Verman Group

Code of Conduct

for business partners

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Introduction and scope

This Code of Conduct for partners defines the minimum requirements for responsible and ethical business practices that must be observed when working with the Verman Group. The Verman Group consists of the following companies:

- Oy Verman Ab
- Leader Foods Ltd
- Leader Snack Factory Ltd
- Biosym A/S
- Nordic by Nature Oy
- Verman Sverige AB
- Verman AS
- Boma Lecithin GmbH

In this document, the term "supplier" refers to all parties that supply materials, products or services to the Verman Group, including subcontractors and agents. Verman has the right to terminate the cooperation if the supplier materially violates these principles. Verman's management team is responsible for monitoring the implementation of the guidelines and ensuring compliance.

This Guideline has been approved by the Executive Management Team of the Verman Group in Vantaa on 19 December 2025.

Who does the code of conduct apply to?

The guidelines apply **to all Verman Group suppliers and partners.** By agreeing to cooperate with the Verman Group, the supplier undertakes to comply with the principles set out in this document and to ensure that they are also implemented in its own supply chain.

Why are the guidelines important?

The Verman Group is committed to conducting its business in an ethical and responsible manner and in accordance with applicable laws and regulations. The purpose of this Code of Conduct is to ensure that all suppliers comply with the Verman Group's operating principles and ensure compliance within their own value chain.

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General expectations towards suppliers

The Verman Group expects all its suppliers and their subcontractors to operate responsibly, ethically and in accordance with applicable laws and regulations.

Suppliers must incorporate the principles set out in these guidelines into their daily operations by creating the necessary policies, processes and operating models. These must be documented and verifiable so that compliance can be demonstrated if necessary. Upon request, suppliers must provide the Verman Group with access to the necessary information and documents to ensure compliance with the guidelines.

Suppliers are required to assess risks and comply with their duty of care. This means that suppliers must actively identify, prevent and mitigate any adverse impacts their activities may have on human rights and the environment, both in their own operations and in their supply chain. The supplier must promote the realisation of human rights and environmental protection throughout its value chain.

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Key principles

The Verman Group requires all suppliers to comply with the following basic principles:

1. **Compliance with laws and regulations**
   Suppliers must always comply with applicable national and international laws, regulations and rules in all their activities.
2. **Responsibility for the supply chain**
   Suppliers must be familiar with and manage the entire supply chain for their products and raw materials. Suppliers must ensure that their subcontractors and suppliers also comply with the principles set out in this document.
3. **Commitment to ethics and responsibility**
   The supplier must act honestly, transparently and responsibly in its own operations and value chain. Avoid actions that could damage the reputation of the Verman Group.
4. **Caring for employees**
   Suppliers must provide their employees with a safe and healthy working environment and respect their human rights. This obligation also extends to the supplier's value chain.
5. **Avoiding conflicts of interest**
   Suppliers must avoid situations where personal or business interests could influence decision-making. Any conflicts of interest must be reported immediately.
6. **Reporting concerns**
   All suspicions, concerns or violations must be reported immediately to the Verman Group. 🔗 https://www.firstwhistle.fi/verman##

Compliance with laws

The supplier must comply with all applicable national and international laws, regulations and official regulations in all its activities. This applies in particular to the manufacture of products, the procurement of raw materials, production processes, marketing and commercial activities.

The supplier must ensure that its subcontractors and suppliers also comply with applicable legislation. The supplier is obliged to monitor the activities of its subcontractors regularly and in a documented manner. This monitoring may include, for example, audits, reporting obligations and contractual requirements.

In some cases, the requirements of this Code of Conduct may be stricter than the applicable legislation. In such cases, the supplier must comply with the stricter requirement. The Verman Group requires that suppliers act responsibly and proactively even in situations where legislation does not yet require certain measures, but ethical or environmental responsibility does.

Responsible business and integrity

The Verman Group requires its suppliers to act honestly, responsibly and transparently. Competition must be based on the quality of products and services, not on misleading or unethical practices. Suppliers must avoid any activity that jeopardises trust or the reputation of the Verman Group and ensure that their supply chain also complies with these principles. All activities must be based on trust, transparency and ethics.

Suppliers must recognise and avoid conflicts of interest where personal or financial interests may influence decision-making. Any conflicts of interest must be reported to the Verman Group without delay.

The Verman Group has zero tolerance for bribery, corruption and fraudulent practices, and expects the same from its suppliers. All gifts, hospitality and benefits must be given and received openly, occasionally and at a reasonable value. Offering or accepting cash is strictly prohibited. Our employees are responsible for their own travel and accommodation expenses when visiting partners or attending events.

Data security and privacy

The Verman Group requires its suppliers to protect all intellectual property rights, confidential information and personal data carefully and responsibly. Suppliers must ensure that all information relating to the Verman Group, its customers, employees or business is treated confidentially and securely. Any unauthorised use, copying, distribution or disclosure of confidential information is strictly prohibited. Suppliers must ensure that their employees and subcontractors are aware of these requirements and are committed to complying with them.

When processing personal data, the supplier must comply with all applicable data protection laws and regulations as well as industry best practices. Particular care must be taken when handling sensitive or confidential information. If data breaches occur, they must be reported to the Verman Group without delay and the necessary corrective measures must be taken.

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Human rights

The Verman Group requires all suppliers to respect internationally recognised human rights in all their activities. We do not accept human rights violations in any form.

The following principles should be carefully reviewed to ensure that all parties in the supply chain comply with these or similar principles:

- The UN Declaration of Human Rights and the conventions on the rights of children and women
- The UN Guiding Principles on Business and Human Rights
- The OECD Guidelines for Multinational Enterprises and the OECD Due Diligence Guidance for Responsible Business Conduct
- The International Labour Organisation (ILO) principles concerning working life
- The UN Global Compact initiative and Sustainable Development Goals (SDGs)
- Amfori BSCI (*Business Social Compliance Initiative*) Code of Conduct

The Verman Group does not accept the use of child labour, forced labour or human trafficking under any circumstances. Suppliers must ensure that their subcontractors do not use these forms of labour.

Suppliers must have procedures in place to identify, prevent, mitigate and remedy human rights risks. If a supplier or its subcontractor has production facilities in high-risk countries, it must ensure that the production facility in question has a valid third-party audit of its social responsibility practices. The supplier must provide a copy of the certificate or audit report upon request.

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Labour

The Verman Group requires all suppliers and partners to adhere to fair and responsible employment practices. Respect for workers' rights, a safe working environment and equal treatment are key principles that we expect our partners to adhere to.

In practice, this means:

- **Employees must be treated fairly** and their rights must be respected in all situations.
- **All work must be voluntary**, and employees must have the opportunity to terminate their employment contract with reasonable notice.
- **The legal working age (generally 15 years) must be observed; children younger than this may not be employed** directly or indirectly. The employment of young workers is only permitted if their well-being is ensured and they receive appropriate training and remuneration. Only exceptions recognised by the International Labour Organisation (ILO) may be permitted, and in these situations, particular caution and care must be exercised.
- **All employees must have a written employment contract** that clearly and legally defines the terms and conditions of employment. Employees must be provided with written and understandable information about these terms and conditions before the start of employment.
- **Employees must work reasonable hours and be paid** in accordance with applicable laws and collective agreements.
- **Employees must have the right to organise** and participate in collective bargaining (e.g. change negotiations).
- **The well-being of employees must be promoted** and work-life balance supported.

Health and safety

The Verman Group requires its suppliers to provide a safe, healthy and humane working environment for all their employees. Suppliers must comply with all applicable occupational safety laws and regulations and ensure that their subcontractors also operate in accordance with these principles.

Physical abuse, corporal punishment, threats of physical abuse, sexual or other harassment, verbal abuse or other intimidation are strictly prohibited. Suppliers must have clear processes and operating models in place to ensure a safe and healthy working environment.

This should include:

- **Appropriate measures** to prevent accidents, injuries and work-related illnesses
- **Contingency plans and measures** for emergencies.
- **Work tools and machinery must be intact**, safe and properly maintained.
- **Employees must have access to the necessary protective equipment** and gear to enable them to work safely in all tasks.

Safety concerns must be addressed immediately and it must be possible to report them confidentially. The supplier must arrange regular occupational health and safety training for all employees, including new employees and those transferring to new tasks. We encourage the development and use of technologies that improve working conditions or product safety.

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Non-discrimination and inclusion

The Verman Group requires its suppliers to respect the right of all individuals to equal and fair treatment. The supplier must ensure that there is no discrimination in its operations. This applies to the entire organisation and all situations.

What does this mean in practice?

- **Suppliers must ensure that no one is discriminated** against on the basis of gender, religion, race, ethnic background, cultural heritage, social status, disability or illness, sexual orientation, marital status, age, political opinion or trade union membership.
- **Particular attention should be paid** to the rights of vulnerable groups.
- **The supplier must have operating practices** in place that support equality.
- **The supplier must promote a work environment** in which everyone has the opportunity to participate, develop, and be treated with respect.

The supplier must actively prevent all forms of harassment, bullying, and inappropriate conduct. All reports related to harassment must be properly investigated and addressed without delay.

Environmental responsibility

The Verman Group requires its suppliers to operate in an environmentally responsible manner, strive to minimise the harmful environmental impacts of their operations, and promote positive impacts throughout the value chain. Suppliers must identify their own environmental risks and impacts and implement measures to manage and reduce them.

Suppliers are encouraged to:

- **Identify their own environmental impacts** and set their own targets for reducing them.
- **To determine and report their greenhouse gas emissions.** We strongly recommend that our suppliers set science-based emission reduction targets for themselves.
- **Promoting the protection of biodiversity and waterways.** We do not use raw materials that cause deforestation.
- **To favour renewable energy sources** over fossil fuels.
- **Promote the circular economy** and resource efficiency, such as energy and material savings, recyclability and reuse.
- **Develop and utilise** environmentally friendly technologies that support sustainable development.

The supplier must ensure that waste and wastewater are treated in accordance with the law and requirements, and that the use of chemicals is controlled and safe. The supplier must familiarise themselves with the Amfori BEPI operating principles and promote the implementation of these or similar principles in their own operations.

Social responsibility

The Verman Group requires its suppliers to act responsibly as part of society and to respect local communities, cultures and operating environments. Suppliers must strive to promote positive impacts on society and minimise any harmful impacts.

Suppliers must:

- **Respect local laws, practices and communities**, especially in areas where their activities directly affect people or the environment.
- **Promote fair and equal treatment of all stakeholders**, including employees, customers and local communities.
- **Avoid activities that may cause social, economic or cultural harm** to communities, especially vulnerable groups.
- **Support local employment** and skills development, for example by providing training opportunities and participating in community projects.
- **Act transparently and responsibly** in relation to social impacts, such as land use, natural resources and infrastructure.
- **Respect legal property rights** and access to natural resources, including the rights of indigenous peoples and communities.
- **Promote dialogue with stakeholders** in order to identify and address potential concerns in a timely manner.

Suppliers must ensure that their operations support sustainable development and responsible business practices, including from a social perspective. The Verman Group encourages its suppliers to actively participate in social responsibility and to continuously develop their operating practices.

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Product safety and quality

The Verman Group requires its suppliers to be responsible for the safety and quality of the products they market throughout the entire supply chain. Suppliers must ensure that their operations support food safety and nutritional quality. All products must comply with the requirements of European Union, European Economic Area and Finnish legislation, as well as applicable product safety standards.

Suppliers are encouraged to use internationally recognised and approved food safety and quality certifications, such as:

- BRCGS
- IFS
- SQF 2000 Code
- FSSC 22000
- ISO 22000
- ISO 9001

The supplier must provide documentation related to product safety and quality assurance upon request. The supplier must ensure that its production processes, raw materials and end products meet all applicable safety and quality requirements, and that these requirements are also met in the operations of its subcontractors and suppliers.

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Animal welfare

Suppliers must ensure that the production, transport and handling of animal-based products respect animal welfare. Routine use of antibiotics is prohibited, and medication must be based on a veterinarian's prescription. For fish products, we prefer raw materials that are certified as responsible, ensuring responsible fishing methods and species protection. Verman may request documentation on the implementation of animal welfare practices.

Sanctions

The supplier must comply with all applicable trade sanctions, export control laws and regulations. The Verman Group does not accept any business that conflicts with these regulations. The supplier is responsible for ensuring that its subcontractors and other actors in the value chain also comply with these laws and regulations. Any violations or suspicions must be reported to the Verman Group without delay.

Products manufactured in Palestine or Israel

Particular care must be taken with product origin labelling: a product may only be labelled as originating in "Israel" if it has been manufactured in the territory of the State of Israel as defined by the UN in 1948. If the product is manufactured in the Palestinian territories occupied by Israel, the origin must be marked as "manufactured in the occupied Palestinian territories".

Monitoring and compliance

The supplier must act transparently and reliably and provide Verman with all necessary information and evidence required to comply with applicable legislation and official guidelines. This may include, for example:

- product labelling
- EU tariff and statistical nomenclature (Combined Nomenclature, CN)
- Certificates
- Country of origin of the product and raw materials
- Compliance information
- product emission factors
- information related to risk assessment and reduction (e.g. environmental and human rights risks)
- evidence of due diligence

The Verman Group has the right to carry out inspections and request additional information in order to comply with official requirements. The supplier must respond to requests for information without delay and enable the required inspections to be carried out.

Reporting irregularities and concerns

The Verman Group considers it important that all violations or suspected violations of this Code of Conduct are reported without delay. Suppliers should develop and promote reporting practices that allow employees and other stakeholders to safely and confidentially express their concerns about inappropriate behaviour, misconduct, human rights violations or non-compliance with the principles of this Code of Conduct.

We recommend that all our suppliers ensure that:

- **A confidential reporting channel** or similar mechanism **is in place** through which employees can report concerns.
- **The whistleblower has the right to remain anonymous.**
- **The whistleblower must not fear retaliation** or other consequences. Whistleblowers must be protected.
- **All reports are handled appropriately** and confidentially, and necessary actions are taken without delay.

Suppliers and their employees can also report concerns directly to the Verman Group's own reporting channel at:

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