

Valora Group statement on the implementation of human rights due diligence in 2025

The Valora Group is committed to conducting its business responsibly in ethical, legal, environmental and social terms. We attach great importance to respecting the human rights of all people along the value chain.

In 2023, a Human Rights Due Diligence (HRDD) management approach was developed within the Valora Group, which is based on the United Nations Guiding Principles on Business and Human Rights. The Valora Group's business units fall within the scope of the German Supply Chain Due Diligence Act (LkSG) and the Swiss Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (DDTrO). The DDTrO's regulatory obligations regarding conflict minerals do not affect us directly: Valora does not import or process any of the minerals or metals listed in the DDTrO's appendix from conflict areas above the threshold values. This has been checked and documented internally.

Principles

The Human Rights Declaration of Principles was adopted as a supply chain policy in 2023 and is publicly available. HRDD responsibilities have been defined within Valora. The relevant HRDD decisions are taken by the managing directors of Valora's three central business units (Retail, Brezelbäckerei Ditsch, Foodservice) and the Head of Legal, Compliance & Sustainability/ESG. The Group is coordinated by the Valora Group's Human Rights Officer.

The Code of Conduct for Valora's own business operations applies to all persons acting on behalf of the Valora Group. This Code sets out the values we uphold both internally and externally. It also serves as a compass and helps us to assess whether certain situations/actions are right or wrong in our day-to-day work. The corporate guidelines cover topics such as human rights and environmental issues as well as requirements for anti-corruption measures and other related topics.

The Code of Conduct for Business Partners is an integral part of our business relationships. It contains minimum expectations that Valora places on its business partners in key areas such as human and labour rights including child labour, sustainability, culture of lawfulness and information security.

Risk analysis

Valora's business units analyze the human rights risks in their own operations and supply chains on an annual basis, both for direct suppliers (tier 1) and in the deeper supply chains (tier n), including the made-in country. To determine the risk values, countries of origin and product groups are assessed in a structured manner. Various publicly available indices are used, including the UNICEF Children's Rights at the Workplace Index. Our risk analysis is constantly optimized and – wherever possible – fed with real data from our supply chain.

Our risk analyses generally show that the UNICEF Children's Rights at the Workplace Index appears as “heightened” or “enhanced” for various supplier production countries. Applying the principles of appropriateness, we analyse the systems, regulations, and processes of the suppliers concerned in dealing

with human rights risks, including child labour. Based on the results, we strive to make improvements in order to reduce human rights risks (see preventive measures).

Preventive measures

Standard measures have been developed to identify, prevent and mitigate human rights risks with suppliers at various risk levels. Measures include, for example, requesting an EcoVadis rating, requesting social labels such as Fairtrade, carrying out social audits or demanding specific improvement measures based on audits or ratings.

Our HRDD measures focus on suppliers showing the highest risks and our own brands. For raw materials that pose human rights risks (coffee, cocoa, palm oil, nuts, etc.), we are gradually switching to certified products (Fairtrade, Rainforest Alliance, RSPO, etc.).

Valora is well aware that human rights risks – for example in the area of child labour – often have systemic causes. This is why Valora, for example, is a member of the Swiss Platform for Sustainable Cocoa and the Swiss Platform for Sustainable Coffee.

Tracing

The child labour risk in our supply chains is generally not heightened or enhanced in Tier 1, but only in the upstream supply chain (Tier-n). For products with a "reasonable suspicion" of child labour, we identify the supply chain up to production ("made-in") on a risk basis – wherever possible and reasonable – and document it, if necessary.

If traceability cannot be guaranteed, we look for alternatives in dialogue with the suppliers. Due to the large number of suppliers and products and the complexity of traceability, we always focus on our own brands as a first step.

Complaints mechanism

The Valora Group has established a complaints management system through the Valora Integrity Line. This consists of a whistleblower system and internal processes and responsibilities to meet HRDD requirements. Publicly accessible rules of procedure create transparency about the complaints process and guarantee the anonymity of whistleblowers. Once checks have been made, Valora will initiate any necessary remedial action and follow-up.

In addition to our own complaint management system, certification standards such as Fairtrade and Rainforest Alliance, which we use, also offer contact points for complaints.