

**HUMAN RIGHTS POLICY**

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## 1. Commitment to respect human rights

Valora group (i.e. Valora Holding AG and all companies controlled directly or indirectly by Valora Holding AG in Switzerland and abroad) commits to conducting business in an ethically, legally, environmentally, and socially responsible manner. We place great importance in respecting the human rights of all individuals along the value chain, including employees, customers, suppliers, business partners and other parties linked to our operations, products and services.

A core value for sustainable business is the interaction between economic success and moral commitment. It is particularly important to us to address human rights risks as well as environmental risks, which have immediate impact on human rights, in our own operations as well as in our supply chain. This Human Rights Policy guides our efforts in these regards describing the overarching principles of our human rights due diligence (HRDD). Our approach is aligned with the Fomento Económico Mexicano S.A.B. de C.V. (FEMSA) Human Rights Policy which marks the framework of our actions. As an affiliate of FEMSA we closely align our actions related to human rights with those of our parent company. As an internationally active trading company, our commitment and approach is guided in particular by the following standards and frameworks:

- United Nations Universal Declaration of Human Rights (UN-UDHR)
- International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work and Core International Labour Conventions
- Principles of the United Nations Global Compact (UNGC)
- UN Women's Empowerment Principles
- The United Nations Guiding Principles on Business and Human Rights (UNGPs)
- The OECD Guidelines for Multinational Enterprises

In addition, we comply with local laws and regulations wherever we operate.

## 2. Scope and Definitions

This policy applies to the entire Valora group.

Own operations: In the following policy we refer to own operations as Valora group companies and the respective contracted employees.

Extended operations: The extended operations include our franchise and agency partners.

Business partners: Lastly, business partners are all stakeholders we are doing business with, e.g., suppliers, landlords, service providers etc. In our upstream supply chain, we differentiate between direct suppliers (Tier-1) and sub-suppliers (Tier-n).

## 3. Requirements for us and our partners

To meet our commitment to respect and recognize human rights at Valora, we have implemented policies that express our attitude towards ourselves, our employees, our franchise and agency partners, as well as our suppliers. The following policies are particularly relevant:

### – Valora Code of Conduct

As a daily guide for our members of the board of directors, employees, and all persons acting on behalf of the Valora group we have established the "Valora Code of Conduct". This code documents our values, which we represent internally and externally. Furthermore, it serves as a compass and supports the assessment of situations/actions as right or wrong in everyday work. The guideline covers topics such as human rights and environmental issues, as well as requirements for anti-corruption measures and other related topics.

– **Valora Business Partner Code of Conduct**

At Valora, our goal is to realize our values and principles together with our business partners, including also our franchise and agency partners. We require our business partners to act according to our principles and values and to support us in doing so. The expectation is documented in our Business Partner Code of Conduct, which includes the applicable principles, values, and legal/compliance requirements.

**4. Identification and evaluation of risks**

We are aware of potential risks in complex supply chains, our product portfolio, our own operations, and our extended operations. We evaluate potential risks related to human rights for our own operations, extended operations (including our franchise and agency partners), direct suppliers and sub-suppliers at least annually or as needed. Based on these risk analyses, risks are prioritized and addressed.

Risk analyses are conducted in a clearly structured and methodologically sound manner. They include expert interviews, to evaluate, among others, the origin of products and raw materials, as well as risks within certain product groups. In our own operations, extended operations, and for our direct suppliers, we have identified discrimination as well as occupational health & safety as prioritized risks. In our supply chain, we have furthermore identified prioritized risks related to child and forced labour, freedom of association, decent working hours, and adequate wages.

Changes regarding the prioritized risks in future risk analyses will be reflected in an update of the human rights policy.

The results of the risk analyses conducted by Valora are continuously incorporated into the company's decision-making processes, particularly regarding internal business strategies and the selection and management of suppliers. Wherever we identify risks - whether in our own or extended operations or with suppliers - we seek to minimize them through appropriate measures.

**5. Definition and implementation of measures**

– **Preventive measures**

To minimize identified and prioritized risks, we implement preventive measures. In our own operations and extended operations, for example, dedicated safety officers minimize risks related to occupational health and safety. Furthermore, we provide trainings for employees as well as agency and franchise partners to strengthen the understanding of human rights risks.

Regarding suppliers, we differentiate between direct suppliers with potential risks in their own operations and direct suppliers with potential risks upstream in the supply chain, thus including their own supply chain. In general, adherence to our Business Partner Code of Conduct serves as basis for establishing common ground regarding human rights in both the workforce of direct suppliers and upstream in the supply chain. Additional preventive measures are embedded in our supplier relationship management and depend on prioritized risks. Regarding the operations of direct suppliers, these range from querying documentation to on-site audits. Regarding identified risks further upstream in the supply chain, measures range from participation in multi-stakeholder initiatives to on-site audits and respective follow-up.

– **Remedial measures**

In the event adverse impacts in our own operations or extended operations, Valora takes immediate action to stop the violation or minimize the risk. If a human rights violation is found with a supplier or further upstream in the supply chain, we define

measures that the supplier must implement as a condition for further cooperation. Depending on the severity of the violation, we take appropriate measures, which may include joint approaches to collaboratively tackle risk with the supplier, legal action, or ultimately the termination of the business relationship with the supplier.

## 6. Reporting of hints

We are aware that violations may occur, despite our careful handling of human rights risks. Therefore, the implementation of an appropriate and effective complaint management system is an essential part of our human rights risk management approach. As part of this, we have established a complaint procedure and whistleblower system through which affected persons or other whistleblowers can report any wrongdoing or violations of human rights or environmental issues at any time. This applies not only to our own and extended operations, but also to direct and sub-suppliers.

Whistleblowers who report misconduct for ethical and moral reasons are essential in preserving societal and legal values, and thus contribute to the success of our company. That is why we have set up a whistleblowing portal (<https://valora.integrityline.org/>). The publicly available procedural rules for reporting are also included there, which describe the process of reporting and ensure the anonymity of whistleblowers.

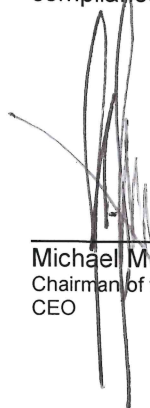
## 7. Outlook and reporting

The adherence to human rights and environmental rights within Valora and our supply chains will continue to be subject to ongoing review in terms of their effectiveness and development, in order to continuously improve. This includes regularly questioning existing measures and processes and sharpening them where necessary.

We report annually on both identified risks and resulting measures. At this occasion, we also evaluate the effectiveness of our measures and derive conclusions for our future activities.

## 8. Governance

Implementation of and compliance with Valora's human rights policy is ultimately a responsibility of the Valora group's executive management. Additionally, Valora has appointed a HRDD steering committee, which is chaired by the human rights officer and composed of leaders of the main business units as well as high-level representatives of corporate functions such as sustainability and compliance. It is responsible for monitoring the operational implementation of the human rights policy. The HRDD steering committee receives regular and event-based reporting regarding the HRDD processes at Valora. The Valora group's human rights officer at corporate level is supported by human rights officers at business unit level. Depending on the task, various additional departments are involved, such as procurement, legal services and compliance, and human resources.




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