



Supplier Code of Conduct

Conducting business in a sustainable manner, with care for people, animals and the environment, as well as observing legal regulations, ethics, reliability and honesty principles has made Morliny FOODS HOLDING a trustworthy and most frequently selected supplier of high-quality meat and cold cuts. These are the core values setting out standards of conduct which we follow every day and which we also expect from our business partners to meet.

Therefore, we have developed this Code of Conduct for Suppliers (hereinafter referred to as the “Code”) which defines the minimum mandatory standards to which our suppliers must adhere and comply throughout the commercial transactions they have with us.

For the purpose of this Code, a “Supplier” shall mean any natural or legal person with whom a company part of the Group (hereinafter referred to as the “Company”) enters into commercial transactions and from whom the Company purchases goods or services.

We want to implement the mission of running the Code’s standard-focused business together with our Suppliers. Thus, we expect all of us to follow these standards and values in our businesses and require them from our business partners so that the principles of integrity, caring for employees and social responsibility are present throughout the supply chain.

1. Introduction

The Group’s mission is to be a trustworthy selected supplier of high-quality meat and cold cuts, produced in a sustainable manner with care for people, animals and the environment. The common duty of each Company part of the Group is to conduct business in an ethical and reliable manner.

This Code sets out the minimum requirements for all current and future Suppliers. Compliance with the requirements set out under this Code is mandatory for any collaboration and/or partnership concluded with our Companies.

We expect all Suppliers to meet the indicated minimum standards, while aspiring to continuous improvement as part of their business activities specified in this document. These minimum standards are not mere declarations of intent without binding character. Any breach of obligations in accordance with this Code may entail specific legal consequences, such as contractual penalties or special termination rights.

Suppliers are independent entities operating in a variety of legal environments and are required to comply with applicable legal regulations. Nevertheless, the goal of the Group is to unify the standards of conduct for our supply chain, hence our Suppliers are required to ensure that the principles under this Code are acknowledged and compliance is expected from your business partners. References to the “Company” shall



be interpreted as reference to any Company part of the Group that enters and/or negotiates a direct business relationship with the Supplier and references to the “Group” shall be interpreted as reference to all Companies part of the Group.

The principles of this Code aim to reduce the ethical and legal violations likelihood risk. In the event of a discrepancy between the Code and the applicable legal regulations, more rigorous rules, which set a higher standard will prevail. The principles and requirements laid down in this Code shall be applied in conjunction with any and all legal requirements applicable to the Supplier. Any contractual obligations set forth under the contract concluded between a Supplier and a Company part of the Group shall continue to apply without prejudice to the conditions set forth under the Guide, in so far as it shall not infringe the principles mentioned in the Guide.

(I) Business Conduct

a. Business Gifts and Hospitality

Only small, customary, occasional gifts of financial value not exceeding EUR 50,00 are acceptable to be offered by Supplier to employees of the Company. Ordinary business hospitality to cover the cost of lunch or dinner is also acceptable, provided the cost is moderate and does not unduly influence business decision-making.

Any other personal or property gifts, donations and invitations to entertainment events for the benefit of persons employed by the Company/Group or acting on behalf of or for the benefit of the Company/Group may be considered corrupt and all persons must refrain from those.

b. Conflict of Interests

Suppliers must avoid conflicts of interest arising in the business environment due to private interests or other reasons that could influence the business relationship with the Company/Group. When entering into business/partnerships with the Company, Suppliers are guided solely by objective, self-interest or personal ties- free business aspects. All Suppliers, when assessing the ongoing business relationship shall exercise highest diligence to identify any situations that constitutes or may cause a conflict of interest.

In order to maintain objectivity and reliability in mutual relations, Suppliers undertake to disclose any information about any manifestations of a conflict of interest or a possibility of such a conflict, which most often occur in the following situations:

when the persons employed by or persons representing the Supplier and the Company/Group are related or tied in a manner that interferes with the objective and effective performance of duties, or when personal interests could lead to biased business decisions;

when an employee of the Company approves or supports a business relationship with a Supplier's enterprise that is managed by or in which the employee holds participation that entail direct/indirect control or other benefits.



c. Corruption

Corruption is the deed of offering, accepting or requesting financial or personal gains in exchange for abuse of powers, breach of duty or other unlawful or illegitimate exploitation of the function or position held in relation with representatives of the public or private sector. As a Supplier of a Company/the Group it is mandatory to implement and ensure compliance with a "ZERO TOLERANCE" policy towards corruption.

Suppliers, in particular, undertake not to promise, offer or give, either directly or through intermediaries, employees, associates or authorised representatives/proxies of the Supplier to employees, associates of the Group or members of the their families any financial benefits (e.g. money,

vouchers, gift cards, valuable items or tourist / entertainment events) or personal benefits (e.g. personal favours, business or employment offers, training) in order to start or maintain cooperation with the Company and/or the Group or to gain any other business advantage.

The above examples do not exhaust the catalog of situations proving the existence of a conflict of interest and should be understood broadly.

The Supplier undertakes to promptly, fully, and transparently communicate to the Company any material conflicts of interest that may affect the relationship with the Company/Group.

d. Compliance with Competition Rules

Suppliers shall comply with applicable competition and consumer protection legal regulations. Competition protection laws prohibit, among others, the following:

- taking actions that unjustifiably restrict competition,
- unlawfully fixing and controlling prices,
- dividing the market or customers,
- participating in the manipulation of tenders,
- limiting the production or sale of products.

Suppliers operate in accordance with free market competition rules.

e. Confidentiality

Suppliers undertake to protect confidential information, including information which constitutes a trade secret of the Company/Group. This obligation should be understood as the need to prevent the disclosure of information that is not available to the public, but protected as confidential (e.g. regarding technological, production, organisational solutions, business plans and strategies, projects, audit reports or other information, the disclosure of which may have negative consequences from the point of view of breach of trade secrets), or not use unlawfully obtained information. Suppliers authorised to use confidential data take appropriate measures to prevent its disclosure to unauthorised third parties.



They may not be sent, published, appropriated or used for purposes other than the implementation of commercial cooperation with the Company/Group.

Suppliers are aware of the importance of the fact that unauthorised use or disclosure of this type of information may lead to financial, legal or reputational consequences for the Supplier itself, as well as for the persons to whom the information relates, as well as the Group.

Contractual confidentiality obligations set forth under the contract concluded by the Supplier with the Company shall continue to apply.

f. International Sanctions

Suppliers shall comply with any and all requirements and obligations applicable in terms of compliance with the international sanctions regime. For the avoidance of doubt, Suppliers shall not enter into business relationships, irrespective of nature, with governments of non-EU countries, as well as companies, groups, organisations, or individuals subject to international sanctions (restrictive measures) such as: arms embargoes, restrictions on admission (travel bans), asset freezes, other economic measures such as restrictions on imports and exports. To this end, the Suppliers are obliged to comply and monitor legal regulations on an ongoing basis, as well as implement and maintain appropriate procedures and mechanisms ensuring effective compliance with the international sanctions regime.

g. Money Laundering and Terrorism Financing

Suppliers that do not qualify as obliged entities subject to mandatory anti-money laundering and counter terrorism financing regulations (“AML Laws”) shall nevertheless be bound to monitor and mitigate any potential risks of money laundering and terrorism financing and undertake necessary measures in order not to be associated and/or involved in any deeds of money laundering and terrorism financing. For Suppliers that qualify as obliged entities pursuant to AML Laws, full compliance with such obligations is expected. The standard considered for assessing compliance shall be represented by the one applicable to EU Member States.

h. Reporting Irregularities

Suppliers shall implement an effective whistleblowing system for reporting violations in compliance with the requirements of Directive (EU) 2019/1937 on the protection of persons who report breaches of Union law, as well as with the national legislation transposing it. The whistleblowing systems allow for confidential and anonymous reporting of irregularities, management of reports and their recognition by designated persons.

The purpose of those mechanisms should be to understand the cause of the breach and to prevent similar breaches from occurring in the future. The person reporting must not experience retaliation as a result of their report.

(II) Social

a. Human Rights

Suppliers value the dignity of every human being and undertake to treat all employees with respect, fairness, and equality, ensuring that no person is subject to discrimination, exploitation, or mistreatment in any form.

By committing to these principles, Suppliers contribute to a positive and ethical workplace that values diversity, inclusion, and the well-being of all employees.

b. Forced Labour

All existing forms of employment at Suppliers are voluntary work. It is unacceptable to use practices involving, inter alia, forcing to perform work or services as a result of threats, violence, physical coercion, demand to pay off a debt, blackmail, non-payment of remuneration, preventing or obstructing termination of employment, or keeping an identity document, travel document or any document authorising an employee's residence or any other document allowing free movement in the territory of the country.

The use of these practices is a serious abuse that is considered a modern form of slavery.

Suppliers declare and undertake that they comply with the standard resulting from the Convention of the International Labour Organisation regulating the above-mentioned issues.

c. Children Labour

Suppliers do not employ children in their operations. They make every effort to ensure that all employed persons have reached at least the minimum age enabling legal employment in accordance with national laws. In the absence of applicable regulations, the minimum age enabling legal employment is considered at least the school-leaving age. The Group, as a socially responsible organisation, reserves the right to choose to cooperate with entities, which do not employ persons under the age of 15 or under the minimum age for employment as prescribed by local or international laws, whichever is stricter. Employment of people who have reached 15 years of age may only take place if all additional conditions related to the employment of young people are met.

Likewise, the rights of young employees under 18 years of age shall be safeguarded by prohibiting their involvement in activities that, due to their inherent nature or the conditions under which they are performed, could potentially be detrimental to the health, safety, or moral development of children. Specific health and safety regulations must be adhered to by the Supplier. The Supplier shall ensure that the duties assigned to young employees do not interfere with their school attendance.

d. Discrimination, Equal Treatment

Suppliers are not allowed to engage in or support any discriminatory activities. Each Supplier shall establish a work environment within its business operations in which all discrimination against employees is prohibited.



Decisions regarding hiring, compensation, benefits, training, promotion, disciplinary liability, termination of employment, or any other employment-related decisions must be based on objective reasons independent of race, colour, religion, ethnic or national origin, gender, orientation, sexual identity, age, fitness level.

e. Mobbing, Sexual Harassment

Suppliers must exhibit any form of abuse either physical or mental, intimidation, harassment or stalking. Suppliers are responsible for providing training and raising awareness among their staff to prevent such behaviors, fostering a respectful and safe work environment for everyone involved.

f. Employment Remuneration

Employees providing work for Suppliers are aware of working conditions they undertake. Each employed person receives documents presenting terms and conditions of employment, in particular the remuneration, in writing (in the form of their own copy of the contract) and in the native language or at least the language they can communicate in.

All types of employment forms of Suppliers are based on legally binding contracts as per the applicable laws in the territory of the Supplier. If the protection ensured by the laws applicable to the Company differ from the ones applicable to the Supplier, the Company shall assess whether the level of compliance and protection ensured by the applicable laws of the Supplier are adequate in order to meet the standards of the Company.

Suppliers implement appropriate mechanisms in their organizations to verify the legality of employment and are responsible for keeping and storing relevant documents, including confirmation of being authorized to perform the tasks entrusted to them.

Suppliers apply a fair wage policy, which means that employed persons are entitled to equal remuneration for the same work. The remuneration paid for work allows the employees to meet their basic living needs and complies with applicable law.

The Supplier is obliged to regularly and timely pay remuneration in the amount of at least the minimum remuneration specified by generally applicable provisions of law, adapted to the nature of the work performed, while informing the employee in a consolidated and understandable manner about the individual elements that make up the remuneration paid, as well as all applicable deductions.

Every Supplier is obliged to document payment of remuneration.

In line with applicable regulations, every Supplier pays all public and legal levies (including income tax or social security contributions).



g. Working and Over Time

Suppliers shall respect the time of all employees. The length of employment is in line with applicable law and ensures appropriate standards of rest during the day and during the week, including obligatory breaks, holidays, days off and maternity and paternity leaves.

In a week of 7 days, every employed person is guaranteed at least one day off.

Every Supplier keeps records of working time, regardless of the number of people employed, to ensure control of working time and the correct determination of remuneration as well as other benefits are observed. Records of working time should clearly document the number of hours worked, including hours entitling to additional remuneration or time off.

h. Work Safety and Hygiene

We expect that for Suppliers the safety, health and well-being of all employees is of paramount importance. They undertake to provide working conditions that meet the required standards and take into account industry-specific obligations and standards. Suppliers shall comply with all occupational health and safety rules set forth under the applicable laws. Minimum requirements acceptable for the Company in this regard are as follows:

- ensure clean, safe and healthy working conditions;
- provide drinking water, appropriate sanitary facilities, fire-fighting and personal protective equipment;
- implement policies and procedures to ensure that the equipment used is kept in good condition;
- identify and resolve workplace hazards;
- monitor and report workplace accidents;
- mitigate situations that expose employees to health hazards, including contact with hazardous chemical, biological substances and polluted air;
- conduct periodic training of health and safety and safety rules in the workplace.

i. Freedom Of Association

Suppliers shall respect employees' rights to participate in assemblies, join trade unions, association organisations in accordance with relevant legal requirements

The Supplier shall respect the right to collective bargaining or to strike, as conducted within the applicable legal framework.

In jurisdictions where freedom of association and the right to collective bargaining are legally restricted, the Supplier shall provide alternative means for employees to associate freely and independently for the purpose of collective bargaining. The establishment of, affiliation with, or membership in a trade union or other representative employee organizations shall not be grounds for discrimination, unequal treatment, or reprisal.



j. Products Safety And Quality

Suppliers comply with requirements of food safety and quality, as specified in the contractual agreements or the applicable laws. In the event of a risk to food safety caused by a product or service provided to the Company/Group, Suppliers cooperate with the Company/Group at every stage of activities aimed at eliminating the risk, in accordance with applicable legal regulations in this regard.

k. Personal Data Protection

Suppliers respect the principles of personal data protection and privacy. To this end, they respect and monitor legal regulations on an ongoing basis, as well as implement and maintain appropriate mechanisms ensuring effective data protection.

Processing of personal data, in particular obtaining access to personal data, collecting, using and storing, may only take place on the basis of a lawful ground as set forth under data protection laws and within the limits of the law. Compliance with all principles set forth under data protection laws in terms of processing personal data shall be mandatory.

To this end, Suppliers implement appropriate legal, technical and organizational safeguards to ensure the security, protection and integrity of personal data in accordance with applicable regulations.

l. Consumer Protection

Suppliers operate in accordance with consumer protection rules (where such rules apply by reference to the activity of the Supplier).

Consumer's welfare is a strong value for the Company/Group, thus Suppliers undertake to respect consumer rights, as laid out under consumer protection laws applicable to the Supplier and to implement the necessary measures in order to manage any and all claims of consumers.

(III) Environment

a. Animal Welfare

Suppliers, provided that their activities related to breeding, rearing or transporting animals, have a documented policy of ensuring animal welfare, comply with all guidelines and regulations related to ensuring animal welfare and are subject to constant supervision by the food safety competent authorities in the territory where the Company pursues business.

b. Environment Protection

Suppliers comply with the applicable legal regulations on environmental protection and obtain all required environmental permits. They constantly take steps to minimise their negative impact on the environment, including waste and sewage production, water and electricity consumption, greenhouse gas emissions, use of renewable resources.



Suppliers must comply with all applicable international and regional regulations on deforestation, including the EU Deforestation Regulation (EUDR). We encourage suppliers to monitor the origin of key raw materials where feasible and to engage in initiatives that promote sustainable agriculture and forest conservation, in alignment with best industry practices and evolving regulatory requirements.

The Supplier takes on environmental responsibility throughout the entire supply chain, implementing this commitment in relation to both products and their packaging.

Suppliers, insofar as their activities are related to planning, production, processing, storage or distribution of food, undertake to provide products and services that meet the highest standards of food safety and quality and the applicable legal requirements.

For this purpose, they have a documented food safety and quality policy, consciously develop safety and quality of food culture in their company, and at every stage of their operation, ensure compliance with national and international legal standards, obtain appropriate certificates, and implement, supervise and manage quality control processes at every stage of planning, production, processing, storage or distribution of the product, or the implementation of the service.

We expect from each of our Suppliers that:

- deliveries of raw materials and goods will be carried out using technically efficient vehicles and of the highest EU standard and compliant with applicable laws,
- transported goods will be properly secured, preventing their destruction, which could cause waste and the need to dispose of the damaged goods;
- drivers delivering raw materials and goods have knowledge on the proper response to an emergency situation related to the leakage of operating fluids in order to reduce environmental pollution,
- have a regulated formal and legal status in the use of the environment,
- for easy identification, goods, in particular drugs and chemicals, will be delivered in original packaging,
- delivered goods are produced using the best available techniques (BAT) including reduction of the consumption of natural resources,
- they have a plan to reduce greenhouse gas emissions and the amount of generated waste,
- they have implemented measures on the premises and ensure measures to prevent accidents or limiting the effects of environmental accidents,
- monitor their impact on the environment,
- strive to mitigate the negative environmental impact of their operations at every stage of product life,
- encourage their suppliers and subcontractors to raise environmental awareness and minimise their impact on the environment,
- packaging in which goods and raw materials are delivered are recyclable and recoverable,



MORLINY FOODS

- delivered machines and equipment will have a low level of sound power,
- raw materials used in the production of feed will be produced in accordance with the principles of sustainable agricultural production,
- pesticides and fertilizers usage reduction plan implemented in agricultural production,
- define and implement environmental policy, environmental goals and conduct systematic training of employees,
- plan and implement actions aimed at reducing the carbon footprint of their products and activities.

The Company reserves the right to conduct direct or indirect (by third parties acting in the benefit of the Group or other Companies part of the Group) audits of Suppliers. Audits may be announced or unannounced and will be carried out in order to verify compliance with the principles set out in this Code and to mitigate possible cases of noncompliance. For the purposes of conducting an audit, Suppliers are required to disclose information, data and documents relating to aspects established in this Code. Disclosure shall be compliant with competition and data protection limitations. In case such disclosure entails access to sensitive information, the audit shall be performed by an independent third party acting in the name of the Company.

In the event of confirmed irregularities, Suppliers may be required to implement corrective measures within a specified scope and individually agreed time frame. Implementation of such corrective measures are mandatory in order to continue the business relationship with the Company.

In cases where, based on information/notification/sanctioning minutes provided/issued by relevant authorities, rulings issued by courts of law and/or publicly available information such as press articles or media reports, a breach of the Supplier's obligations as detailed under this Code is identified (not limited to results of an audit), namely in cases of events, actions and/or deeds (including by omission) represent an infringement of the principles set out in this Code, such as but not limited to:

- identification of any deeds of corruption, money laundering and/or terrorism financing at the Supplier level, including suspicion of such acts and/or association with corrupt individuals and/or individuals who have committed such acts and offenses)
- breach of any other business standards and ethics principles/obligations as outlined in the Business Conduct Section
- Breach of human rights or failure to comply with obligations and principles (e.g. prohibition of forced labour, fair remuneration, right to strike, etc.) as regulated by the Social Section
- Non-compliance with the environmental standards and/or breach of the obligations and principles as outlined in the Environment Section

the Company reserves the right to terminate the contract concluded with the Supplier, subject to a [10] day notice period, without any further formality or intervention from a court of law.

2. Reporting Violations

Any facts or circumstances that may result in our failure to meet the requirements and expectations set out in this Code must be promptly reported to the Company's employee responsible for Supplier relationship.

Cases of any irregularities or violations of this Code will be reported directly to the e-mail address:

Poland	https://animex.whiblo.pl/	e-mail: prawny@animex.pl	phone: 22 2900033
Romania		e-mail: avertizori@comtim.ro	
Great Britain	https://www.safecall.co.uk/file-a-report		phone: 0800 915 1571
Spain	https://argal.com/formulario-denuncias	e-mail: canaldenuncias@argal.com	
Slovakia	https://www.mecom.sk	e-mail: oznam@mecom.sk	
Hungary	https://kaiser.hu	e-mail: oznam@mecom.sk	

Reports made through these channels are treated confidentially and can be submitted anonymously, although the more information a report contains, the greater the chance of effective investigation and corrective steps being taken. Each report of a breach of the Code made via the helpline is thoroughly and fairly investigated.

The Company/Group ensures that no repressive or retaliatory action will be taken against person reporting, as long as they acted in good faith, with no intention of causing harm, even if the disclosed facts turned out to be untrue or would not lead to any action.

Luis Cerdan

CEO Morliny Foods Group

June 2025