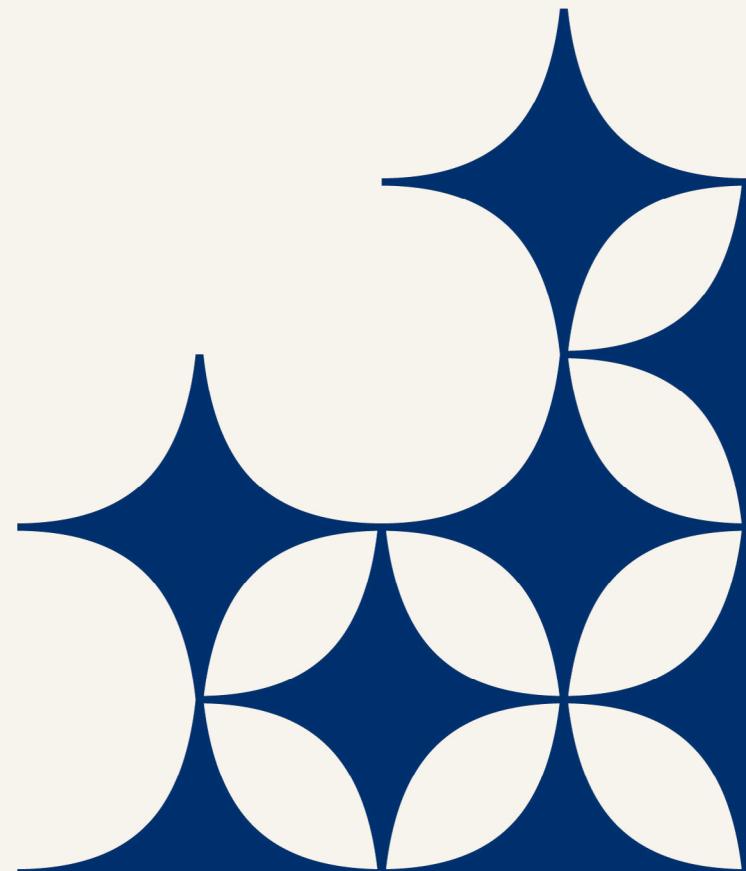


BUSINESS PARTNER

Code of Conduct

CONTENTS

1. INTRODUCTION AND REFERENCES
2. GENERAL REQUIREMENTS
3. BUSINESS PRINCIPLES
4. HUMAN AND LABOUR RIGHTS
5. HEALTH, SAFETY AND SECURITY
6. ANIMAL WELFARE
7. FOOD SAFETY
8. ENVIRONMENT
9. IMPLEMENTATION AND MONITORING
10. BUSINESS PARTNER'S DECLARATION



1. INTRODUCTION AND REFERENCES

Valio is committed to sustainability and all principles included in this document. Our mission is to make life better together with our stakeholders. Our business partners such as suppliers and distributors play a vital role in this mission, helping Valio offer high quality products that are produced, marketed and merchandised in a sustainable way.

This Business Partner Code of Conduct ("Code of Conduct") sets out the minimum requirements that Valio Ltd.'s and its affiliates ("Valio") business partners must comply with in their own operations and supply chain. In this Code of Conduct, "business partner" means a legal entity that provides Valio with products, materials or services of any kind, or a vendor, agent, co-packer, joint venture partner, or other third parties who do business with or on behalf of Valio.

Through this Code of Conduct we aim to promote respect for internationally proclaimed human rights and the adoption of international principles of responsible business practices in our value chain. These rights and principles are based on several international declarations and covenants and further articulated in guidelines, codes, and standards established by various organisations. These include:

- ◆ The International Bill of Human Rights (The International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights)
- ◆ The UN Guiding Principles on Business and Human Rights
- ◆ The UN Convention on the Rights of the Child
- ◆ The International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work
- ◆ The Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises on Responsible Business Conduct
- ◆ The Ethical Trading Initiative (ETI) Base Code
- ◆ International Organization for Standardization (ISO) standards

2. GENERAL REQUIREMENTS

Valio is committed to the principles of this Code of Conduct in its own operations and continuously develops its own sustainability practices. It is important to us that our business partners operate in compliance with the law and have appropriate practices in place to adhere to these principles both in their own operations and throughout the entire supply chain.

The business partner shall comply with all applicable national and international laws, regulations, licenses, and permits in the countries and jurisdictions in which it operates. In case of any differences between the requirements of this Code of Conduct and any applicable laws, regulations or standards (collectively the "Laws"), the business partner must comply with the requirements that are more stringent.

The business partner shall have a business continuity plan to ensure the ongoing delivery of products and services in the event of disruptions. The business partner shall have management practices in place covering the principles of this Code of Conduct that are adequate in terms of size, complexity and risks of its business.

The business partner is expected to assess and identify risks of harm to human rights and the environment in their operations and supply chain, take steps to prevent and mitigate these risks, and remediate the actual harm it has caused or contributed to. In addition, the business partner is expected to cooperate with and support Valio in its due diligence processes, e.g., by providing information and participating in assessments where appropriate.

The business partner shall have a process in place for handling concerns raised by its employees and ensuring that employees reporting grievances or complaints are protected from retaliation.



3. BUSINESS PRINCIPLES

It is important to us that our business partners protect information, refrain from corruption or improper gifts, comply with sanctions, and avoid conflicts of interest.

3.1 CONFIDENTIAL INFORMATION, PERSONAL DATA, AND INTELLECTUAL PROPERTY

The business partner shall handle all confidential information, personal data, and intellectual property received from or accessed through its relationship with Valio with due care and appropriate safeguards, ensuring protection against misuse and compliance with Laws. The business partner shall ensure that any use of artificial intelligence (AI) in connection with its relationship with Valio does not compromise confidential information, personal data, or intellectual property, and that such use complies with applicable Laws.

3.2 BUSINESS INTEGRITY

All forms of corruption are prohibited, including the offering or acceptance of any bribes, or engaging in extortion, or embezzlement. The business partner shall have adequate procedures in place to prevent corruption in its business.

The business partner shall keep accurate and transparent records of their business and commercial dealings and avoid any unfair trading practices. The business partner shall comply with any export and import control regulations and all applicable economic and trade sanctions, including those imposed by the United Nations, the European Union, the United States, the United Kingdom, and any other country with jurisdiction over its activities.

The business partner shall promptly inform Valio if it, or any of its owners, directors, or relevant personnel, becomes subject to any sanctions or is listed on any applicable sanctions or restricted party list. The business partner shall not participate or attempt to participate in money laundering.

The business partner shall avoid situations that may create a conflict of interest with Valio and promptly disclose any actual or potential conflict of interest to Valio. A conflict of interest arises when a personal or financial interest of the business partner's or Valio's employee or director affects, or may appear to affect, their ability to make impartial business decisions.

3.3 GIFTS AND HOSPITALITY

The aim of any business hospitality, gifts or entertainment for Valio or its employees by the business partner shall be reasonable in cost and nature, intended solely to maintain professional business relations and not to influence Valio's business decisions. Major travel expenses for the individual representing Valio shall be paid by Valio.

In turn, the business partner shall not receive any inappropriate gifts, favors, entertainment, or other personal benefits from its own business partners that might affect, or appear to affect, its business decisions in connection with the business partner's work with Valio.



4. HUMAN AND LABOUR RIGHTS

It is important to us that our business partners respect human rights, treat their employees with respect and without discrimination, comply with fair terms of employment, and respect the rights of local communities.

4.1 HUMAN RIGHTS

The business partner shall respect all human rights and pay special attention to the rights of vulnerable groups such as women, children and migrant workers.

4.2 CHILD LABOUR AND YOUNG EMPLOYEES

Child labour is prohibited. The business partner shall not employ any person under the age of 15 (14 in certain countries according to ILO Convention 138) or minimum age allowed under the Laws, whichever is higher. The business partner shall verify the age of job applicants and take other appropriate measures to ensure that no child labour occurs in its own facilities or in the facilities of its subcontractors.

If any violations of the minimum working age are found, the business partner must create and implement a proper remediation plan that prioritizes the best interest of the child. The remediation plan and its reporting should be consistent with the Code of Conduct's section titled "Reporting, Remediation and Continuous Improvement."

The business partner must not have employees under 18 years of age performing duties which are hazardous to their development, health and safety or interfere with their schooling.

4.3 FORCED LABOUR

Forced labour is prohibited including all forms of involuntary labour such as human trafficking, slavery, bonded labour, and involuntary prison labour.

Employees shall have the right to leave the workplace premises freely after their shift and to terminate their employment after reasonable notice. All work must be conducted on a voluntary basis and not under threat of any penalty or sanctions.

Neither business partner nor its intermediaries such as employment agencies shall charge employees any fees to secure employment, including recruitment fees, application fees, administrative or medical fees, passport or visa costs, or other fees. Employees shall not be required to lodge deposits or original identity documents with the business partner, or with intermediaries or contactors of the business partner.

4.4 PROHIBITION OF DISCRIMINATION, HARASSMENT AND ABUSE

The business partner shall treat all employees with respect and dignity. No person shall be subject to any discrimination in employment, including hiring, compensation, access to training, promotion, termination, or retirement based on ethnicity, skin colour, caste, national origin, religion, age, disability, gender, marital status, pregnancy status, sexual orientation, union membership, political affiliation, or any other status protected under the Laws.

Any form of physical, mental, sexual or verbal abuse, intimidation, threat, or harassment is prohibited. The business partner shall implement protective measures for pregnant employees and new parents, including

parental leave, reduced working hours, work reassignment, or other reasonable accommodations, in accordance with the Laws.

4.5 WORKING HOURS

The business partner shall comply with all applicable laws, regulations, and collective bargaining agreements regarding working hours, rest periods, breaks, annual leave, sick leave, parental leave, holidays, and overtime. In general, regular working hours should not exceed 48 hours per week. Workers shall be allowed at least one uninterrupted 24-hour rest period for every seven-day work period.

The business partner shall ensure that overtime is voluntary and paid at a legally required premium rate or the industry rate, whichever is higher. Mandatory overtime may be required in exceptional and temporary circumstances, and only to the extent necessary. Overtime should not be used as a replacement for regular employment.

4.6 EMPLOYMENT STATUS

The business partner shall ensure that all employees — whether directly hired or hired through an intermediary such as an employment agency — are legally authorized to work in their facilities. Before entering employment, employees shall be provided with written and understandable documentation about their employment terms and conditions, including job function or tasks, wage rates, fringe benefits, incentive systems, pay period and method, and other information required under the Laws.

The business partner shall ensure that human and workplace rights are applied to all employees, including part-time and temporary employees, subcontractors, and migrant labour.

The business partner shall not avoid obligations to employees through the excessive use of fixed-term contracts of employment, sub-contracting etc., or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment.

4.7 WAGES AND WAGE DEDUCTIONS

The business partner shall compensate all employees according to the Laws and any binding labour agreements, including requirements for minimum wage, overtime, and premium pay as well as equal pay for equal work without discrimination. In any event, wages should continuously be developed to meet basic needs and to allow some discretionary income.

Wage deductions for loan advances, food or lodging, for disciplinary measures or other reasons may create conditions of possible forced or bonded labour. Therefore, the business partner shall only make deductions from employees' wages with their explicit consent and shall ensure that such deductions do not reduce the pay below the applicable legal minimum wage in any given pay period.

Deductions from wages as a disciplinary measure should be avoided. If used, the business partner shall have a policy and procedure in place for due process for employees. All disciplinary measures shall be recorded.

4.8 FREEDOM OF ASSOCIATION

The business partner shall respect the employees' right to join or form trade unions of their own choosing and to bargain collectively. Where local laws impose restrictions on these rights, the business partner should strive to support alternative forms of employee-management dialogue, representation, and collective bargaining. Neither employees, their representatives, or trade union members shall face retaliation, harassment, abuse, or threats for legally protected activity. The business partner shall provide employee representatives with the necessary facilities and access to the workplace to effectively perform their representative duties.

4.9 COMMUNITY RIGHTS

The business partner shall respect the rights of communities and indigenous peoples to land and natural resources, including water. Land acquisitions shall be carried out with full respect for legitimate tenure rights and with zero tolerance for land grabbing.



5. HEALTH, SAFETY AND SECURITY

It is important to us that our business partners provide their employees with a safe and healthy workplace, where hazards are identified and minimized, and where employees are provided with the necessary protective equipment and safety training.

5.1 WORKING CONDITIONS AND ACCOMMODATION

The business partner shall provide employees with a safe and healthy working environment. Both the workplace and accommodation, where provided, shall meet all the requirements under the Laws related to health, safety, and the environment. This includes fire and structural safety, adequate ventilation, proper lighting, access to clean toilet facilities and to potable water and, if appropriate, sanitary facilities for food storage.

5.2 HEALTH AND SAFETY

The business partner shall have systems to identify and assess potential risks to the safety, health and security of employees. Special risks for pregnant women and nursing mothers need to be considered.

Potential hazards are to be eliminated wherever possible, technically isolated (by structures, safety equipment etc.) and the remaining ones minimized and controlled. Where necessary, the business partner must provide all employees with effective, well maintained, and appropriate personal protective equipment (PPE) and ensure they are used as required. Any accidents shall be reported and investigated, with the necessary corrective measures implemented.

All employees shall receive regular and documented health and safety training based on identified safety risks and must be provided with access to adequate medical care.

5.3 EMERGENCY PREPAREDNESS

The business partner shall identify potential emergency situations and prepare responses by implementing emergency plans and procedures. This includes employee notification and evacuation procedures, emergency training and drills, installing, testing and maintaining appropriate detection devices, adequate emergency exits, and appropriate equipment. Emergency exits must be clearly marked, easily visible, free from obstructions, and operable from the inside. Fire extinguishers and first aid kits must be readily accessible and maintained in proper working condition.

6. ANIMAL WELFARE

It is important to us that our business partners ensure animal welfare throughout their entire supply chain.

If the business partner supplies any animal-based products or ingredients to Valio, the business partner shall ensure that animals are treated according to high standards of animal welfare and in compliance with applicable Laws in its own operations and in its supply chain. The business partner commits to complying with the Five Freedoms established by the World Organisation for Animal Health (WOAH):

- ◆ Freedom from hunger, malnutrition and thirst
- ◆ Freedom from fear and distress
- ◆ Freedom from heat stress or physical discomfort
- ◆ Freedom from pain, injury and disease
- ◆ Freedom to express normal patterns of behavior

Business partners are encouraged to implement preventative animal health care measures, such as routine animal health monitoring.



7. FOOD SAFETY

It is important to us that our business partners fully comply with Valio's food safety requirements.

If the business partner supplies any food or food safety related products or services to Valio, the business partner commits to complying with Valio's food safety requirements and guidelines for suppliers (available on [Valio's website](#)).

8. ENVIRONMENT

It is important to us that our business partners reduce their significant environmental impacts, such as those related to water, climate change and biodiversity, and follow the principle of continuous improvement in environmental matters.

The business partner shall comply with local environmental Laws and permits in force where operations take place.

The business partner shall identify, control, and mitigate its significant environmental impacts and demonstrate continuous improvement of its environmental performance. The business partner shall implement reasonable measures to protect the environment from

pollution, manage and minimize all types of waste, including food loss, and optimize the consumption of natural resources such as water and energy.

The business partner shall identify hazardous materials, chemicals, and substances and ensure their safe and proper handling, storage, recycling, and disposal. Personnel handling hazardous materials must be trained in material safety practices.

The business partner shall identify major climate impacts of its operations and undertake to reduce greenhouse gas emissions where reasonable. The business partner is encouraged to identify and quantify the greenhouse gas emissions of its operations and value chain, calculate carbon footprints of their relevant products and services, and set science-based emissions reduction targets.

The business partner should identify major biodiversity impacts of its operations and ensure that its activities do not lead to significant biodiversity loss. The business partner is encouraged to adopt practices that protect natural habitats and ecosystems.

The business partner shall ensure that all relevant products and raw materials that are placed or made available on the EU market are deforestation-free and compliant with the EU Regulation on Deforestation-Free Products (EUDR, EU 2023/1115). The business partner shall demonstrate traceability, maintain due diligence documentation, and provide Valio with relevant information to verify compliance with the EUDR requirements. If the business partner identifies or reasonably suspects any non-compliance or risk thereof, it shall notify Valio without delay.

9. IMPLEMENTATION AND MONITORING

It is important to us that our business partners report any potential violations of the principles of this Code of Conduct transparently and commit to taking corrective actions if necessary.

9.1 IMPLEMENTATION

The business partner shall implement and ensure compliance with the requirements of this Code of Conduct in its operations and adopt similar requirements within its own supply chain.

The business partner shall maintain appropriate documentation and records to demonstrate such compliance. Upon request, the business partner shall provide this evidence to Valio.

9.2 MONITORING

Valio has the right to monitor the business partner's compliance with this Code of Conduct by requesting the business partner to provide documents or perform self-assessments, or by conducting audits. Any self-assessments will be made either via Valio questionnaire or an external system such as Sedex (Supplier Ethical Data Exchange) as agreed between the business partner and Valio. Any audits may be conducted by Valio or an independent third-party auditor.

9.3 REPORTING, REMEDIATION AND CONTINUOUS IMPROVEMENT

Valio aims for open and honest relationships with its business partners based on trust and mutual cooperation. Valio recognizes that global supply chains are inherently complicated, and that non-compliance may be identified. Valio encourages proactive dialogue with business partner about the possible challenges when implementing the principles of this Code of Conduct in its supply chain.

If the business partner suspects or becomes aware of any non-compliance with this Code of Conduct, business partner shall inform Valio immediately. If necessary, concerns may be reported confidentially through Valio Whistle channel (available on [Valio's website](#)).

Valio expects the business partner to take corrective actions to remediate such identified non-compliance in a respectful and inclusive way. If requested, Valio may offer support to the business partner as resources and leverage permit.

9.4 BREACHES AND RIGHT OF TERMINATION

This Code of Conduct forms an essential part of all contracts between the business partner and Valio.

If Valio becomes aware of any severe breach of this Code of Conduct, Valio reserves the right to demand corrective measures, which the business partner shall implement with the schedule to be mutually agreed upon with Valio. If necessary, the business partner shall inform and cooperate with relevant authorities.

If the business partner shows no willingness or ability to correct the identified violations, Valio reserves the right to terminate any contract between Valio and the business partner according to the terms of the contract.

10. BUSINESS PARTNER'S DECLARATION

As a business partner, or potential business partner, we confirm to Valio that we have received and will comply with Valio's Business Partner Code of Conduct.

Company:

Date:

Name and Title:

Signature(s) of authorized representative(s):