

RESPONSIBLE BUSINESS CONDUCT AGREEMENT AND CODE OF CONDUCT FOR COOPERATION PARTNERS

04.03.2025

Lunden Food OÜ is a food production company established in 2006 and is part of OY Lunden AB, a Finnish family-owned group with over 80 years of history. Our production facility is located in Loo, Jõelähtme Parish, Estonia, and employs approximately 400 people. The mission of Lunden Food is to provide consumers with enjoyment and taste experiences through food made from high-quality raw materials.

Sustainable and responsible business management has always been an integral part of our operations. In 2020, we participated for the first time in the international sustainability and corporate social responsibility assessment program EcoVadis. Since then, we have evaluated and improved our practices each year in the areas of human rights, ethics, environment, and corporate governance.

Our social and environmental responsibility is based on a purposeful and consistent contribution to societal well-being, guided by the Paris Climate Agreement, the UN Sustainable Development Goals, and the European Green Deal. In our business activities, we consider economic, social, and environmental impacts. To support this, we have developed an ESG strategy, identified key areas of impact, defined stakeholder expectations, and set clear goals and risk assessments.

The purpose of this Code of Conduct is to introduce our values to cooperation partners and to promote responsible and sustainable business practices. It also supports our partners in making responsible decisions and choices. We expect all our partners to act sustainably and to follow the guidelines set out for them.

1. Obligations of Cooperation Partners

This Code requires that our cooperation partner is obligated to respect and uphold all internationally recognized human rights throughout their operations and supply chains. This includes adherence to the principles of the Convention on the Rights of the Child, avoidance of discrimination and unequal treatment, payment of fair wages, provision of reasonable working hours, and minimizing negative impacts on the environment and human health.

a. Human Rights

Cooperation partners must respect, protect, and promote all internationally recognized human rights standards and principles (such as the *UN Universal Declaration of Human Rights*, the *International Labour Organization (ILO) Core Conventions on Fundamental Principles and Rights at Work*, the *UN Sustainable Development Goals (SDGs)*, etc.), and comply with all laws and regulations related to human rights.

- i. Forced Labour – Cooperation partners must not use any form of forced, prison, or compulsory labour as defined in ILO conventions.

- ii. Child Labour – The minimum age for employment must not be below 15 years. For workers over 15, legal working conditions must be observed in accordance with national legislation and internationally recognized principles (ILO Conventions, the UN Convention on the Rights of the Child, etc.). The only exceptions that may be considered are those recognized by the International Labour Organization (ILO), and even then, partners must act with extreme caution and due diligence. Partners must maintain documentation proving compliance with this requirement.
- iii. Responsible Recruitment – All cooperation partners must adhere to international principles of responsible recruitment (e.g., the Employer Pays Principle (EPP), ILO conventions) and require the same from their own partners. Workers must have a written and understandable employment contract clearly stating the terms of employment and method of wage payment.
- iv. Working Conditions – The working environment provided by cooperation partners must be safe and hygienic, taking into account industry-specific conditions. Measures must be taken to minimize potential hazards where necessary. Workers must have access to appropriate protective equipment and receive adequate training on the proper use of tools and machinery. Trainings must be conducted regularly and properly documented.
- v. Equal Treatment and Non-Discrimination – Cooperation partners must ensure that their workplaces are free from all forms of discrimination based on nationality, race, color, gender, language, origin, religion, marital status, disability, sexual orientation, age, political or other beliefs, financial or social status, or any other grounds.
All recruitment, training, promotion, and career advancement decisions must be based on merit and skills. Harassment, bullying, mocking, sexual harassment, threats, or insults by the partner towards their employees are strictly prohibited.

b. Climate and Environment

The cooperation partner must assess the environmental impacts and risks of their business activities. Resources must be used efficiently, in accordance with circular economy principles and with respect for biodiversity preservation. A key priority is to reduce pollution of air, soil, and water. If potentially toxic substances are used, the cooperation partner must be aware of and comply with all relevant chemical regulations. The use of renewable raw materials, materials, and energy sources is encouraged. Furthermore, we expect the cooperation partner to adopt modern, efficient, and environmentally friendly technologies in the development of their business.

- i. Greenhouse Gas Emissions – The cooperation partner is expected to minimize greenhouse gas (GHG) emissions, particularly in production and transportation sectors. It is recommended to measure GHG emissions, at least in Scopes 1 and 2, and to set GHG reduction targets. Upon request, the cooperation partner must be prepared to provide, at least once per year, data related to services purchased that is required for calculating the carbon footprint.
- ii. Waste Management and Circular Economy – Cooperation partners must optimize the use of materials, prefer recyclable and renewable materials, and reduce production waste. The priorities should be waste prevention, reuse, and recycling before disposal. All hazardous waste must be handled in compliance with applicable environmental and safety regulations. Cooperation partners must comply with local and international environmental legislation, including EU waste directives and related circular economy principles.

c. Business Ethics

- i. Bribery and Corruption – Cooperation partners must not engage in any form of corruption, bribery, extortion, or other unethical practices. We expect high ethical standards and good business practices from all our partners. Offering or accepting unjustified benefits or favors is strictly prohibited. All gifts and hospitality must be transparent and infrequent in nature.
- ii. Competition and Fair Business Practices – Our cooperation partners must compete fairly and transparently, refraining from using unethical or anti-competitive practices.
- iii. Data Protection and Cybersecurity – Cooperation partners must ensure that the processing of personal data and sensitive business information complies with applicable data protection laws, including the GDPR and other local regulations. Partners are obliged to maintain the confidentiality of all sensitive information related to Lunden Food OÜ and ensure it does not fall into the hands of unauthorized persons. Additionally, cooperation partners must implement measures to prevent data breaches, misuse, or unauthorized disclosure.

2. Ensuring Sustainable Cooperation

Lunden Food OÜ encourages cooperation partners to actively engage with various stakeholders to enhance the positive impact of business activities in the areas of environmental and social responsibility. We expect all cooperation partners to be able to provide evidence of compliance with the established principles upon request.

All parties are responsible for preventing and detecting potential misconduct, as the actions of our partners directly reflect Lunden Food's corporate culture. By operating sustainably, we are reliable partners to each other.

The cooperation partner is equally responsible for the activities of its subcontractors as for its own operations. Therefore, we expect cooperation partners to develop a similar code of conduct for their subcontractors and partners, ensuring they also comply with the requirements set forth in this code.

If the cooperation partner suspects any violations related to social or environmental responsibility, data breaches, or cybersecurity, they must investigate and remedy the situation promptly, immediately notify Lunden, and submit an action plan or measures to resolve the issue.

Cooperation partners are expected to respond at least once a year to a questionnaire issued by Lunden, addressing social, business ethics, and environmental aspects.

The original version of this document is written in Estonian. In case of any discrepancies or ambiguities in translations, the Estonian version shall prevail.