



Toms Group A/S
Supplier Code of Conduct



Why we have a Supplier Code of Conduct

As a food manufacturer, we have a fundamental responsibility to ensure the safety and quality of our products.

As the leading confectionery manufacture in Denmark with 2,500 suppliers, 1,000 employees and customers in more than 100 countries around the world we recognize that our businesses influence the livelihoods of many people around the world. We are committed to working to ensure the sustainability of the cocoa and candy confectionery sector and to encouraging sustainable practices in all areas of our supply chain.

Toms Group Corporate Values (Quality, Simplicity and Holistic View); our Code of Conduct for Employees; and our commitment to the ten principles of the UN Global Compact reflect our commitment to conducting business in an ethical, legal and responsible manner.

We expect the same commitment from our suppliers and their employees, agents and subcontractors.

Support of UN Global Compact

Toms Group supports the continuous propagation and implementation of the UN Global Compact and the Toms Supplier Code of Conduct is an important tool to achieve our endeavors’.

It is Toms Groups firm aim, within our sphere of influence, persistently to keep encouraging our suppliers to comply with the principles of the UN Global Compact.

Toms will only do business with suppliers, who share the notions forming the base of the principles of the UN Global Compact and who, within their spheres of influence and activity, continuously work for the improvement of the areas comprised by the ten principles.

This Supplier Code of Conduct sets forth essential minimum requirements expected from you as one of our suppliers (“the Supplier”).

Applicability

The Toms Supplier Code of Conduct applies to all of Toms Groups external as well as internal suppliers; all the Supplier’s employees, including those engaged informally, on short-term contracts, or on a part-time basis.

It is the responsibility of all suppliers to ensure that their sub-suppliers and other third parties acting on their behalf do not violate the standards of this Code. This include without limitation responsibility for communicating its content to relevant parties and ensuring that all measures are implemented accordingly.

The Supplier is obliged to establish and maintain adequate procedures to obtain sufficient knowledge of own and any sub suppliers’ businesses’ level of compliance with Toms Supplier Code of Conduct. Furthermore, the Supplier is obliged to establish and maintain adequate procedures, including monitoring, in order to ensure compliance with the Toms Supplier Code of Conduct.

The Toms Supplier Code of Conduct should be regarded a part of any business relation with Toms Gruppen A/S (Toms Group A/S) and should thus be considered part of any contract or agreement regulating such business relation.



Compliance with laws and regulations

The Supplier comply with all applicable local and national laws, rules, regulations and requirements of the country in which they grow, manufacture, distribute or provide products or services.

Compliance with international labour standards

We further expect the Supplier to respect and comply with internationally proclaimed human rights and international labour standards as defined by core conventions of the International Labour Organization (ILO).

Freely chosen employment

The Supplier refrain from any engagement in or benefit from any form of forced or compulsory labour. All employment must be freely chosen. Forced or bonded labour or involuntary prison labour is not to be used. All work will be voluntary, and workers should be free to leave upon giving reasonable notice.

Freedom of association

The Supplier acknowledge and respect the legal rights of employees the freedom of association and the right to join or to refrain from joining worker organizations of their choice, including trade unions, and to bargain collectively.

No child labour

Child labour is strongly condemned by Toms Group.

The term “child labour” refers to work that is mentally, physically, socially, or morally dangerous and harmful to children, and interferes with their schooling.

The Supplier do not recruit, engage or support the use of child labour and should respect and realize the principles of ILO Convention no. 138

on the minimum age for admission to employment and work; ILO Convention no. 182 on the worst forms of child labour; and ILO Convention no. 006 on Night work of young persons.

No discrimination

The Supplier hire, compensate, promote, discipline, and provide other conditions of employment based solely on an individual’s performance and ability to do the job.

Supplier will refrain from any discrimination of employees on the basis of race, colour, age, sex, sexuality, religion, political opinion, nationality, marital status, social origin, ethnic origin, physical or mental disabilities or any other legally protected status.

Respect and dignity

The Supplier treats all employees with respect and does not engage in or support the use of corporal punishment, threats of violence, verbal, physical or visual abuse or other forms of mental, sexual or physical coercion or any forms of harassment or bullying.

No excessive working hours

The Supplier complies with applicable laws with respect to the number of working hours per day and the number of days worked in a week. The Supplier respect and realize the principles of ILO Convention No. 001 on Hours of Work.

Legal and fair compensation

The Supplier compensates employees relative to the industry and local labor market. The Supplier operates in full compliance with applicable laws and regulations regarding wages, work hours, benefits and binding agreements, including overtime work and other pay arrangements.



Safe and healthy working conditions

The Supplier provides employees with a safe and healthy workplace in compliance with all applicable laws and regulations.

The Company shall draw up and comply with clear rules and procedures concerning health and safety in the workplace. Safety equipment shall be provided to and used by employees. Emergency exits shall be provided on all floors and be clearly marked and well-lit, shall not be blocked, and shall be accessible for evacuation during working hours.

All employees shall have access to clean toilets and drinking water, and hygienic and (where required) well-adapted areas for storing food. All employees shall receive regular, documented health and safety training. One of the members of the Company's management shall be assigned specific responsibility for the health and safety of the Company's employees. If the Company offers sleeping areas, they must be clean, secure and sufficiently ventilated, with access to clean sanitary facilities and clean drinking water.

Environment

The Supplier comply with local laws and standards with respect to environmental and climate issues.

The Supplier proactively takes necessary precautions and actions to minimize the adverse environmental and climate impacts of its activities and base any approach to environmental and climate related issues on a principle of caution.

The Supplier chooses the most environmentally friendly product, method or technology when supplying Toms Group.

When contracting with sub suppliers, the Supplier is obliged always to take environmental issues into account.

Anti-Corruption

Any form of corrupt practices is unacceptable for Toms Group, regardless of local laws and practices.

The Supplier does not engage in any corrupt practices with any other party to advance the Supplier's or Toms Group's business interests.

Corrupt practices include, but are not limited to, bribery, personal payments, extortions or kick-backs and the authorization of direct or indirect payments of money, goods or services of value to local government officials, political parties or political candidates, or their friends or relatives, for the purpose of influencing the acts or decisions of local officials.

Corrupt practices also include offering or receiving any advantage to or from other parties as an inducement to do something which is dishonest, illegal or a breach of trust, in the conduct of business.

The Supplier is consequently obliged to refrain from engaging in or benefiting from any such corrupt practices.

Suppliers are encouraged to respond if they have fair reason to believe that Toms Groups employees or its agents or subcontractors engage in wrongful acts including but not limited to financial irregularity or inaccuracy, fraud, anticompetitive or corrupt practices or violations of significant labor, health, safety or environmental requirements.

Such acts should be reported to Toms Group at the e-mail address whistle@tomsgroup.com.

**Problem notification**

The Supplier will inform Toms Group immediately if it learns of anything that may indicate a quality, safety or labeling problem affecting the supplied goods or Toms Group's products, or that could cause the Supplier to breach its agreements with Toms Group.

Monitoring compliance

We expect the Supplier to take all necessary steps to inform its employees, agents and subcontractors of the principles set forth in the Toms Group Supplier Code of Conduct and to take appropriate action to ensure understanding of and compliance with its principles.

In order to ensure our suppliers' compliance with the Toms Group Supplier Code of Conduct, Toms Group has established a practice pursuant to which all suppliers, who are considered critical according to internal guidelines, shall submit a supplier questionnaire on social and environmental responsibility upon request every second year.

Monitoring and auditing may also be conducted by announced or unannounced on-site inspections by Toms Group or our representatives.

Toms Group encourages the Supplier to maintain necessary documentation to demonstrate compliance with the principles stipulated in this Supplier Code of Conduct. The Supplier is obliged to give Toms' representatives full access for such on-site inspections, including access to all records and data, which may be relevant to evaluate the Supplier's level of compliance with the Toms Group Supplier Code of Conduct and access to interview randomly chosen employees.

Non-compliance with the Toms Code of Conduct

Non-compliance with the Toms Group Code of Conduct or the obligations to submit supplier questionnaire and/or to give full access to on-site inspections constitutes a material breach of the business relation with Toms Group, entitling Toms Group to react accordingly, by initiating a dialogue with the Supplier and request further explanations and appropriate actions in order to ensure improvement on the subject(s) in question. In the event of continuous non-compliance Toms Group will be entitled to terminate the relation. The supplier is obliged to be co-operative in relation to ensure such improvements.

Toms Group may co-operate with national or international organizations with specific focus on one or more subjects covered by Toms Group Supplier Code of Conduct, and in the event of non-compliance with Toms Group Supplier Code of Conduct the Supplier shall be obliged also to co-operate with such organizations in order to minimize the harmful effects on human beings or the environment.

The supplier's continuous failure or lack of will to take active part in the dialogue, or to establish adequate measures to improve on the subjects of non-compliance or failure to implement such measures will be regarded as material breach of the business relation with Toms Group, entitling Toms Group to react accordingly, e.g. by terminating the relation.

Revisions to the Supplier Code

The Toms Group Supplier Code of Conduct will be reviewed on a regular basis and updated as necessary. The latest version of the Supplier Code of Conduct will be posted on the Toms Group corporate website www.tomsgroup.com.

Last updated April 18, 2018.



Supplier Declaration

We the undersigned hereby confirm that:

- We have received and taken due note of the Toms Group Supplier Code of Conduct, status as of April 18, 2018
- We are responsible for being aware and live up to all relevant laws and regulations of the country or countries in which our company operates
- We will inform Toms Group in case of conflict between provisions of the Toms Group Supplier Code of Conduct and any applicable laws or regulations in our countries of operation
- We will observe and conform to the Toms Group Supplier Code of Conduct
- We will communicate as appropriate to our employees, agents and subcontractors the Toms Group Supplier Code of Conduct and ensure that they comply with the provisions therein
- We will provide upon Toms Group's request relevant documentation supporting our compliance with the Supplier Code of Conduct provisions

Please sign and complete this Supplier Declaration and return via email to your Toms Group procurement representative.

Toms Group A/S
Attention: Procurement Department
Toms Allé 1
2750 Ballerup
Denmark

Supplier Declaration (must be signed by authorized signatory)

DATE / SIGNATURE

NAME (PLEASE USE BLOCK LETTERS)

TITLE

COMPANY

EMAIL

PHONE

COMPANY ADDRESS