

11-01-2023

CODE OF CONDUCT FOR MADRE FRUTA SUPPLIERS



MADRE*fruta*
Algarve, Portugal

Management Message

Madre Fruta, as a successful Farmers Organization, necessarily built its path based on fundamental pillars such as impartiality, integrity, ethics and cooperation, foundations that have allowed it to reach today with strength and sustainability.

The constant challenges we face highlight in us the spirit of conquest and affirmation as precursor agents of excellence and innovation. We are proud of the path travelled so far, and of the values that we embrace and that support us.

The challenges that arise throughout the career can sometimes generate doubts in the Manager's decisions, especially at the most critical times when internal or external stimuli generate ethical dilemmas, as such this Code is intended to communicate to our partners which values we would like our relationship to be governed by. We hope that the values and standards expressed in this Code will guide you in your performance and decision process in your performance in professional life and in the relationship between peers.

The Management

Introduction to the Code of Conduct for Madre Fruta Suppliers

1. Presentation

Founded in 1996, Madre Fruta – Centro de Vendas Hortofrutícolas, Lda. (Madre Fruta) had its origins in the need to concert efforts between local horticultural producers, with the aim of overcoming constraints and satisfying commercial requirements resulting from an open and free market without borders.

Early on, the strategy was one of concentrating and adapting production to demand, associated with the provision of qualified technical services, aimed at the continuous improvement of the quality of products and the implementation of techniques that respect the environment.

In order to increase the profitability of its partners, Madre Fruta is increasingly committed to researching and developing innovative production techniques.

Currently, Madre Fruta presents economic and financial stability, a consolidation and cohesion of its producing partners, and a regular relationship with its main partners.

The feeling of cooperation and unity, together with the high-performance team that integrates Madre Fruta's staff, allows for a diversification of the service offered to the producer, so that the focus is on his own profitability and excellence in production.

For Madre Fruta, the motto these days is Sustainability, whether economic, social or environmental, only in this way will it bring competitive advantage to its members, and development for the Algarve Region.

2. Purpose

The Code of Conduct of Madre Fruta's Suppliers (“the Code”) defines the minimum non-negotiable standards that Madre Fruta requires its Suppliers and respective sub-suppliers (“the Supplier”) to be respected and complied with in the exercise of the commercial relationship with the Mother Fruit.

This Code covers the themes of ethics, human rights and labour practices, safety and health at work, environmental preservation and information security, in compliance with the requirements of the Universal Declaration of Human Rights, the Conventions of the International Labour Organization, the guidelines of the OECD and national and Community legislation.

3. Scope of Application

The rules of the Code are applicable to Suppliers and other interested parties with whom Madre Fruta establishes commercial relationships for the supply of goods or services, including its “mother”-company, subsidiaries and affiliates, as well as all others with whom they have a commercial relationship, all workers (employee, temporary, recruitment agency and migrant workers), upstream suppliers and other third parties.

Madre Fruta makes this Code of Conduct available to all its Suppliers – in fact or potential – for their knowledge and acceptance.

4. Compliance and Continuous Improvement

Madre Fruta relies on the Supplier to comply with all legislation and regulations in force, and in particular the requirements described in this document, and to strive to act in accordance with international and industry standards and best practices.

Based on the spirit of cooperation, good faith and integrity that underlie the principles and commitments contained in this Code of Conduct, the Supplier must be available to, whenever requested by Madre Fruta:

- Provide relevant information about aspects of its activity and its Suppliers and Subcontractors;
- Allow representatives of Madre Fruta to visit its facilities in order to verify the compliance of their practices with the precepts of this Code of Conduct.

Madre Fruta reserves the right to verify the Code compliance through internal and external assessment mechanisms and request the implementation of actions in order to comply with the requirements. Failure to do so will have direct repercussions on the Supplier's ability to work for Madre Fruta.

Madre Fruta is aware that achieving the standards established in this Code is a dynamic process and encourages Suppliers to continually improve their operation.

5. Acceptance

Acceptance of the Code is a requirement to access any contract with Madre Fruta for the supply of goods or services.

By accepting a Purchase Order, alluding to the Code, the Supplier affirms its commitment that its entire operation is subject to the requirements of this Code. The Code's rules are a complement, not a replacement, to the requirements contained in any legal agreement or contract between the Suppliers and Madre Fruta.

The Supplier is responsible for disclosing this Code of Conduct to its workers and subcontractors, as well as for verifying the compliance of their practices with its principles and requirements.

Ethics, transparency and integrity

Madre Fruta expects its Suppliers to commit their performance by the highest standards of ethics, transparency and integrity. The Supplier is required to comply with all laws and regulations on ethical trade applicable in the countries where the raw materials originate, are produced and incorporated into the Madre Fruta product.

6. Ethic and Integrity

The Supplier undertakes to adopt an ethical posture, not offering or promising, directly or through intermediaries, improper personal benefits in order to gain or maintain a business or other advantages of third parties, whether in the public or private sector.

Supplier may not pay or accept bribes, arrange or accept kickbacks, or act in any way that would violate, or cause its business partners to violate, any applicable anti-bribery laws or regulations.

The Supplier undertakes to act with integrity and maintain adequate internal control systems for the prevention and detection of fraud or irregularities, namely in financial matters, corruption and bribery.

The supplier must communicate any such situation, in the form implemented or attempted, to the Management of Madre Fruta (in person or via email respsocial@madrefruta.pt).

7. Anti-Money Laundering and Anti-Corruption Policy

Madre Fruta defends the implementation of anti-money laundering and anti-corruption policies with the special objective of maintaining the Company's reputation, concerned with high ethical values of integrity.

Madre Fruta condemns corruption as it undermines legitimate business activities and distorts competition.

Madre Fruta is opposed to all forms of corruption, regardless of the country in which it operates, and its conduct is guided by the provisions of Portuguese laws relating to the fight against money laundering and financing of terrorism and applicable anti-corruption provided for in the Penal Code Portuguese and other applicable statutory laws.

All representatives of Madre Fruta, namely directors, managers, and, in general, all employees, cannot offer or receive bribes from any person with whom they establish a professional relationship within the scope of the exercise of the activity provided.

Madre Fruta encourages all its employees and suppliers to build and maintain relationships with its business partners, always being aware of the applicable laws and the internal rules in force at all times in the Company and rejecting all forms that could be perceived as bribery or corruption or raise concerns about whether it is in violation of applicable laws.

Madre Fruta representatives or suppliers should consult Madre Fruta Management if there is any doubt as to the appropriateness of a particular business decision or course of action.

Any supplier or employee who becomes aware of any misconduct or suspicious activity, including potential violations of Madre Fruta's Anti-Money Laundering and Anti-Corruption policy and applicable laws, must immediately report the situation via email to respsocial@madrefruta.pt .

8. Transparency

The Supplier undertakes to ensure that the commercial relations it establishes with Madre Fruta are transparent and rigorously documented, taking into account the applicable procedures and regulations and the needs of interested parties.

9. Complaint and Incident Reporting Mechanisms

The Supplier must have systems in place to make it possible to submit complaints, communications, and suggestions anonymously. The grievance mechanism must be monitored by a nominee responsible who will keep these records and take the necessary steps in a confidential manner.

10. Archives

Supplier shall preserve transparent and up-to-date file folders, books and records in order to demonstrate compliance with applicable general legislation, raw material, service and industry standards.

11. Origin

Supplier shall be able to reveal all potential sources of primary origin (country of origin) associated with deliveries made. Madre Fruta reserves the right to request the supplier, at any given time, to provide a complete map of the supply chain to the origin, to facilitate the assessment of compliance of the upstream chain.

12. Intellectual Property

Supplier shall take the necessary measures to safeguard and preserve confidential and protected information of its business partners and use such information only for the purposes authorized in the contractual agreement. In case of subcontracting, the sharing of confidential information must be done with the express consent of Madre Fruta.

13. Conflict of Interests

The Supplier shall report to Madre Fruta any situation that may give rise to a conflict of interest and inform Madre Fruta if any of its workers or professionals under a contract with Madre Fruta have any kind of participation in the supplier's activity or any connection economic with it.

14. Other norms or requirements

In addition to this Code of Conduct, the Supplier is bound by any other requirement that applies to the raw materials and services to be provided, namely the welfare of animals and land rights.

In case of direct supply from agricultural holdings, the farmer must respect the applicable Good Agricultural Practices in order to ensure compliance with the Code.

15. Violations Report

Supplier must report any suspected violations of regulations, legislation and the Code of Conduct. Violations must be reported to the contact person at Madre Fruta or can be reported confidentially through the following email account: respsocial@madrefruta.pt.

Human Rights and Working Conditions

Madre Fruta's policies are based on respect for the dignity and internationally recognized Human Rights of each individual. In its performance with its workers, the Supplier must respect the following principles:

16. Recruitment Practices

Supplier shall only hire workers legally authorized to work on its premises and is responsible for validating its workers' eligibility for the work with appropriate documentation. The work must be carried out with a formalized employment relationship based on current legislation and practices in the national territory.

Under the labour law regulations or social security, it may not avoid the obligations to workers resulting from the regular employment relationship under the pretext of contracting exclusively subcontracted labour or work agreed from home, through internship schemes in which there is no real intention of transmitting skills or offering regular employment, or through the excessive use of fixed-term employment contracts.

In cases of recruitment through external employment agencies, the Supplier must comply with Convention No. 181 of the International Labour Organization on Private Employment Agencies.

17. Minimum Age for Admission to Employment

In line with ILO Conventions No. 138 and No. 182 and national legislation, the use of child labour by the Supplier is expressly prohibited. If the Supplier employs young people, it will have to prove that they are not exposed to unnecessary risks that could affect their physical, mental or emotional development. Supplier must maintain records that prove the date of birth of each of its employees.

Situations that the Supplier becomes aware of in this context must be duly signaled and forwarded to the competent local authorities.

18. Salaries and Perks

The Supplier's workers must earn wages and benefits that, at a minimum, comply with national legislation, industry standards or those established in binding collective contracts, whichever is more advantageous, including with regard to overtime and other remuneration conditions.

Under all circumstances, wages must always be sufficient to meet the basic needs of workers. Supplier may not apply any form of deduction from remuneration for disciplinary or other reasons, neither discriminate in employability and remuneration practices.

Before starting work, all workers must receive written and intelligible information about the terms of pay and also the details of their wages each time they are paid.

19. Fair and Equal Treatment

The Supplier must carry out its activity with dignity, respect and integrity towards its workers:

- In line with ILO Convention No. 111 on Discrimination in Employment and Profession, the Supplier shall not adopt discriminatory recruitment, hiring, remuneration, access to training, promotion, dismissal or retirement practices based on race, colour, religion, sex, age, physical fitness, national ancestry, sexual orientation, political affiliation, union membership, medical examination or marital status;
- Any form of abuse, intimidation, threat or harassment, whether physical, sexual or verbal, will not be tolerated;
- Supplier shall respect its workers' right to privacy whenever it collects personal information or implements worker supervision practices;
- Whenever the Supplier has guards or security workers, whether employees or contractors, to protect its personnel and property, the Supplier must ensure that the guards or security act with the same standards of equal opportunity and treatment.

20. Working Hours and Rest Days

The Supplier is required to work in accordance with all current legislation and mandatory standards for the sector regarding established working hours and overtime, including breaks, rest periods, vacations and maternity and paternity leave. Overtime work should not be used to replace regular employment. Normal working hours and overtime work must be remunerated in accordance with what is stipulated by law, and must not exceed the number of hours provided for by law.

Overtime work can only be provided when the company has an eventual and transitory increase in work and the hiring of a worker is not justified. Additional work may also be provided in case of force majeure or when it is essential to prevent or repair serious damage to the company or to its viability. In these

cases, the employee is obliged to perform overtime work, except when, with reasonable reasons, he expressly requests his waiver (art. 227, nº 3, Labour Code).

In the absence of legislation, the Supplier shall not require a weekly work schedule exceeding 60 hours, workers shall be entitled to at least one day off after six consecutive working days and overtime shall be remunerated at a rate increased.

21. Disciplinary Practices

The Supplier shall not allow or support any form of punishment, abuse, intimidation, threat or harassment, whether physical, sexual or verbal, in relation to its employees. Disciplinary measures applied must be recorded.

22. Data Protection

The Supplier must follow the General Data Protection Regulation (RGPD - EU 2016/679), namely, informing and requesting consent from its workers (or other data subjects) on the processing of their personal data, their retention period and the possibility of filing a complaint with the National Data Protection Commission (CNPD).

All employees of the Supplier shall have the right to the limitation of processing and portability, as well as the deletion of data.

All data of sensitive nature, to which the Supplier has access, namely biometric data, must be duly protected by the company's Data Protection Officer, as well as by the competent subcontractors (namely, Occupational Medicine).

In case of breach of personal data, the supplier must inform the control authority within 72 hours. In case of high risk for the data subject, this violation must be communicated to Madre Fruta and the data subject, immediately.

The Supplier must review its internal policies and practices according to the new legal obligations of the RGPD, in order to take the necessary measures to maintain the level of security and proper treatment, namely guaranteeing the confidentiality and integrity of the data, and preventing accidental or unlawful destruction, loss and alteration, or unauthorized disclosure or access to data.

23. Freedom of Association and Collective Bargaining

The Supplier shall not interfere with the exercise of workers' rights regarding their freedom of association and their right to collective bargaining. It must, therefore, and in accordance with all applicable laws and regulations:

- Ensure the conditions for workers to freely decide whether or not to join or form unions, as well as to participate in collective bargaining processes;

- Ensure that employee representatives are not discriminated against and can exercise their representational functions in the workplace;
- Adopt an open attitude towards union activities and their organizational activities.

24. Forced Labour

The Supplier may not, under any circumstances, use or benefit in any way from forced labour under ILO Conventions No. 29, relating to Forced or Compulsory Labour, and No. 105, relating to the Abolition of Forced labour. The term forced or compulsory labour refers to all slave labour required of an individual under threat of any form of physical punishment, confinement or violence used as a method of discipline or control, such as the retention of identification documents, passports , work visas or deposits of workers as a condition of employability.

The Supplier must ensure that its workers carry out their work voluntarily, in exchange for salary remuneration. Workers must be free to accept the job and terminate the employment relationship at any time, with due notice, in accordance with the labour legislation in force.

Health and Security

Madre Fruta expects the operational and management systems of the Supplier, as well as its Workers, to work towards preventing injuries and occupational diseases.

25. Work Environment

The Supplier should provide its workers with a healthy and safe working environment. As a minimum, drinking water, adequate lighting, temperature, ventilation and sanitation and personal protective equipment must be provided, as well as equipped workstations. Furthermore, the facilities must be built and maintained in accordance with the standards in force in the applicable legislation and regulations.

The Supplier undertakes to:

- Comply with the hygiene, health and safety at work legislation applicable to its area of activity and its facilities;
- Take the appropriate measures to prevent accidents at work and damage to the health of its workers, minimizing, as much as possible, the causes of dangers inherent in the work environment;
- Provide adequate training in Health and Safety matters for all workers;
- Appoint an internal responsible person with the authority to ensure compliance with occupational hygiene, health and safety requirements.

26. Habitability Conditions and Respect for the Right to Privacy

Bedrooms, when provided by the Supplier, must be constructed and maintained in compliance with all applicable laws and regulations and must be clearly separated from the production area. All buildings that serve as dormitories must be clean and secure, and workers must be able to enter and leave freely at any time. These should have clean toilet facilities, access to clean water and sanitized food preparation and storage rooms. All dormitories should also provide workers with a personal space with some privacy, adequate heating and ventilation, showers and toilets.

27. Ability to respond to emergency situations

The Supplier must be prepared for emergency situations, in accordance with national legislation. This includes worker warning and evacuation procedures and drills for emergency situations, appropriate first aid material, adequate fire detection and fire fighting equipment, and adequate means of escape. The Supplier must ensure regular training to its workers about planning and acting in emergency situations.

28. Product Quality and Safety

All products supplied and services provided by the Supplier must meet the quality and safety standards required by law. Whenever doing business with Madre Fruta, or on behalf of it, the Supplier must comply with the quality requirements and certifications established by it.

Environment Respect

In order to minimize the environmental impact arising from its operational activities, Madre Fruta is committed to respecting and protecting the environment, continually working to promote environmental quality, in compliance with current legislation, resorting, whenever feasible and applicable, to best practices and technologies and favouring the efficient use of natural resources, according to the principles of rationalization and waste prevention.

29. Environmental Sustainability

Madre Fruta expects its Suppliers to commit to promoting and applying continuous improvement practices associated with the management of its environmental aspects, to reduce the environmental impact of its activity. For this purpose, the Supplier shall:

- Comply with the environmental standards and requirements applicable to the production and/or supply of its products or services;
- Comply with specific legal requirements related to reporting data to the authorities, licenses applicable to activities or facilities and that the respective records are kept up to date;

- Seek to document and implement an appropriate environmental management system designed to identify, control and mitigate significant environmental impacts;
- Seek to minimize the environmental impact arising from its activity, promoting the reduction of waste associated with the production or supply of its products or services, and promoting continuous improvement in the management of the waste it produces;
- Provide training and awareness-raising actions in the environmental area to its workers;
- Ensure that situations that present some environmental risk in the supply of products or in the provision of services to Madre Fruta are identified and mitigated, whenever possible;
- Ensure that incidents and accidents with environmental repercussions that occur at Madre Fruta's facilities, within the scope of the supply of goods or services under its responsibility, are quickly controlled, mitigated and communicated to Madre Fruta.

30. Hazardous Materials and Product Safety

The Supplier must identify hazardous materials, chemicals and substances and ensure their correct use, handling, storage and disposal. All legislation and regulations in force related to hazardous materials, chemicals and substances must be scrupulously respected. The Supplier must comply with the requirements regarding material restrictions and product safety provided for in the applicable legislation and regulations. Suppliers must ensure that their key workers are trained and aware of the practices used for product safety.

31. Resource Consumption, Pollution Prevention and Waste Minimization

The Supplier shall optimize its consumption of natural resources, including energy and water. It must implement and prove feasible measures to avoid pollution and minimize the generation of solid waste, wastewater and air emissions. Before discharging or disposing of waste, the supplier must characterize and treat wastewater and solid waste properly and in accordance with current legislation and regulations.

Declaração de Aceitação / Agreement Declaration

Denominação da Organização <i>Company Name</i>	
NIPC <i>VAT Number</i>	
Morada (sede) <i>Company Address</i>	
Nome do representante legal <i>Name of Legal representative</i>	
Cargo <i>Position – CEO/Manager</i>	

Eu, abaixo assinado, confirmo pelo presente documento que:

I, the undersigned, hereby confirm that:

- Recebemos e tomámos conhecimento do conteúdo do Código de Conduta dos Fornecedores da Madre Fruta (versão de 11/01/2023);

We received and learned about the contents of the Madre Fruta Supplier Code of Conduct (11/01/2023 version);

- Assumo a responsabilidade pela aplicação deste código na organização que represento;

I take responsibility for applying this code in the organization I represent;

- Estamos cientes de toda a legislação e regulamentações relevantes dos países onde a nossa empresa opera;

We are aware of all relevant laws and regulations of the countries where our company operates;

- Prontificamo-nos a reportar à Madre Fruta qualquer suspeita de violação do Código de Conduta;

We are prepared to report to Madre Fruta any suspicion of violation of the Code of Conduct;

- Cumpriremos os requisitos no Código de Conduta dos Fornecedores da Madre Fruta.

We will comply with the requirements in the Madre Fruta Supplier Code of Conduct.

We will inform all our employees / subcontractors of the content of the Madre Fruta Supplier Code of Conduct and will proceed to comply with the provisions therein.

Através do presente documento, autorizamos a Madre Fruta, ou outra organização que a represente, a realizar auditorias, às nossas instalações e às dos nossos subcontratados para verificar a conformidade ao conteúdo do Código de Conduta dos Fornecedores da Madre Fruta.

Through this document, we authorize Madre Fruta, or another organization that represents it, to conduct audits, to our facilities and those of our subcontractors to verify compliance with the content of the Madre Fruta Supplier Code of Conduct.

Assinatura – Signature / carimbo - stamp	Local e data / Place and date

O presente documento tem de ser assinado por um representante legal do Fornecedor e devolvido à Madre Fruta. /The present document should be signed by a legal representative of the supplier and delivered to Madre Fruta.