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# Code of Conduct

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## 1. Aim / purpose

Our Code of Conduct is intended as a guideline for the Hans Freitag Group and therefore applies equally to all of us.

The Code of Conduct is aimed at all our employees and our business partners. On the one hand, it represents the expectations we place on ourselves to live up to the values and principles and, at the same time, signals responsible behavior towards our business partners, customers and employees to the outside world.

## 2. Realisation

### 2.1 General behavioral requirements

#### 2.1.1 Management commitment

The Hans Freitag Group is committed to acting in an economically, socially and environmentally responsible manner. The company endeavors to conduct its business competently and on an ethical and moral basis and to compete fairly in all markets in which it operates. This includes compliance with applicable laws and the acceptance of anti-trust prohibitions and restrictions on competition. We do not want to gain any unauthorized advantages over customers, suppliers or competitors.

Compliance with laws, regulations and internal rules is an important part of our shared responsibility. We are all required to create a working environment in which each individual and everyone together can prosper and that is characterized by lawful behavior. This applies to all employees. We expect that not only the guidelines in this Code of Conduct are observed, but of course also local legal requirements. Every employee is aware of their personal responsibility to comply with the specified standards and is required to fulfil this obligation without exception. In cases of doubt, there is always the option of contacting management and asking for advice.

The management and executives of the Hans Freitag Group agree to make the necessary efforts together with their employees to fulfil the principles and values described in this Code of Conduct.

All employees are obliged to comply with the regulations of the Code of Conduct and to proactively participate in its improvement.

#### 2.1.2 Compliance with applicable law

We are committed to laws, regulations and rules comply with them without exception. Managers in particular bear a high level of responsibility in fulfilling the Code of Conduct. The business practices of our business partners and their suppliers must also comply with the applicable laws. This applies in particular to the import, export and domestic trade in goods, technologies or services, but also to payment and capital transactions. Violations of economic embargoes and trade, import and export control regulations by our business partners must also be ruled out, as must the financing of terrorism.

#### 2.1.3 Prohibition of discrimination

Any form of discrimination is prohibited as a matter of principle. Regardless of whether this relates to nationality, ethnicity, age and gender, sexual orientation, marital status, pregnancy or disability, or religion or ideology.



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Our decisions are based solely on legitimate and understandable reasons, but never on discrimination against people based on their race, skin colour, social background, sexual orientation, disability, ideology, religion, age or gender.

Our employees are selected, hired and promoted solely on the basis of their qualifications and skills.

In our company, we do not tolerate employees being bullied, harassed, physically attacked or threatened in any way, belittled, insulted or treated in a derogatory manner.

Inappropriate behavior, such as physical and verbal advances and sexual harassment, are offences and will be punished accordingly. In such cases, we are advised to seek confide in our management team. Especially if there is uncertainty about when behavior is considered inappropriate and harassment.

### **2.1.4 Protection against child or forced labor**

We do not tolerate any form of child labor and stand for fair working conditions and compliance with the applicable labor laws worldwide.

School-age children (under the age of 16) may not be employed, even if the legal requirements of the respective country of our supplier would allow so.

Within our value chain, we demand immediate correction and compliance from suppliers in the event of violations and consistently terminate the supply relationship in the event of continued non-compliance. We have not only committed ourselves to this with our own values, but we also strictly adhere to human rights.

### **2.1.5 Team spirit, constructive cooperation**

We constantly question existing processes and develop new ideas for the benefit of our customers. Additionally, we encourage constructive teamwork among our employees. Their interests and requirements are relevant for our work and further development. We are successful in our collaboration thanks to the diversity of our employees and their commitment to the business areas.

### **2.1.6 Standards of collaboration**

We expect all our employees to act in accordance with the highest professional standards and our company guidelines at all times. If employees violate existing guidelines, rules or regulations in the course of their work or by behavior, they will be subject to disciplinary action.

### **2.1.7 Open communication with employees**

I don't hide anything! - We deal openly with mistakes. If our employees report actual or suspected misconduct in good faith, we do not tolerate any attempts at intimidation or reprisals against these individuals. We refer to 'in good faith' in a sense that our



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employees are convinced that their report is true. This applies regardless of whether a subsequent investigation confirms the employee's version or not.

### 2.2 Dealing with business partners

#### 2.2.1 Customer focus

We behave fairly and honestly towards our customers and business partners. We record the wishes, needs and expectations of our customers and business partners in order to ensure targeted implementation in products, services or other processes. Our primary goal is to build a long-term and stable relationship with our customers and business partners based on trust.

#### 2.2.2 Presents, donations and invitations

##### a) Gifts for our employees

Our employees do not demand or accept any personal benefits from customers or suppliers that could influence or affect their own behavior with regard to their work for the company. If gifts are offered by third parties, they may only be accepted if they are common practice and can be recognized as a courtesy or favor (promotional gifts with the logo of the giving company, such as calendars or pens).

In the case of gifts with a value exceeding the usual amount, the management must be informed. If this is not possible, these gifts must always be refused.

##### b) Gifts from our employees

Gifts on our part may also only be offered within the usual framework for the business relationship and to a materially appropriate extent. The person receiving the gift must not be able to associate it with any obligation that would influence their business decisions.

##### c) Donations

The Hans Freitag Group does not donate to political parties, individuals or organizations whose goals contradict our corporate philosophy or damage our reputation. The allocation of donations is always transparent.

##### d) Invitations

Drinks and snacks after a meeting or the provision of tickets to a World Cup match, for example, are both invitations that can occur in business life. As these can represent a personal advantage for employees of the Hans Freitag Group, the acceptance of an invitation is only permitted under the following conditions:

The acceptance of an invitation must not constitute favoritism towards the business partner or the appearance of such favoritism. The acceptance of an invitation must be reported to the HR department and proper taxation must be ensured.

#### 2.2.3 Bribery and corruption

We do not tolerate any form of corruption or bribery, regardless of whether it damages our company assets or the assets of third parties. We have control mechanisms in place to prevent bribery, theft, embezzlement, fraud, tax evasion and money laundering.

Our business partners are also required to avoid conflicts of interest that may promote a risk of corruption.



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### 2.2.4 Fair competition

We are committed to fair competition and adhere to these laws and rules.

We distance ourselves clearly and unreservedly from any kind of unlawful influence on competition. Our competitors and consumers must be able to rely on fair behavior.

We refrain from agreements on prices, conditions and strategies with competitors, suppliers, other companies and retailers that hinder fair competition. We do not take part in any anti-competitive boycotts.

### 2.2.5 Dialogue with cooperation partners

All business information of our partners and their trade activities are treated sensitively and confidentially as a matter of principle. Necessary documents are stored appropriately or, if necessary, destroyed after the end of the co-operation.

## 2.3 Dealing with information

### 2.3.1 Data privacy

Our employees are obliged to take all appropriate measures to protect our IT system from both internal and external data theft. This applies in particular to passwords misused within the company and unauthorized downloading of files, especially inappropriate material from the Internet.

We are aware that data processing without a legal basis, a previously defined lawful purpose or the consent of the data subject is not permitted and is in breach of the Data Protection Act.

Our company has an applicable data protection policy for the use of personal data, which we strictly adhere to. Every use of personal data must be comprehensible and transparent for those affected.

### 2.3.2 Handling of information

It is important to us that the products manufactured, the equipment used and the company's intellectual property are handled carefully and responsibly.

Within the company, we have confidential information that are not only extremely important for our business activities, but also ensure our competitive edge and success.

Trade secrets include in particular

- Recipes,
- Technical expertise on production processes and technologies,
- Information about new research results,
- product developments,
- manufacturing technologies,
- marketing plans and marketing analyses,
- Sales data, conditions and customer lists,
- Financial data (sales, earnings, data from internal reports, etc.),
- business and strategic plans and
- all other information that is not intended for the public.



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Confidential information may only be passed on for operational or legal reasons.

### 2.3.3 Separation of private and corporate interests

A conflict of interest exists when personal interests conflict with the interests of Hans Freitag Group and conflicts of loyalty could arise as a result. As employees of Hans Freitag Group, we must avoid situations in which our personal interests conflict with those of Hans Freitag Group or appear to do so.

Activities of relatives and related parties can lead to conflicts of interest. We should not participate in any decisions that could bring our own interests into conflict with those of the Hans Freitag Group.

We must not abuse our employment with the Hans Freitag Group in order to gain unjustified personal advantages or benefits for relatives or persons close to us.

Employees must avoid not only actual conflicts of interest, but also situations in which outsiders could get the impression of a conflict of interest, even if the employee does not intend to do so.

We must carefully examine potential conflicts of interest before engaging in secondary employment. Professional activities outside the Hans Freitag Group, including membership of external management boards, can lead to conflicts of interest. Employees who are considering membership of a governing board of a third-party company, a commercial organization or a scientific advisory board must obtain prior approval from management. Approval is not required for activities in non-profit organizations, voluntary work and non-profit organizations (e.g. sports clubs, charities), as these activities are generally unobjectionable. If in doubt, please contact the HR department to clarify whether there is a potential conflict of interest and what measures may need to be taken.

## 2.4 Quality, safety, health and environmental protection

### 2.4.1 Quality policy

As a food-producing business, the management is committed to responsibility with regard to consumer health protection and promotes a positive and proactive culture of quality and food safety.

The Hans Freitag Group is committed to producing safe, legal, authentic and high-quality products and only putting products on the market that pose no risk to the consumer. This consumer protection encompasses quality and risk avoidance, starting with the raw materials right through to the completion of the end products. The prerequisites are:

- product safety through compliance with all legal regulations\* co-operation with qualified, certified suppliers, application of the HACCP system and consistent allergen management
- the development of products with high-quality recipes, in a quality that consumers can rely on and with low levels of critical substances (acrylamide, trans fatty acids, 3MCPD, MOSH/MOAH etc.)
- careful selection of raw materials and products
- the use of safe processes and technological expertise that guarantee the high quality of our products in the long term
- compliance with the IFS (International Featured Standard) principles
- the continuous improvement of our processes

\* All products and the packaging material used comply with the food regulations of the Federal Republic of Germany and the relevant EC directives. The product is manufactured in accordance with the guidelines for bread and pastries. All manufactured articles are not subject to the labelling requirements of EU Regulations (EC) No. 1829/2003 and (EC)



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1830/2003 on the labelling, authorization and traceability of genetically modified food and feed. All raw materials comply with the food regulations in Germany and the EU.

### 2.4.2 Food safety culture

With our food safety culture, we have established common values, beliefs and guidelines that influence our way of thinking and our behavior with regard to food safety at the Hans Freitag Group.

### 2.4.3 Safety at work

To protect our employees, we comply with all laws and regulations relating to health and safety in the workplace. To this end, our managers in particular, in collaboration with our occupational safety specialists and departmental safety officers, take measures to create a healthy and hazard-free working environment for our employees. Regular dialogue with our company doctors and the implementation of necessary occupational medical check-ups are further promoting health protection of our employees.

### 2.4.4 Environmental protection

Protecting the environment, conserving resources and sustainability are important to us.

For us, sustainability is related to responsibility and credibility. Sustainability is an elementary component of our corporate strategy. We therefore continuously endeavor to improve our processes and thus increase our contribution to society. We not only ensure the proper handling and disposal of substances that are critical to health or the environment. For us, environmental protection and resource conservation begins with the development of our products and extends from the procurement of raw materials to their manufacture and packaging as well as to transport.

Our employees are required to handle all natural resources used in our company (e.g. energy, water, land) with care. Our employees are expected to act responsibly in the manufacture and distribution of our products and/or services.

## 2.5 Social responsibility of the Hans Freitag Group

It is our responsibility to harmonize the impact of our business activities with the expectations and needs of society. We therefore base our decisions on the principles of responsible corporate governance and sustainable behavior as well as the OECD guidelines.

We support global initiatives to strengthen sustainable behavior in business and society:

### Rainforest Alliance, Fairtrade

The promotion of sustainably grown cocoa is part of the Hans Freitag Group's social responsibility and helps to secure the production and sale of high-quality products in the long term. For this reason, the Hans Freitag Group has set itself the goal of improving production, labor and living conditions in the countries where cocoa is grown. To realize this goal, the company has developed a long-term cocoa strategy.

In 2018, both standards (Rainforest Alliance and UTZ) joined forces under the brand name Rainforest Alliance (RA) and use the slightly modified frog symbol as a common brand identity.



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We use Rainforest Alliance-certified cocoa (according to the Mass Balance model) for all Hans Freitag products as well as for various private labels. We also use Fairtrade cocoa products at the customer's request.

### **RSPO**

We only use sustainably produced and certified palm oil and hold memberships with the RSPO (Roundtable of Sustainable Palmoil) in order to actively participate in the promotion of sustainable palm oil cultivation and to become part of the "Supply Chain Certification System (SCCS)". Through the associated auditing, we can demonstrate the requirements for the correct handling of all necessary process steps and thus create a solid basis for participation in the supply chain for sustainable palm oil. Furthermore, we fulfill the requirements of the RSPO Shared Responsibility. Check our progress at [www.rspo.org](http://www.rspo.org)

## **2.6 Realization and reporting**

### **2.6.1 Whistleblower system and contact persons**

Compliance with legal regulations, internal rules and the principles of our Code of Conduct is a top priority at the Hans Freitag Group. The success of our company is based on integrity and compliance. In order to live up to this claim, it is important to learn of possible misconduct by our own employees or those of our suppliers and to prevent it. We therefore operate an independent, impartial and confidential whistleblower system.

An important pillar of our whistleblower system is the principle of fair proceedings. It guarantees the greatest possible protection for whistleblowers, those affected and employees who are involved in investigating the reported misconduct. This also means that we offer opportunities for anonymous reporting and communication.

We ensure that we do not take any measures to identify anonymous whistleblowers who do not abuse our whistleblowing system. Discrimination against whistleblowers and all persons who contribute to investigations within the Hans Freitag Group will not be tolerated. Those affected are presumed innocent until the offence is proven. Investigations are conducted with the utmost confidentiality. The information is processed in a fair, fast and protected procedure.

### **2.6.2 Reports of infringements**

Violations in Hans Freitag's business area can be reported to the persons listed in the PERS-VA-003-HF Whistleblower System procedure.

Violations in the Heidekeks business area can be reported to the persons listed in the QM Manual PERS-003-MAN-HK "Whistleblower System".

### **2.6.3 Situations in which you should take action:**

At Hans Freitag Group, we are all responsible for implementing the standards set out in the manuals/procedures. If you become aware of illegal behavior or behavior that is contrary to this Code, or if you have a reasonable suspicion, you are obliged to report the problem or seek advice:

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Examples of cases in which you should take action:

- Evidence of inappropriate gifts or compensation.
- Unauthorized payments.
- Recognizably questionable accounting or financial behavior.
- Theft of company or personal property.
- Contracts that circumvent the competitive bidding process.
- Discrimination or harassment.
- Verbal or physical threats.
- Conflicts of interest
- Concerns about compliance with environmental, health or safety regulations.

### 3. Applicable documents

none