

Martin & Servera's Code of Conduct for suppliers

INTRODUCTION

Martin & Servera Group with subsidiaries Martin & Servera Restauranghandel, Martin & Servera Logistik, Martin & Servera Restaurangbutiker, Galatea, Grönsakshallen Sorunda, Fiskhallen Sorunda and Kötthallen Sorunda (named below as Martin & Servera), is the leading wholesaler and specialist for the catering industry in Sweden.

As a responsible company in the food service sector, Martin & Servera's objective is to combine sound business operations with social and environmental sustainability. Our company's social sustainability commitment is based on the implementation of the United Nations's Guiding Principles on Business and Human Rights framework "Protect, Respect and Remedy". This implicates that Martin & Servera takes responsibility for knowing of the prevailing risks of violating human rights, risk for corruption and other risks of unethical business along our supply chains. The objective is then the identification of the risks and the implementation of adequate activities for their remediation or mitigation.

Martin & Servera's environmental commitment is guiding us and our suppliers to address the environmental impacts of our activities. The objectives are to minimize the risk of negative impacts on the environment and implement remediation activities when negatives effects have been inevitable.

Based on this commitment, we have set up the Martin & Servera Code of Conduct to make our position clear for all stakeholders such as suppliers, and other relevant partners. Martin & Servera's Code of Conduct is harmonized with; Amfori BSCI's (Business Social Compliance Initiative) Code of Conduct; Ethical Trading Initiative's (ETI) Code of Conduct and is based on the United Nations' Universal Declaration of Human Rights, the United Nations' Conventions on the Rights of the Child and on Discrimination Against Women, the International Labour Organisation's Convention on Human Rights and Labour Rights, United Nations' Global Compact, OECD's Guiding Principles for Multi-National Companies, and other relevant internationally acclaimed agreements including international environmental legislation. The contents of this document conform with the BSCI Code of Conduct version 1/2021 (Amfori BSCI Code) with some additions and amendments, whereas additional parts in the sections Environmental Protection and Animal Welfare should be specifically noted.

Companies supplying Martin & Servera with products or services shall comply with the requirements of the Code of Conduct. Martin & Servera also expects all suppliers to ensure that their own suppliers of both goods and services are compliant with our Code of Conduct.

All of Martin & Servera's suppliers, middlemen as well as direct producers, shall obey the Code of Conduct, and are expected to be able to prove that they have done all in their own power to full-fill the requirements, as well as that of their suppliers in turn. Suppliers are obliged to know of where in the supply-chains risks of non-compliances to the Code of Conduct are prevalent and be able to denote how these risks are mitigated and remedied. In regions where great poverty or other challenges in respecting human rights exist, we expect that suppliers and sub-suppliers work for continuous improvement in collaboration with local authorities, non-governmental organizations, Martin & Servera and other buying stakeholders.

In order to achieve best performance and improve efficiency, it is essential for Martin & Servera and our suppliers to establish high levels of transparency with each other, with any third party involved as relevant (e.g. auditors, quality partners).

Within the context of investigation, prevention and remediation of adverse human rights and environmental impacts, suppliers are further expected to regularly investigate and communicate the root causes to negative effects on human rights and the environment.

We need to actively inform each other on any critical incident, as well as the effectiveness of any response to an adverse impact to the values and principles of Martin & Servera's code of conduct. Further are our suppliers expected to through reasonable disclosure to shareholders, stakeholders, and governments regarding their impacts on the supply chain and in the surrounding communities, in line with national legislation requirements where available.

Martin & Servera's objectives are to manage risk assessments and establish procedures for detecting and minimising negative effects on the environment and human rights through-out the entire supply chain. This task may only be possible by establishing a fluid and respectful collaboration between us.

A key to improved working conditions is dialogue between employees and employers, as well as effective management systems. Functioning collective bargaining and internal systems for maintaining good working conditions can never be replaced by controls in the form of social audits. Martin & Servera will therefore, in line with Amfori-BCSI's requirements, work for encouraging dialogues between employees and employers, and follow-up our suppliers on establishing and maintaining internal management systems for the systematic work with environmental responsibility, working environment and working conditions.

Within Martin & Servera we are convinced that we and our suppliers together can contribute to better working conditions and environmental responsibility. We will readily collaborate with our suppliers in this work. In return we expect honesty, openness and commitment from our suppliers and producers.

Each business partner commits to comply to all the requirements below.

LEGAL REQUIREMENTS

1. Legal Requirements

1.1 As a general rule, suppliers to Martin & Servera must comply with all applicable national laws, industry minimum standards, and ILO and United Nations conventions. Should the provisions of national law and the requirement of this Code of Conduct differ, the highest standard shall apply.

CONDITIONS AT THE WORKPLACE

2. Workers Involvement and Protection

2.1 Establish responsible and gender-responsive management practices that involve all workers and its representatives in sound information exchange on the due diligence process.

2.2 Define long-term goals to protect workers in line with the requirements and principles of the Supplier CoC.

2.3. Take specific measures, such as trainings, to make workers aware of their rights and responsibilities, with special attention to vulnerable persons. When relevant, intermediaries such as brokers, recruiters, and recruitment agencies should play an active role in achieving these steps.

2.4. Build sufficient competence among the managers, workers, and worker representatives within its company, as well as in the supply chain, to embed the principles, values and undertakings of Supplier CoC in its company culture and promote continuous education and training at each level of work.

3. No bonded, Force Labour or Human Trafficking

ILO Conventions No. 29 and 105

Forced labour implies that employees are obliged to work under some kind of physical, mental or economical constraint. Companies can also become complicit in forced labour if they gain from the fact that a business partner takes advantage of forced labour. Migrant

workers or employment through middlemen implies greater risks for forced labour and call for special attention.

3.1 Not engage in, or through business partners, be complicit to, any form of servitude, forced, bonded, indentured, trafficked or non-voluntary labour, including state-imposed forced labour. This requirement pertains to all employees, irrespective of employment condition.

3.2 Adhere to international principles of responsible recruitment, including the Employer Pays Principle, and require the same from their recruitment partners, when engaging and recruiting all workers, either directly or indirectly, especially members of vulnerable groups such as temporary and migrant workers. As a minimum, this includes:

- No recruitment fees and costs are charged to workers
- Clear and transparent employment contracts
- Workers' freedom from deception and coercion
- Freedom of movement, the right to leave the workplace at the end of the working day and no retention of identity documents
- Access to free, comprehensive, and accurate information
- Freedom to terminate contract, change employer, and safely return
- Access to free dispute resolution and effective remedies

3.3 Progressively compensate the damages incurred to the workers within a reasonable timeframe, and within the framework of the same international principles, if historical or actual failure of adherence to principles is identified.

4. Freedom of Association and Collective Bargaining

ILO Conventions No. 87, 98, 135 and 154

4.1 Employees shall without exception have the right to form and join trade unions – or to refrain from doing so – and bargain collectively, in a free and democratic way, without distinction whatsoever and irrespective of gender.

4.2 The Suppliers shall ensure meaningful representation of all workers, without distinction whatsoever and irrespective of gender.

4.3 The supplier shall not discriminate against trade union representatives or prevent them from doing trade union work or limiting their access to their members in the workplace.

4.4 If such rights are limited by law, the supplier shall facilitate, and in no way hinder, parallel mechanisms for free and independent association and bargaining. The supplier shall allow workers to freely elect their own representatives with whom the company can enter dialogue about workplace issues, when operating in countries where trade union activity is unlawful or where free and democratic trade union activity is not allowed.

5. Child labour and Young workers*

UN Convention on the Rights of the Child

ILO Conventions No.79, 138, 182

ILO Recommendation No. 146

UNICEF's Children's Rights and Business Principles

*Children above the applicable legal minimum age for work but younger than 18 years

5.1 Protect children from any form of exploitation.

5.2 Children under the age of 15 (14 or 16 in certain countries) shall not be employed directly or indirectly in labour that may be detrimental to their health, obstruct local compulsory education defined by law or restrict their rights to play and free-time, unless the exceptions recognized by the ILO apply.

5.3 Recruitment of labour in contravention of the above conventions is unacceptable. Suppliers shall establish robust procedures for age verification of employees. If child labour already takes place, actions shall be taken immediately. Child labor shall be terminated immediately, and an action plan in line with the recommendations of UNICEF and Save the Child with focus on what is best for the individual child, shall be established. The child in question shall be given the possibility to attend school as long as she or he is covered by compulsory schooling as defined by law. When appropriate, suppliers shall pursue the possibility to provide decent work for adult household members of the affected children's family.

5.4 Ensure that young workers shall not engage in labour that is hazardous to their health, safety, morals or development. This includes night work.

5.5 Young workers have the right to special protection, for instance they may not work during night time or reside in hazardous work places. Their work may not impair possibilities of education, and their right to grievance mechanisms shall be given extra attention.

5.6 Remove young workers from any hazardous work or source of hazard immediately when such cases are identified and redefine their scope of work without any loss of income.

5.7 Ensure that (a) the kind of work is not likely to be harmful to young workers' health or development; and (b) young workers' working hours allow their attendance in school, their participation in vocational orientation approved by the competent authority or their capacity to benefit from training or instruction programs.

5.8 Set the necessary mechanisms to prevent, identify and mitigate harm to young workers, with special attention to the provision and access of young workers to effective operational grievance mechanisms and to Occupational Health and Safety trainings schemes and programs specific to the needs of young workers.

6. No Discrimination, Violence or Harassment

ILO Conventions No. 100, 111, 143, 158, 159, 169, 183

UN Convention on Discrimination Against Women

6.1 The supplier shall not engage in or support discrimination in hiring, remuneration, access to training, promotion, termination or retirement based on: nationality, race, caste, ethnic and national origin, religion, age, disability, gender, marital status, family responsibilities, social background, sexual orientation, political affiliation or opinions, trade union membership or political affiliation or opinions, pregnancy, diseases, or other circumstances that could give rise to discrimination.

6.2 Measures shall be established to protect employees from any form of violence, harassment, and inhumane or degrading treatment in the workplace, as well as threats of violence and abuse, including corporal punishment, verbal, physical, sexual, economic or psychological abuse, mental or physical coercion, or other forms of harassment or intimidation.

6.3 Ensure that workers are not subject to: discrimination or termination of employment on unjustifiable grounds, e.g. marriage, pregnancy, parenthood or HIV status.

6.4 The Supplier should establish responsible and gender-responsive management practices that involve all workers and their representatives in sound information exchange on the due diligence process.

6.5 Establish disciplinary procedures in writing and explain them verbally to workers in terms and language which they understand. The disciplinary measures must be in line with national legislation.

6.6 Verify that workers are not harassed, disciplined, or retaliated upon for reporting issues on any of the grounds listed above.

6.7 All employees with the same experience and qualifications shall receive equal pay for equal work. Wages shall reflect level of education and skills.

7. Personal Integrity

7.1 The gathering and maintaining of information from sub-suppliers, customers and employees shall be done using precautionary procedures in order to prevent unauthorized disclosure or damage. Personal information shall always be managed with respect for personal integrity.

7.2 The working environment shall offer satisfactory personal integrity. The solutions can vary but examples can include lockers for personal belongings and separated hygiene facilities for men and women. In addition to the above, a private area utilizable only for the individual is applicable for dormitories.

8. Occupational Health and Safety

ILO Convention No. 155, 184

ILO Recommendation No. 164

ILO Convention No. 187

- 8.1** Respect the right to healthy working and living conditions of workers and local communities, without prejudice to the specific expectations set out hereunder.
- 8.2** Special protection and a safe working environment shall be in place for vulnerable individuals, such as young or pregnant workers with emphasis on the needs of different gender in terms of health assistance.
- 8.3** The working environment shall comply with national occupational health and safety legislation, or with international standards where national legislation is considered weak or poorly enforced according to generally recognised risk assessments. The working environment shall be safe and conducive to good health taking in account the existing knowledge of the industry and its related hazards.
- 8.4** Take all appropriate measures, and obtain all relevant licenses and documentation required by national legislation, to see to the stability and safety of the equipment and buildings they use, as well as to protect against and prepare for any foreseeable emergency. This includes residential facilities for workers when these are provided or mandated by the employer or a recruitment partner.
- 8.5** The supplier shall have systems in place to assess, identify, prevent, and mitigate potential threats to health and safety of workers. Suppliers need to register and document all accidents and injuries that affect the work force. In the event of an accident or injury, the supplier shall ensure the best possible protection of the employees, including provision of mandatory insurance programs. All employees shall have the right to leave the workplace without asking for permission in the event of immediate danger. The above shall also apply to seasonal workers, workers employed through middlemen, and migrant workers.
- 8.6** A clear set of regulations and procedures must be established and followed regarding occupational health and safety, fire protection and emergency preparedness. A management representative responsible for the health and safety of all employees shall be appointed. Systems to detect, avoid or respond to potential threats to health and safety of all employees shall be established.
- 8.7** The work with occupational health and safety shall be done in collaboration between management and employee representatives, by establishing relevant committees. These committees shall focus on the development and effective implementation of systems that ensure a safe and healthy work environment. These committees aim to represent the diversity of the workers.
- 8.8** All employees shall receive regular and recorded health and safety training. Such training must be repeated for new and reassigned employees and be provided in a way and language that can be understood by all workers.
- 8.9** Employees shall have access to clean sanitary facilities and clean drinking water. The supplier shall also ensure access to free of charge facilities for eating and resting areas. When applicable, provide access to cooking and food storage areas.
- 8.10** Provide space for personal privacy and adequate number of safe, separate toilets with adequate level of privacy for all genders, and paper towels and washbasins with hand soap in all work areas.
- 8.11** Provide and never allow exemptions of using effective and tailored Personal Protective Equipment (PPE) to all workers free of charge, taking the needs of different worker categories, such as pregnant and nursing women, into consideration.
- 8.12** The supplier shall ensure that adequate medical equipment and assistance is available at the workplace and provide equal access to all workers for these services. Health services (including insurance) should serve the distinctive concerns and needs of all genders and ages.

8.13 If the supplier provides accommodation, it shall be clean, safe, adequately ventilated, and have access to clean sanitary facilities and clean drinking water. Fire safety and emergency evacuation plans in dormitories shall be of the same standard as in the working environment as well as adequate number of safe, separate toilets for each sex, and paper towels and washbasins with hand soap in all work areas.

8.14 Compensate the damages incurred to the workers on the occasion that historical or actual failure of adherence to principles is identified.

9. Fair Remuneration

ILO Convention No. 26, 95, 131

9.1 Workers shall have the right to receive fair remuneration that is sufficient to provide them with a decent standard of living for themselves and their families and should always be enough to meet basic needs and to provide some discretionary income.

Level of wages shall, as minimum, comply with wages mandated by governments' minimum wage legislation, or industry standards approved based on collective bargaining, whichever is higher.

9.2 Supplier shall assess the pay gap accurately and work progressively towards the payment of a living wage that is sufficient to afford a decent standard of living for the workers and their families.

9.3 The level of wages shall reflect the skills, responsibility, seniority, and education of workers and shall apply to regular working hours.

9.4 Wages should be paid in a regular, timely and stable manner, and fully in legal tender. Partial payment in the form of allowance "in kind" is only accepted in line with ILO specifications.

9.5 Where a pay rate for production, quota or piece work, is established, allow workers to earn at least a wage which respectively meets or exceeds applicable legal minimum wages, industry standards, or collective bargaining agreements (where applicable) within standard working hours.

9.6 Ensure that workers of all genders and categories, such as migrant and local workers, receive the same remuneration for equal jobs and qualification.

9.7 Implement deductions only under the conditions and to the extent allowed by law or fixed by collective agreement and not use deductions as a disciplinary procedure.

9.8 Provide the workers with the social benefits that are legally granted, such as without negative impact on their pay, level of seniority, position, or promotion prospects.

10. Working Hours

ILO Convention No. 1 and 14

ILO Recommendation No. 116

10.1 Suppliers shall ensure that workers are not required to work more than 48 regular hours per week. Applicable national laws, industry benchmark standards or collective agreements are to be interpreted within the international framework set out by the ILO.

10.2 Suppliers shall promote working hour practices that enable a healthy work-life balance for the workers.

10.3 Exceptions to the above limit of working hours per week are only allowed if these are in line with the exceptions specified by the ILO. In cases of exceptional pressure of work, the maximum of additional hours in each instance shall be fixed only after consultation with the organizations of employers and workers concerned.

10.4 Use overtime as an exceptional and voluntary practice, paid at a premium rate of minimum 125% of the standard rate. Overtime shall not represent a significantly higher likelihood of occupational hazards, and in no circumstance go the limits defined under national legislation.

10.5 Employers shall grant their workers the right to resting breaks in every working day and the right to at least one day off in every seven days, unless exceptions defined by collective agreements apply. National public holidays shall be in accordance with national legislation or collective agreements.

11. Regular Employment

ILO Convention No. C175

11.1 Obligations to employers in accordance with international conventions and/or national legislation and regulations concerning regular employment shall not be avoided by using short-term contracts (such as contract labour, casual labour or day labour), sub-contractors or other labour relationships.

11.2 Ensure that recruitment processes and employment relationships do not cause insecurity and social or economic vulnerability for the workers.

11.3 All employees are entitled to their own copy of the employment contract, which must be written in a language they understand. The employment contract shall, at a minimum, state the following: working hours, compensation for overtime, notice of termination period, monthly wages, and method for calculation, and time for payment, of wages.

11.4 The duration and content of apprenticeship programs shall be clearly defined.

11.5 Before entering employment, provide workers with understandable information in their own language and ensure that they are aware about their rights, responsibilities, and employment conditions, including working hours, remuneration and terms of payment in their own language.

11.6 The employer must provide decent and where relevant, flexible working conditions that also support workers, irrespective of gender, in their roles as parents or caregivers, including migrant and seasonal workers whose children may be left in their hometowns.

11.7 The employer shall provide; **a)** apprenticeship or training schemes where there is an intention to impart skills or provide regular employment, **(b)** seasonality or contingency work without using it to undermine workers' protection.

11.8 The employer shall not use **a)** labour-only contracting, **(b)** contract substitution or use subcontracting in a way that undermines the rights of workers.

CONDITIONS OUTSIDE THE WORKPLACE

ILO Convention No. C169

12. Use of Resources and Impact on the Local Community

12.1 Respect the right to healthy working and living conditions of local communities. The supplier shall assess its significant impacts on the environment and local community and take necessary actions to minimize its negative effects on natural resources, the local community, and the environment.

12.2 No form of environmental criminal activity or ruthless exploitation of resources shall take place in the local environment.

12.3 The local environment at the production site shall not be excessively exploited or degraded by pollution. Hazardous chemicals and other harmful substances shall be carefully managed.

12.4 In cases of conflict with the local community concerning the use of land or other natural resources, the Supplier, through negotiation, shall ensure that respect is shown to the greatest extent possible for individual and collective rights to land and other resources based on customs and traditions, including in cases where such rights have not been formally registered. In processes where there is a risk of compromising the rights of indigenous people, the Supplier is expected to observe the principle of the right to free, prior, and informed consent (FPIC) in accordance with the UN's Declaration on the Rights of Indigenous Peoples.

12.5 Production and the extraction of raw materials for manufacturing shall not contribute to the destruction of the resource and income base for marginalized population groups, for example by laying claim to large land areas or other natural resources upon which such population groups depend.

13. Protection of the environment

13.1 . Set climate targets as well as support the Paris Agreement and the EU regulation within "Fit for 55".

13.2 Implement a process- and risk-based environmental due diligence management system in their business practices, adjusted to the business model of the company. This can also be integrated into the overall due diligence management system.

13.3 Comply with national environmental legislation, or with international standards where national legislation is weak or poorly enforced. Ensure that production and transport shall not conflict with national legislation or international provisions as for example the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).

13.4 Necessary emission and discharge permits shall be obtained where required. Procedures and standards for waste management; for handling and disposal of chemicals and other dangerous materials; and for emissions and effluent treatment shall be established and must meet or exceed minimum legal requirements.

13.5 Identify the environmental impacts of their operations, and implement adequate measures to prevent, mitigate and remediate adverse impacts on the surrounding communities, natural resources, climate, and the overall environment. Negative environmental impacts are for example climate change; loss of biodiversity; deterioration of ecosystems on land; deforestation; pollution of air, soil, and water; improper management of waste.

13.6 Environmental aspects shall be taken into consideration throughout the production and distribution chain, from the production of raw materials to the sale of end-user products and shall not be limited to the supplier's own operations and sub-suppliers. As far as possible, local, regional, and global environmental issues shall be taken into account.

13.7 No form of illegal environmental activity or ruthless exploitation of natural resources shall take place in the Supplier's business.

13.8 Routines shall be established to minimize or eliminate emission of greenhouse gases as well as contamination and waste in production and transport. Local, regional, and global environmental issues shall be considered.

13.9 Use of chemicals, insecticides/pesticides, and other material that constitutes a hazard to humans or the environment shall be identified, evaluated, labelled, and handled with care to ensure safe handling, relocation, storage, use, recycling, or reuse and removal. The use of such material shall be kept to a minimum.

13.10 Promote efficient and sustainable use of resources, including use of energy and water, and safeguard biodiversity and environmentally protected areas. Local, regional, and global environmental issues shall be considered.

14. Animal Welfare

14.1 Animal welfare shall be accommodated throughout the supply chain in the manufacturing of products of animal origin. The animals shall be treated with respect and be handled at least in accordance with the current national animal welfare legislation.

14.2 The animals shall be healthy and be provided good care and a proper animal housing environment. Medical treatment shall be provided in case of illness, and with a restrictive and wise use of antibiotics.

14.3 The Five Freedoms of Animal Welfare, as adopted by the Farm Animal Welfare Council, are essential, and as minimum animals shall be entitled

- Freedom from hunger or thirst
- Freedom from discomfort
- Freedom from pain, injury or disease
- Freedom to express normal behavior
- Freedom from fear and distress

14.4 All animals shall be stunned before slaughter.

14.5 Require that surgical procedures shall be performed with proper anesthesia and pain relief.

ETHICAL BUSINESS PRACTISE**15. Ethical requirements**

15.1 The supplier shall establish and follow an anti-bribery/anti-corruption policy in all of their business activities. Develop and adopt adequate internal controls, programs, or measures to prevent and detect corruption, extortion, embezzlement or any form of bribery, developed on the basis of a company-specific risk assessment.

15.2 Provide awareness to the workers about the policies, controls, programs, and measures against unethical behavior, and promote compliance within the company through training and communication.

15.3 Employees (including managers) shall not directly or indirectly offer, promise, demand, require or accept illegal or unlawful monetary gifts or other forms of compensation in order to gain commercial advantages or benefits except from gifts or benefits of insignificant values. This also includes invitations, travels or participation in events with suppliers or business connections without approval of line manager.

15.4 The supplier shall conduct business according to the highest applicable ethical standards, apply good business practices and ensure that its' business relationships are characterized by independence and integrity. The supplier shall demonstrate transparency and always be able to uncover the supply chain as far as possible. Misleading or false information is not accepted.

15.5 Intellectual property rights shall be respected. Transfer of technology and know-how shall take place in a way that protects intellectual property rights. Customer and supplier information shall be protected.

15.6 Collect, use, and otherwise process personal information (including that from workers, business partners, customers, and consumers in their sphere of influence) with reasonable care. The collection, use and other processing of personal information must comply with all applicable privacy and information security laws and regulatory requirements.

15.7 The Supplier shall not engage in, assist, or facilitate any form of money laundering or other economic crimes. All reasonable steps shall be taken to ensure that financial transactions in which they are involved are not used to launder proceeds of illegal activity.

15.8 If applicable, business partners that manufacture or distribute components, parts, or products containing so called conflict minerals (tin, tantalum, tungsten, gold and/or other minerals which can be regarded as conflict minerals) shall develop a conflict mineral policy, outlining its commitment to responsible sourcing and legal compliance.

15.9 Comply with applicable economic sanctions and export/import control laws authorized by international bodies like United Nations and EU and take all reasonable steps to ensure that business is not conducted in or with a sanctioned country, territory, group, organisation or individual. If any person or entity within the supply chain or wider business operations of the business partner is or may be subject to economic sanctions, Martin & Servera shall immediately be notified to discuss the appropriate action. Any government authorisation required to engage in activities involving restricted items shall be obtained and complied with.

16. Corruption and bribes

The UN Convention against Corruption

16.1 Martin & Servera has zero tolerance for corruption and bribery in any form. Corruption includes bribery, facilitation payments and trading in influence, and the prohibition applies regardless of whether such activity take place directly or through third parties.

16.2 The Supplier shall comply with all applicable anti-corruption laws and regulations and take active steps to ensure that corruption does not occur in relation to the business activities. The Supplier shall establish and follow an anti-bribery/anti-corruption policy in all business activities.

16.3 The Supplier and its management and employees shall not directly or indirectly be involved in any form of corruption and shall not directly or indirectly offer, promise, demand, require or accept improper advantages for example by giving or receiving bribes in the form of monetary gifts or other types of benefits. This also includes invitations, travel, or participation in events with suppliers or business connections without approval of the line manager. Martin & Servera also recognizes that the definition of corruption covers improper advantages regardless of whether any commercial gain is returned in that regard.

17. Management Systems and Cascade Effect

17.1 The Supplier should adopt and publicly communicate a written human rights policy statement, in line with the complexity and size of operations, approved at the most senior level.

17.2 The Supplier should actively communicate their endorsement of the Martin & Serveras' Code of Conduct through all the functions in their company, as well as to their business partners and relevant stakeholders.

17.3 Top management shall define and implement a process- and risk-based due diligence management system in their business practices in line with the UN Guiding Principles and adjusted to the business model of the company. The expectations set in this Code of Conduct should be embedded in the system.

17.4 Management is responsible for the correct implementation and continuous improvement by taking corrective measures and periodical review of this Code of Conduct as well as the communication of the requirements of the Code of Conduct to all employees.

17.5 The supplier shall investigate, address and respond to concerns of employees with regards to compliance of the supplier's policy and/or the requirements of this Code of Conduct.

17.6 The supplier should require and follow-up with its business partners to work towards full compliance of this CoC within the sphere of its influence.

17.7 The Supplier commit to the protection and empowerment of vulnerable individuals, and members of vulnerable groups and communities such as home-based workers, smallholders as well as temporary and migrant workers, to the best of their influence. The Supplier understand that vulnerability can depend on the context, and certain individuals, groups, and communities may be vulnerable in more than one aspect.

17.8 The supplier shall establish or participate in effective operational-level grievance mechanisms for individuals and communities who may be adversely impacted and maintain accurate records. The operational-level grievance mechanism must be in line with UNGP Article 31. Where relevant (e.g., when a migrant worker population is present), the operational-level grievance mechanism should be accessible in relevant local languages and should allow to address and remedy the issues effectively across jurisdictions through partnerships and coordination. These grievance mechanisms shall not supersede pertaining legal systems but shall constitute means of resolving conflicts at the workplace before they escalate.

17.9 The supplier shall refrain from disciplining, dismissing, or discriminating against any employee for providing information concerning adherence of this Code of Conduct.

17.10 The supplier should exercise responsible and gender-responsive purchasing practices and avoid putting their business partners in a position that prevents them from adhering to this Code of Conduct.

COMPLIANCE**18. Trust and Cooperation**

18.1 Martin & Servera expect all suppliers to respect the Code of Conduct and the requirements of BSCI and to do all in their power to achieve our standard.

18.2 The supplier shall map out the supply chain and manage an assessment of where risks of violating any of the above-mentioned fundamental principles may occur and take relevant actions for remediation. This assessment shall be continuously updated.

18.3 We do understand that some non-compliances take time to correct, since the underlying causes may prevail as parts of the local community. We believe in cooperation and are willing to collaborate with our suppliers, authorities, trade unions and industry organization to find realistic solutions in every individual case.

19. Monitoring (inspections)

19.1 The supplier shall ensure compliance with our Code of conduct. For this the supplier acknowledges that Martin & Servera may choose to include them in monitoring activities. It agrees to be monitored on-site and off-site, announced, or unannounced, by Martin & Servera, amfori BSCI, Non-Governmental Organizations or auditing companies for this purpose. The supplier acknowledges that monitoring may include inspections, self-assessment questionnaires and/or risk assessments. The business partner agrees to cooperate and provide transparency by filling out requested information and sharing documentation which can prove their compliance with the Supplier CoC. As part of a monitoring activity and if required, the business partner could for example be asked to:

- a.** give full access to the facilities as requested by the auditor/s conducting the activity, including parts that may not have been initially indicated in the activity scope,
- b.** give access to personal data on its workers, and let the auditor gather relevant data for reporting purposes as long as in line with the national legislation and EU GDPR,
- c.** allow the auditor to gather necessary document evidence relevant to the activity, including but not limited to business documents, licenses, certifications, and pictures,
- d.** allow the auditor to conduct on-site and off-site interviews with workers in full confidentiality, without any influence or retaliation from the management.

20. Lack of Compliance

20.1 We do not accept the following from our suppliers:

- Presenting false information verbally or in writing
- Offering or accepting bribes or being guilty of other forms of corruption
- Not correcting non-compliances within the agreed time frame without a reasonable explanation
- In other ways showing that they do not share our view of sustainable business, and thereby not respecting Martin & Servera's Code of Conduct.

The above cases are all sufficient reasons for terminating the business relationship with our suppliers.

SIGNING OF MANAGING DIRECTOR (CEO)/AUTHORIZED SIGNATORY

I have read and accepted Martin & Servera's Code of Conduct:

Company _____

Date _____

Signature _____

Name _____

Title _____

Telephone _____

@ mail _____

City/Country _____