

# SUPPLIER CODE OF CONDUCT

## Introduction

At A&D, we believe that, together with our partners and clients, we can drive the industry forward and transition to a more sustainable cocoa sector. To do that, we rely on a large network of suppliers with whom we have longstanding trade relationships.

Our Supplier Code of Conduct (in the following referred to as the “Code”) outlines our expectations towards our suppliers. The Code provides responsible sourcing guidelines, including our commitments to human rights, environmental protection, employee health and safety, business ethics, and the development of a sustainable supply chain.

The Code is based on international standards such as the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights (United Nations Human Rights Office of the High Commissioner, 2011), the ILO Declaration and Fundamental Principles and Rights at Work and its Follow-up (International Labour Organization, 2022), and the United Nations Declaration on the Rights of Indigenous Peoples (United Nations, 2007).

This Code defines the minimum standards our suppliers must comply with. By signing it, our suppliers acknowledge and guarantee that they and their suppliers in turn comply with the Code’s standards for all business relationships with Albrecht & Dill Trading GmbH.

### 1. Compliance with laws and regulations

- 1.1. All applicable domestic and international laws including regulations, industry standards, and all other relevant statutory requirements must be complied with.
- 1.2. The supplier must comply with national regulations of land use. The supplier assures that the farmers are legally permitted to cultivate and sell their products in accordance with national laws.
- 1.3. The supplier acknowledges and respects the rights of all valid tenure holders and their entitlements. They are required to undertake reasonable actions to identify, document, and honor these legitimate tenure holders and their rights, regardless of formal registration. Furthermore, the supplier commits to abstain from encroaching upon the tenure rights of others and to fulfill the responsibilities associated with such tenure rights.
- 1.4. The supplier assures that the products under this contract do not affect the rights and legitimate interests of any third parties.

### 2. Business integrity

- 2.1. Any form of bribery or corruption, whether direct or indirect, is strictly prohibited. All applicable anti-bribery laws and regulations in the countries where they operate must be complied with by the supplier.
- 2.2. Information that has been shared by Albrecht & Dill Trading has to be safeguarded and maintained confidential.
- 2.3. Conflicts of interest must be avoided and may not influence business relationships. Suppliers shall inform Albrecht & Dill Trading in case of any potential conflict of interest arising.

### 3. Labor rights

- 3.1. Suppliers must comply with all applicable labor laws, regulations, and standards in their countries of operation.

- 3.2. Suppliers are expected to provide all workers, both permanent and temporary, with a written contract. The contract must outline the nature of work, compensation, working hours and any other pertinent details.
- 3.3. Suppliers are expected to provide wages and benefits that meet or exceed the legal minimum and industry standards. This includes overtime pay where applicable. Payments cannot be withheld as a punitive action unless this is authorized by local laws or pre-agreed on by both the supplier and employee.
- 3.4. Forced or compulsory labor is prohibited in any form. Workers should have the freedom to leave their employment after reasonable notice.
- 3.5. Suppliers must adhere to applicable laws and regulations prohibiting discrimination in hiring and employment based on gender, age, religion, political views, health conditions, national or social background, sexual orientation, ethnicity, race, or any other basis.
- 3.6. The supplier respects the right of workers to associate freely, organize, and bargain collectively under local laws.
- 3.7. Employees must be free from any form of harassment, whether verbal, physical or sexual abuse, inhumane behavior, or any form of intimidation.
- 3.8. All suppliers must adhere to and comply with established occupational health and safety standards. This includes but is not limited to, ensuring a safe and healthy work environment, implementing appropriate safety measures, providing necessary training for employees, and actively engaging in practices that prevent accidents and injuries

#### **4. Environment**

- 4.1. Suppliers shall ensure full compliance with established laws governing environmental protection, forest management, biodiversity conservation and greenhouse gas emission reduction laws and regulations.
- 4.2. Suppliers should strictly prohibit sourcing from protected and/or conservation areas.
- 4.3. Suppliers should implement measures to identify, prevent, and minimize negative environmental impacts. Additionally, they should actively promote awareness of zero deforestation and clearly communicate this commitment to their own suppliers.
- 4.4. Our suppliers are required to assess their impact and implement necessary measures to minimize harm to water bodies, forests, and the land in their operational areas to the greatest extent possible.
- 4.5. Suppliers should limit the use of hazardous materials and products, including pesticides, opting for safer alternatives whenever feasible. When the use of such substances is necessary, suppliers must take every precaution to ensure the protection of human health and the environment throughout their use, storage, and disposal.
- 4.6. The supplier's operations and supply chain must not play a direct role in deforestation or the conversion of natural ecosystems. We encourage the supplier to establish and implement a risk management system, fostering continuous improvement in this sector.
- 4.7. Suppliers should minimize the disposal of solid waste, wastewater, and other emissions to prevent the pollution of air, water, and soil.

#### **5. Human rights**

- 5.1. The supplier commits to respect and promote the inherent rights of indigenous peoples which derive from their political, economic, and social structures.
- 5.2. Before any activity that may affect indigenous peoples and local communities' rights, land, resources, territories, livelihoods, and food security, suppliers will conduct free, prior, and informed consent (FPIC) processes where required
- 5.3. We strongly oppose child labor in our supply chains. In accordance with ILO standards, the

United Nations Convention, and applicable national or local laws, children below the legal minimum working age must not be hired. We remain vigilant in the prevention and elimination of any form of child labor in our supply chains and trust, encourage, and preach industry-wide combative efforts in this respect. Our suppliers are expected to follow suit.

## 6. Communication

- 6.1. Our suppliers are expected to communicate the content of this Code to their employees, suppliers, agents, and other stakeholders who are directly and indirectly involved in supplying cocoa beans and other products to A&D Trading.
- 6.2. Suppliers are also expected to provide information and demonstrate compliance with this Code upon request.
- 6.3. Suppliers are required to report immediately to A&D Trading if they have any valid reason to believe that their employees, staff, partners, service providers, suppliers and/or subcontractors are committing illegal acts and/or violating the terms of this Code or if they are aware of a violation of any of these principles. Please report such acts to the following contact details:

Albrecht and Dill Trading GmbH

Ballindamm 37

20095 Hamburg

Phone +49 40 555 0 222 0

Email [sustainability@albrecht-dill.de](mailto:sustainability@albrecht-dill.de)

## 7. Monitoring

- 7.1. Suppliers need to monitor and report on the progress that is being made to uphold the requirements in this Code upon request from A&D Trading.
- 7.2. Suppliers agree to the storage of relevant information related to this Code and mandated by the regulation.
- 7.3. A&D Trading has the right to organize an assessment or inspection to verify compliance with the Code.
- 7.4. Failure to adhere to the Code may result in termination of the business relationship with the supplier.
- 7.5. Suppliers should establish and implement due diligence procedures to monitor, assess, and address risks related to environmental, social, and legal issues as outlined in this code of conduct. These procedures should aim to prevent or mitigate potential risks effectively

## 8. Updates

- 8.1. A&D Trading will be reviewing and updating the Code regularly. In case of changes, our suppliers will be informed.
- 8.2. An updated version of the Code can always be found online at <https://albrecht-dill.de>

## SUPPLIER DECLARATION

Please complete the fields below and return to your Albrecht & Dill representative or the sustainability department.

By signing below, the supplier confirms to have read and understood:

- the provisions of this Code
- the principles set out in the Code and in this Declaration.

I confirm the compliance of my company, or any subsidiary, with the principles laid out in the Albrecht & Dill **Supplier Code of Conduct**.

**Supplier Name:**

**Address:**

**Country:**

**Name of authorized representative:**

**Title:**

**Signature:**

**Date:**