



CODE OF CONDUCT OF SUPPLIERS

1. Terms used

1.1. **Group** – Dobeles dzirnavnieks AS, Dobeles Eko SIA.

1.2. **Supplier** – any natural or legal person supplying products, materials or services to the Group or to any of the companies in the Group. The definition of 'Supplier' also includes the Supplier's sub-suppliers, contractors and other business partners involved in the supply of products, materials or services to the Group (hereinafter referred to as – Subcontractors).

1.3. **UN** – United Nations

1.4. **ILO** – International Labour Organisation

2. Introduction

2.1. As one of the largest grain processors in the Baltics, the Group takes responsibility for its actions that affect economic growth, social well-being and environmental quality. Such actions and responsibilities are also expected of the Group's suppliers.

2.2. This Code of Conduct of Suppliers (hereinafter referred to as – Code) describes the expectations that the Group's suppliers must meet in their dealings with the Group, its employees, its Subcontractors and other stakeholders.

2.3. The Supplier shall ensure that its employees and Subcontractors involved in the supply of products, materials and services to the Group are aware of the Code and comply with the minimum requirements set out therein.

3. Laws and regulations

3.1. The Supplier shall comply with all laws and regulations governing its operations. If any provision of the Code conflicts with another law binding on the Supplier, the Supplier shall comply with the higher-ranking law.

4. Human rights and labour rights

4.1. The Supplier shall respect internationally recognised human rights as declared in the UN Universal Declaration of Human Rights and ILO Labour Standards. Suppliers shall act in accordance with the UN Guiding Principles on Business and Human Rights. The Supplier shall take appropriate steps to avoid any negative human rights impacts that may result.

4.2. Forced labour in any form is prohibited. Including modern slavery and human trafficking. Withholding wages or identity documents, restricting movement, withholding recruitment fees and using threats or intimidation are prohibited.

4.3. The employment of children in any form is prohibited. The Supplier shall at all times comply with the ILO Minimum Age Convention (No. 138) and shall additionally ensure that the health, safety, development or school attendance of young persons is not endangered.



4.4. Applicable legislation on working hours, minimum wages, overtime, adequate breaks and rest periods, sick leave, annual leave, parental leave and compulsory benefits shall be observed and properly documented.

4.5. The Supplier shall ensure equal opportunities and treatment in the workplace regardless of race, colour, religion, sex, political opinion, nationality, social origin, sexual orientation or other conditions not related to the immediate job duties.

4.6. No form of harassment of employees, whether direct or indirect, physical or verbal, shall be tolerated.

4.7. The Supplier must recognise and respect the rights of workers to freedom of association and collective bargaining.

4.8. The Supplier is expected to respect everyone's right to privacy and to process personal data in accordance with good data processing practices and applicable law.

5. Responsible business practices

5.1. The Supplier is aware and acknowledges that any information obtained in the course of mutual cooperation, regardless of the medium, is confidential and undertakes not to disclose it to third parties unless the Supplier and the Group have agreed in writing to disclose its contents in whole or in part, a court of competent jurisdiction or a supervisory authority in accordance with applicable laws or regulations so requires, or the information is not publicly available. For the purposes of this paragraph, third parties do not include the Supplier's employees and professional advisors, but the Supplier is responsible for ensuring that all persons who become aware of Confidential Information for the purposes of their employment or professional duties comply with the confidentiality requirements set out in the Code.

5.2. The Supplier shall comply with all applicable laws and regulations relating to anti-money laundering, confidentiality and applicable economic and trade sanctions. The Supplier is expected to take all necessary precautions to prevent any participation in activities related to money laundering or tax evasion.

5.3. Corruption and bribery in any form is prohibited, including obtaining or attempting to obtain personal gain or business advantage by improper or illegal means. The Supplier shall not offer gifts, hospitality or other benefits of more than reasonable value or without justification to personnel of the Group. No gifts or hospitality shall be allowed during the tender or other decision-making process.

5.4. Conflicts of interest of any kind shall be avoided. The Supplier is obliged to disclose all potential conflicts of interest to the Group as soon as it becomes aware of them.

5.5. The Supplier shall compete fairly, in compliance with all applicable laws and regulations relating to the restriction of competition.



5.6. All products and services shall comply with the legal requirements and quality and safety criteria set out in the contracts. The Supplier shall manage hygiene and product safety risks throughout the supply chain.

6. Health and safety at work

6.1. The Supplier shall provide employees with a healthy, safe working environment that complies with all laws and regulations applicable to its operations.

6.2. The Supplier shall provide employees with appropriate health and safety information and equipment.

7. Environmental protection

7.1. The Supplier shall comply with environmental regulations and standards applicable to its operations and shall follow environmentally sound practices at all sites of operation.

7.2. The Supplier is encouraged to establish and implement procedures to minimise any adverse environmental impact of its operations and to demonstrate continuous improvement in this area.

7.3. The waste water, air emissions and waste resulting from its operations shall be monitored, controlled and properly treated, including without limitation, the disposal of hazardous waste in accordance with applicable laws and the process manufacturer's instructions.

7.4. It shall take into account the impact of its activities on the climate and take measures to reduce greenhouse gas emissions to the extent reasonably practicable.

8. Monitoring and reporting

8.1. In the event that a violation of this Code is identified in the activities of a business partner or in the supply chain, or there are clear indications that a violation may occur, the Supplier shall undertake to:

8.1.1. Immediately take all necessary measures to remedy or stop the violation as soon as possible and to mitigate the damage caused;

8.1.2. At the request of the Group, implement an appropriate solution to remedy the violation or limit the damage;

8.1.3. Cooperate with the Group to jointly develop and implement an effective plan of action to remedy the violation and mitigate its effects.

8.2. The Supplier shall inform Dobeles dzirnavnieks AS, Spodriibas iela 4, Dobele, LV-3701, Latvia, in due time, of any severe violation that may have negative consequences for the Group, affect mutual cooperation, or damage the reputation of the Group.

8.3. A violation of the requirements of this Code shall entitle the Group to impose a time limit on the Supplier for remedying the violation. If the violation is not remedied within the time limit, the Group shall be entitled to withdraw from or terminate the contract. In the case of particularly serious



violations, no time limit may be set for remedying the violation. In the event of termination or withdrawal, the Group shall not be obliged to indemnify the Supplier for any damages resulting from such action.

8.4. The Group shall be entitled to perform appropriate inspections to assess compliance with this Code, taking the risks involved into account. For this purpose, the Supplier shall, at the request of the Group, provide all necessary information and data and, with prior notice, allow representatives to visit its premises and facilities (production and/or warehouses) on site. The Group may also entrust such inspections to third parties who have undertaken to respect the confidentiality requirements. This process complies with the requirements of the applicable data protection legislation and ensures the protection of the confidential information and business secrets of the business partner. The Supplier shall ensure that its Subcontractors involved in the provision of services also grant the necessary audit rights to the Group upon request.

8.5. Business partners and other interested parties may report possible violations (anonymously and confidentially) through the following service: <https://atsauksmes.dzirnavnieks.lv>. If the person making the report wishes to receive a reply, the contact details shall be provided in the report.

8.6. The Group is committed to protecting the rights and privacy of any person who reports in good faith.

8.7. The Supplier confirms that it has read and agrees to abide by the Code of Conduct of the Group, which is published on the website of Dobeles dzirnavnieks AS: <https://dzirnavnieks.lv/>.