



The Carrinho Group Supplier Code

SUPPLIER CODE – CARRINHO GROUP

Document Approved

	Responsibility	Name and Signature	Date
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Introduction to the Carrinho Group

Supplier Code

1. Purpose

The Carrinho Group Supplier Code (“the Code”) defines the non-negotiable minimum standards that we ask our suppliers and their sub-tier suppliers (“the Supplier”), to respect and to adhere to when conducting business with Carrinho Group. This document helps the continued implementation of our commitment to international standards such as the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the Core

Conventions of the International Labour Organisation (ILO) and the 10 Principles of the United Nations Global Compact, beyond our own operations, to every link of our upstream supply chain back to farms and plantations. The Code is an extension of our Carrinho Group Corporate Business Principles and the foundation of our Responsible Sourcing program outlined in the Compliance section.

2. Scope

The standards of the Code set forth expectations for the Supplier with whom Carrinho Group does business, including their parent, subsidiary or affiliate entities, as well as all others with whom they do business including all employees (including permanent, temporary, contract agency and migrant workers), upstream suppliers and other third parties. It is the Supplier’s responsibility to disseminate, educate and exercise diligence in verifying compliance of this Code to its employees, agents and sub tier suppliers, including farmers when relevant.

3. Compliance

Carrinho Group expects the Supplier to adhere to all applicable laws and regulations and in particular for the pillars detailed herein and strive to comply with international and industry standards and best practices.

In addition, through its Responsible Sourcing program, Carrinho Group reserves the right to verify compliance with the Code through internal or external assessment mechanisms and require implementation of progresses towards audit requirements or complementary Responsible Sourcing Guideline.

4. Continuous Improvement

Carrinho Group recognizes that reaching the standards established in this Code is a dynamic process and encourages suppliers to continuously improve their operations. In case of improvement required, or direct sourcing from smallholders or farmers, Carrinho Group will support in the establishment of milestones and systems to ensure that practices are continuously upgraded. Failure to do so shall impact directly the ability of the Supplier to do business with Carrinho Group.

5. Application

Acknowledgement of the Code is a prerequisite in every Carrinho Group contract for supply. Through the acceptance of the Purchase Order, making reference to the Code, the Supplier commits that all its operations are subject to the provisions contained in this Code. This Code, or the demonstration of its compliance, does not create any third-party beneficiary rights for the Supplier. The standards of the Code are in addition to, and not in lieu of, provisions of any legal agreement or contract between suppliers and Carrinho Group.

The 4 Pillars of the Code of Conduct

Carrinho Group Suppliers

1 Human Rights

Carrinho Group fully supports the United Nations Framework and Guiding Principles on Business and Human Rights and expects the Supplier to respect all human rights, including labour rights, throughout its business activities. As a minimum:

Freedom of Association and Collective Bargaining

The Supplier should grant its employees the right to Freedom of Association and Collective Bargaining in accordance with all applicable laws and regulations.

Forced Labour

The Supplier must under no circumstances use, or in any other way benefit, from forced labour in line with ILO Convention No. 29 on Forced Labour and ILO Convention No. 105 on Abolition of Forced Labour. Forced labour refers to any form of indentured servitude such as the use of physical punishment, confinement, threats of violence as a method of discipline or control such as retaining employees' identification, passports, work permits or deposits as a condition of employment. Where the Supplier is using migrant or prison labourers under a legal framework, Carrinho Group must be made aware to review appropriate documentation maintained by the Supplier.

Employment Practices

The supplier shall only employ workers who are legally authorized to work in their facilities and are responsible for validating employees' eligibility to work through appropriate documentation. All work shall be voluntary, and workers shall be free to leave work or terminate their employment upon reasonable notice. To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice. Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, subcontracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive

use of fixed-term contracts of employment. In the case of employment through third party labour agencies the Supplier shall comply with Convention No. 181 of the International Labour Organization on Private Employment Agencies.

Minimum Age for Employment

The use of child labour by the Supplier is strictly prohibited, in line with ILO Convention 138 on the Minimum Age, and Convention 182 on the Elimination of the Worst Forms of Child Labour. The ILO Convention 138 on the Minimum Age indicates that no child below 15 years (or 14 in certain developing countries) is allowed to work, subject to exceptions allowed by the ILO or national law. If the Supplier employs young workers, it must demonstrate that the employment of young people does not expose them to undue physical risks that can harm physical, mental or emotional development.

Fair and Equitable Treatment

The Supplier must operate with dignity, respect and integrity in regards the treatment of its employees:

- The Supplier shall not discriminate in hiring and employment practices on the grounds of criteria such as of race, colour, religion, gender, age, physical ability, national origin, sexual orientation, political affiliation, union membership, medical tests, or marital status, in line with ILO Convention No. 111 on Discrimination.
- Any form of psychological, physical, sexual or verbal abuse, intimidation, threat or harassment must not be tolerated.
- The Supplier shall respect the privacy rights of its employees whenever it gathers private information or implements employee monitoring practices.
- When the Supplier retains direct or contracted workers to provide security to safeguard its personnel and property, the Supplier will make sure that security personnel apply the same standards on fair and equal treatment.

Working Time and Rest Days

The Supplier must ensure that its employees work in compliance with all applicable laws and mandatory industry standards pertaining to regular working hours, and overtime hours, including for breaks, rest periods, holidays, and maternity and paternity leaves. In absence of law, the Supplier shall not require a regular work week over 60 hours, employees shall be allowed at least one day off after six consecutive days of work, and any overtime worked shall be voluntary and compensated at premium rate.

Wages and Benefits

The Supplier's employees must be provided with wages and benefits that, at a minimum, comply with national laws or industry standards whichever is higher, as well as binding collective agreements, including those pertaining to overtime work and other premium pay arrangements. In any event, wages should always be enough to meet basic needs for employees, and their entitled official dependents, and to provide some discretionary income. The Supplier must not apply disciplinary or any other forms of deductions from pay neither apply any forms of discrimination in employment and remuneration practices.

2. Safety and Health

Carrinho Group expects the Supplier's operating and management systems, as well as employees, to work in preventing work-related injuries and illnesses.

Workplace Environment

The Supplier shall provide its employees with a safe and healthy working environment. As a minimum, potable drinking water, adequate lighting, temperature, ventilation, sanitation, and personal protective equipment must be provided together with equipped work stations. In addition, facilities must be constructed and maintained in accordance with the standards set by applicable laws and regulations.

Housing Conditions & Respect of Privacy

When provided by the Supplier, dormitory facilities shall be constructed and maintained in accordance with all applicable laws and regulations, and they shall be clearly segregated from the factory and production area. All dormitory buildings shall be clean and safe and workers shall be able to enter and leave the dormitory buildings freely at any hour. There shall be clean toilet facilities, access to potable water, and sanitary food preparation and storage facilities. All dormitory facilities shall also provide workers with reasonable personal space, adequate heat and ventilation and clean shower and bathrooms.

Emergency Preparedness

The Supplier shall be prepared for emergency situations. This includes worker notification and evacuation procedures, emergency training and drills, appropriate first-aid supplies, appropriate fire detection and suppression equipment, and adequate exit facilities. The Supplier shall regularly train employees on emergency planning, responsiveness as well as medical care.

Product Quality and Safety

All products and services delivered by the Supplier must meet the quality and safety standards required by applicable law. When conducting business with or on behalf of Carrinho Group, the Supplier must comply with the Carrinho Group quality requirements.

3. Environmental Sustainability

Carrinho Group requires its Supplier to comply with all applicable legal environmental requirements and demonstrate continual improvement of its environmental performance.

Environmental Permits and Reporting

The Supplier shall make sure that it obtains, keeps current, and follows the reporting guidelines of all the required environmental permits and registrations to be at any time legally compliant.

Environmental Management System

The Supplier shall document and implement a relevant environmental management system (based on international standards such as ISO 14001:2015), designed to identify, control and mitigate significant environmental impacts.

Hazardous Materials and Product Safety

The Supplier shall identify hazardous materials, chemicals and substances, and ensure their safe handling, movement, storage, recycling, reuse and disposal. All the applicable laws and regulations related to hazardous materials, chemicals and substances shall be strictly followed. Supplier shall comply with material restrictions and product safety requirements set by applicable laws and regulations. Suppliers shall ensure that key employees are aware of and trained in product safety practices.

Resource Consumption, Pollution Prevention and Waste Minimization

The Supplier shall optimise its consumption of natural resources, including energy and water. Supplier shall implement and demonstrate sound measures to prevent pollution and minimise generation of solid waste, wastewater and air emissions. Prior to discharge or disposal, supplier shall characterize and treat wastewater and solid waste appropriately and according to applicable laws and regulations.

4. Business Integrity

Carrinho Group requires the Supplier to comply with all applicable ethical trade laws and regulations in the countries where materials are sourced, produced and incorporated into Carrinho Group product (“country of use”). In case of services, the location of service delivery should prevail.

Anti-bribery

The Supplier must never, directly or through intermediaries, offer or promise any personal or improper advantage in order to obtain or retain a business or other advantage from a third Party, whether public or private. The Supplier will not pay or accept bribes, arrange or accept kickbacks and shall not take any actions to violate, or cause its business partners to violate, any applicable anti-bribery laws and regulations including the U.S. Foreign Corrupt Practices and the UK Bribery Acts.

Grievance Mechanisms

The Supplier shall have systems in place enabling anonymous grievances, reporting and management. A designated officer shall continuously monitor the grievance mechanism, keep records on the issues raised and take appropriate actions on a confidential manner.

Records

The Supplier shall maintain transparent and up to date books and records to demonstrate compliance with applicable materials, services, governmental and industry regulations.

Origin

The supplier shall be capable to disclose all the potential sources of primary origins (country of origin) associated with deliveries made. Nestle reserves the right to ask the supplier to create, at a point of time, full supply chain mapping back to origin to facilitate assessment of upstream supply chain compliance.

Intellectual Property

The Supplier shall take appropriate steps to safeguard and maintain confidential and proprietary information of its business partners and use such information only for the purposes authorized for use by the contractual agreement. In case of sub-contracting, sharing of confidential information should be made with the consent of Carrinho Group.

Conflict of Interest

The Supplier is expected to report to Carrinho Group any situation that may appear as a conflict of interest and disclose to Carrinho Group if any Carrinho Group employee or professional under contract with Carrinho Group may have an interest of any kind in the supplier's business or any kind of economic ties with the supplier.

Additional Standards

- In addition to the Carrinho Group Supplier Code, the Supplier is bound to any additional requirements as applicable to the materials or services to be delivered and in particular the requirements of the Responsible Sourcing Guideline, as example animal welfare or land rights.
- In case of direct supply from farms, applicable Good Agricultural Practices shall be followed by the farmer to ensure compliance with the Code. The Carrinho Group Responsible Sourcing Guideline for Materials of Agriculture, Forestry, Fisheries and Aquaculture Origin will provide additional guidance on best practices to be implemented as needed with the help of Carrinho Group Agricultural Service Teams.

Next Steps

I. Report Violations

The supplier shall report any suspected violations of regulations, laws and the Code. Violations should be reported to the Carrinho Group contact person or can be reported confidentially using the Carrinho available channels.

II. Supplier's Acknowledgement (If required by the Carrinho Group Purchasing Organization)

We, the undersigned hereby confirm that:

- We have received and taken due note of the contents of the Carrinho Group Supplier Code,
- We are aware of all relevant laws and regulations of the countries in which our company operates,
- We will report to Carrinho Group any case of violations of the Code.
- We will comply with the Carrinho Group Supplier Code requirements based on a development-oriented approach and without amendment or abrogation.
- We will inform all of our employees/subcontractors of the content of the Carrinho Group Supplier Code, and that we will ensure that they also comply with the provisions incorporated therein.

We hereby authorise Carrinho Group or any organizations acting on behalf of Carrinho Group to carry out audits with or without notice at our premises and the business premises of our subcontractors at any time to verify compliance with the Carrinho Group Supplier Code content.

Name of Company _____

Name and Title _____

Signature _____ Company Stamp/Seal _____

Company's Business Registration/Statutory ID/Code/Number _____

Date & Place _____

This document must be signed by an authorized representative of the Supplier & returned to the requesting Carrinho Group Purchasing Organization.