verified certifications and our own findings from business transactions or inspections. We weight and prioritise risks by comparing the typically expected severity of a possible legal violation and its irreversibility with the probability of occurrence. We also take into account our own potential causal contributions and the extent of our influence, in order to prioritise risks and take targeted action where the greatest risks exist. We use a risk matrix to identify our need for action and initiate preventive and corrective measures where they are necessary.

We apply the same methodology when analysing cases of substantiated knowledge.

#### Own business segment

An internal code of conduct applies to all employees in our own business segment, which clearly and comprehensibly summarises the expectations and rights of our employees. The contents are disseminated in the form of regular training. In addition, SMETA audits (Sedex Members Ethical Trade Audit) are carried out regularly at all German locations. This audit was developed by the organisation Sedex (Supplier Ethical Data Exchange) and checks compliance with labour rights, health and safety standards, environmental standards and business ethics in the company based on the criteria of the Ethical Trade Initiative base code and local legislation.

All employees are encouraged and obliged to report compliance violations or provide information on possible violations. Various options are available for this purpose, including the complaints system (see point 5).

#### Direct and indirect suppliers

Compliance with human and environmental rights in the value chain is very important to us, as our decisions have an impact on the conditions under which people work. We are aware that human rights and environmental risks can occur with indirect suppliers, particularly in the upstream supply chain of our raw materials. We, therefore, require our direct suppliers to cascade the requirements of our Supplier Code of Conduct throughout the supply chain.



We have identified two of our main raw materials, in particular, as critical: Cocoa and palm oil. The highest risks were identified in the areas of child and forced labour, inadequate wages, discrimination, respect for freedom of association and occupational health and safety.

Most of our palm oil comes from Malaysia, Indonesia and South America. We have been sourcing this 100% RSPO-certified for several years now. We also use certified quality (Rainforest Alliance or Fairtrade) for the majority (86%) of our cocoa, which is mainly grown in West Africa. Our aim is to continuously increase this proportion.

We are involved in two multi-stakeholder organisations – the Forum for Sustainable Cocoa and the Forum for Sustainable Palm Oil – in order to improve the living conditions of farmers and their families at origin together with other companies, civil society, the trade sector and the German government.

We also rely on long-term, strategic partnerships with our direct suppliers. As a result, we are in a continuous dialogue on the topics of human rights and environmental due diligence, and are working towards increasing transparency in the supply chain, in order to be more effective for local people in the future.

We have set ourselves the goal of also sourcing other raw materials from high-risk countries from certified cultivation, and continuously increasing the proportion of certification.

## 5. Complaints procedure

Griesson – de Beukelaer is very interested in detecting and eliminating compliance violations and can only take appropriate action if it becomes aware of them. Griesson – de Beukelaer offers employees and third parties various options for reporting compliance violations or providing information on possible violations.

Reports can be addressed directly to our Compliance Officer or to the external ombudsman appointed by Griesson – de Beukelaer. In addition, a digital reporting system has been set up for our employees and all third parties, which can be used to submit multilingual, verbal or written reports on violations of human rights and environmental obligations or if there are reasonable grounds for suspicion. All reports and information, which can also be submitted anonymously, are processed confidentially by our Compliance Officer, who acts independently of instructions.

The contact details and the link for the multilingual, confidential or anonymous reporting system are published on the website.

## 6. Documentation and reporting obligations

The implementation of all due diligence obligations is documented on an ongoing basis. We use a centralised risk management system to network all the information available to us on identified risks and the preventive and corrective measures taken.



We are also committed to transparent communication on human rights and environmental challenges. Through our public reporting, we communicate recognised risks, measures taken and the progress made at least once a year.

## 7. Outlook

Griesson – de Beukelaer is committed to the ongoing review, further development and improvement of its own strategic approaches and measures with the aim of continuous improvement. We will carry out our risk analysis annually and on an ad hoc basis, incorporating findings from an annual review of the effectiveness of our preventive measures and any remedial measures that become necessary. Findings from whistleblowers are also examined and taken into account.

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