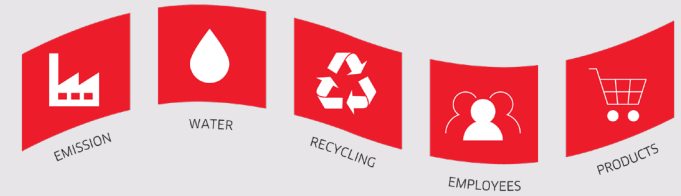


# SUPPLIER CODE OF CONDUCT



VERSION 2



## CONTEXT

At Atlantic Grupa, we are committed to operating our business in a responsible and sustainable manner, recognizing our role in creating positive social and environmental impact throughout our value chain. We understand the importance of integrating environmental, social, and governance (ESG) considerations into our business practices and operations. We regularly publish our efforts in the annual report: [Annual reports - Atlantic Group \(atlanticgrupa.com\)](https://atlanticgrupa.com/annual-reports)

Our ESG materiality topics are organized in 5 pillars where we strategically manage multiple aspects and set goals.

Our suppliers play a crucial role in helping us achieve our sustainability goals and deliver value to our customers, employees, and communities.

As part of our reporting obligations, as well as a prerequisite for adoption of internationally recognized standards, Atlantic Grupa is required to disclose how management of sustainability risks, including from our suppliers, is integrated in our business and how we ensure supplier compliance with sustainability requirements.

Following the above, this Supplier Code of Conduct (CoC) outlines the principles and expectations that guide our relationships with suppliers, ensuring alignment with our commitment to ESG excellence in our supply chain. This Supplier CoC will be followed by a due diligence-based approach.

## APPLICATION

Atlantic Grupa Supplier Code of Conduct applies to all suppliers, vendors, contractors, consultants, agents and other providers of goods and services within Atlantic Grupa supply chain (hereinafter referred to as "Supplier"), having a direct business relationship with Atlantic Grupa d.d. or any of its affiliate companies. If there is a formal contract in place with the Supplier, the requirements of this Code of Conduct shall be regarded as an integral part of such contract.

By doing business with Atlantic Grupa, Suppliers adhere to this Code of Conduct and assure that they will strive to enforce its requirements in their respective businesses and monitor compliance by appropriate internal procedures. At the same time, Atlantic Grupa is aware that the process of implementation of the requirements arising from this Code of Conduct should appropriately reflect the size of the Supplier's undertaking, including the associated level of risk and legal responsibility, and will therefore acknowledge these factors within its Supplier due diligence.

Suppliers demonstrate their commitment to upholding the highest standards of environmental stewardship, social responsibility, and ethical governance. Together, we can drive positive change and create a more sustainable future for generations to come.

**This code of conduct is divided into three basic categories:**

1. Environmental protection
2. Social responsibility - Human rights and fair work practices
3. Governance & ethics



# ENVIRONMENTAL PROTECTION!

## **Emissions in operations and in the value chain**

The supplier shall manage emissions and consider solutions that reduce its carbon footprint. Use of renewable energy sources and clean technologies, reduction of energy consumption, implementation of sustainable sourcing practices and optimization of transportation routes and business travel, efficient waste management to minimize carbon emissions are to be applied by suppliers. These actions should be pursued as part of a continuous improvement approach, with reasonable and gradual efforts aligned with the supplier's capabilities and context. If requested, supplier shall provide related documentary evidence which includes emission inventory and carbon footprint.

## **Energy management**

The supplier is encouraged to apply energy-efficient technologies and processes in suppliers' manufacturing facilities, warehouses, and transportation vehicles. If requested, supplier shall provide energy related documentary evidence.

## **Water**

Water conservation measures and responsible water usage shall be promoted throughout the supply chain. Supplier shall take appropriate steps to minimize water withdrawal and consumption and ensure groundwater quality. Supplier should properly address the risk of water scarcity, if the operations are in the area of high-water stress. Supplier shall ensure proper treatment of waste water in accordance with regulations. If requested, supplier shall provide documentary evidence of water management.

## **Circular economy**

Supplier shall take appropriate step to minimize the generation of waste and the consumption of natural resources in compliance with all environmental laws and regulations relevant to the manufacturing, packaging and product distribution. Appropriate steps to minimize the environmental impact of packaging and continuously improve in eco-design and use of recycled content and re-newable/re-cyclable materials if possible, shall be taken by suppliers. Also, suppliers should aim to take appropriate steps to minimize the production or use of non-recyclable materials. If requested supplier shall provide documentary evidence of their environmental management.

## **Environmental laws**

Supplier must comply with all environmental local laws, regulations and conventions. Among others, appropriate steps shall be taken by the supplier to preserve biodiversity and ensure that suppliers' actions do not have any negative impact on forests, lands, and protected territories. The supplier is expected to commit to taking all necessary measures to ensure that its operations do not contribute to deforestation. If applicable, supplier is expected to take appropriate steps to ensure protection of animals and respect of animal welfare. Also, appropriate steps are to be taken by supplier to preserve soil quality and minimize their impacts on soil, to the greatest extent possible. Hazardous materials, chemicals and dangerous substances are to be safely stored, handled, recycled, reused, and disposed of in accordance with the manufacturer's recommendations. Only legally approved chemical substances may be used and in prescribed ways.

# HUMAN RIGHTS AND FAIR WORK PRACTICES?

## **Child labour & child protection**

Child labour is a violation of fundamental human rights and has been shown to hinder children's development, potentially leading to lifelong physical or psychological damage. Therefore, suppliers shall take appropriate steps & measures to recognise children's human rights and not permit the use of child labour as defined by ILO („International Labour Organisation“).

## **Forced labour**

Suppliers shall oppose and condemn the use of all forms of forced labour as defined by the ILO including but not limited to: forced prison, labour, indentured labour, bonded labour, modern forms of slavery and any form of human trafficking. Suppliers must ensure no fees or related costs are charged to applicants and workers for recruitment and that no monetary deposits, financial or collateral guarantees or personal possessions are demanded as a condition of employment. Suppliers shall not restrict worker's freedom of movement, require workers to remain at the workplace at the conclusion of their working hours or confine them in any worker accommodation.

## **Freedom of association and Collective bargaining**

The right to organize and form employers' and workers' organizations is the prerequisite for sound collective bargaining and social dialogue. Therefore, suppliers shall recognise and accept employees rights to join a union of their choice and their right to bargain collectively all according to ILO Conventions.

## **Fair wages**

Suppliers are required to inform workers about their employment terms and conditions in writing and in an understandable manner before they enter into employment. Suppliers shall ensure that their employees are fairly compensated in line with ILO conventions. Compensation must comply with all applicable wage and hour laws, or industry standards approved on the basis of collective bargaining, whichever is higher. Suppliers should aim to provide compensation for a regular work week that is sufficient to meet workers' basic living needs and provide some discretionary income.

## **Working hours**

The regulation of working time is one of the oldest concerns of labour legislation. Supplier shall accept employees right to rest and leisure. Suppliers must provide for working hours that comply with national laws and industry standards. Regular hours worked shall not exceed legally defined time frame and workers will be provided with one day off in every seven day period. Overtime shall be voluntary and compensated at a premium rate. All overtime related practices will be conducted in accordance with applicable laws and regulatory standards.

## **No discrimination and harassment / Fair treatment**

Any form of discrimination, harassment, inappropriate or disrespectful behaviour, physical or verbal abuse must be condemned by the supplier if it occurs at the workplace or work events.

Suppliers shall respect the rights of women and seek to create an environment in which

they can access opportunities to participate in the workplace on an equal basis.

### **Occupational health and safety**

The ILO Constitution sets forth the principle that workers must be protected from sickness, disease and injury arising from their employment. Suppliers shall identify possible risks, carry out preventive measures, assess the measures effectiveness and continuously work on improvements for the purpose of creating a safe and healthy working environment for employees. Suppliers' organization will develop and implement a sustainable health & safety culture.

### **Grievance procedures**

Supplier shall take appropriate steps to implement effective and in time manner grievance mechanism to ensure human rights concerns and issues along their supply chain can be addressed. Supplier and Suppliers' employees can also submit a grievance in case of a matter concerning Atlantic Grupa to [nepravilnosti@atlanticgrupa.com](mailto:nepravilnosti@atlanticgrupa.com)

The stated e-mail is also a contact point for all remarks or objections to this Code of Conduct.



# GOVERNANCE & ETHICS 3.

## Business ethics

At Atlantic Grupa, we are committed to exercising appropriate standards of professionalism and ethical conduct in all business activities we conduct. Atlantic Grupa will not tolerate bribery or corruption in any form, or any acts that contravene its anti-bribery policy as outlined in the rules of our Code of Corporate Governance and the Code of Ethics (available under [Codes - Atlantic Grupa](#)). All participants in business activities are not permitted to directly or indirectly promise, offer, or provide any improper advantage to any person or entity.

Maintenance of high ethical standards in all business activities, including transparent and honest communication, fair competition, and avoidance of conflicts of interest is something all sides are committed to.

Protection of intellectual property rights and confidential information, including customer data and proprietary technologies is mandatory.

## Governance

Suppliers shall establish a compliance program to ensure adherence to regulations and internal policies.

Monitoring and reporting mechanisms are to be implemented to track and measure performance, with regular audits and assessments conducted to identify areas for improvement. Encouragement of whistleblowing and anonymous reporting channels for employees and stakeholders to raise concerns about potential violations is expected. Supplier shall maintain accurate financial books and business records in accordance with all applicable legal and regulatory requirements.

Supplier shall adopt appropriate policies, procedures, and management systems to support ongoing compliance with the standards and expecta-

tions outlined in the suppliers CoC.

Supplier shall trace where their commodities originate from and manage the information as per agreed data set. Supplier shall provide sample lots and traceability records and information when requested.

From suppliers entering in our product value chain, we expect safety and compliance and a proactive approach to developing new sustainable solutions & materials and cooperation in our efforts of achieving and improving ESG commitments. When special claims of the delivered materials are declared (Halal, organic, environmental-related...), the claims shall be credible and confirmed by authorized institutions. Where relevant (raw and packaging materials suppliers) high quality and safe product must be provided in accordance with all legal requirements and uphold highest food safety standards.

## COMPLIANCE

Suppliers shall cooperate with Atlantic Grupa or any authorised third party, to conduct activities aimed to verify compliance with this Code of Conduct or other required certifications. Such, due diligence based activities may include any or a combination of the following measures: self-declarations, remote assessments (including online assessments), data collection, internal or third-party audits, as well as submission of relevant certifications, accreditations and/or other appropriate documents evidencing compliance with this Code of Conduct. For this purpose, Atlantic Grupa, or a third-party expert appointed by it, shall have the right to conduct risk-based audits, including on-site inspections of Supplier's business premises, subject to advance notice and with respect to Supplier's business and trade secrets and duty of confidentiality.

Compliance with the principles and requirements of this Code of Conduct is considered a condition

for maintaining our business relationship, including a relevant contract which might be concluded between us. While Atlantic Grupa reserves the right to terminate cooperation in cases of non-compliance, our priority – except in severe or repeated cases – is to work openly and constructively with Suppliers, offering support to help align the operations with the Code's expectations. If any deficiencies are identified, Suppliers will be encouraged to take corrective actions within a reasonable timeframe to meet the expectations of the CoC.

As a responsible business, Atlantic Grupa sets the highest standards for the way we conduct our operations. In turn, we expect our Suppliers to conduct their business responsibly, with integrity and transparency. Atlantic Grupa wishes to nourish our long-term cooperation and ensure strengthening our partnership for a transparent and sustainable supply chain.

By signing this Code of Conduct, the Supplier acknowledges acceptance of its principles and requirements and expresses its commitment to continuously work towards aligning its business operations with these standards.

**DATE:**

**SUPPLIER COMPANY NAME:**

**NAME & TITLE OF AUTHORIZED  
SIGNATORY:**

**SIGNATURE:**

