

SUPPLY CHAIN MANAGEMENT CODE OF CONDUCT

Collins Foods Limited

CODE OF CONDUCT

At Collins Foods Limited (CFL), we are committed to conducting our business in an ethical, legal and socially responsible manner. This Supply Chain Management Code of Conduct (**Code**) outlines the rules and standards of conduct that apply to third parties in CFL’s food production and supply chain.

Compliance with this Code is a condition of doing business with CFL and conducting business with CFL is deemed to be an implicit confirmation by Suppliers of their ongoing compliance with this Code. No part of this Code may be amended, varied or waived without express written approval by the CFL Executive Committee.

In addition to compliance with this code, all CFL Suppliers must maintain a Certificate of Currency for their Public Liability Policy (minimum amount acceptable is \$20 million), a Certificate of Currency for their Workers Compensation policy, and all other relevant legal and/or regulatory compliance documentation, copies of which must be provided to CFL upon request.

APPLICATION TO SUPPLIERS & DISTRIBUTORS

This Code applies to all third-party suppliers of goods and/or services to CFL including raw materials, components, systems, ingredients, consumables, goods, packaging and other products and related services (**Suppliers**), any third parties appointed as distributors for CFL (**Distributors**), and their employees, agents, contractors and representatives (**Personnel**).

Suppliers and Distributors must ensure that all Personnel engaged in connection with the supply of goods/services to CFL, whether they be located in or outside Australia, expressly undertake to comply with this Code.

Where CFL considers a Supplier and/or Distributor to have engaged in Serious Social Misconduct, the Company reserves the right to unilaterally terminate or suspend its business with the Supplier and/or Distributor. Serious Social Misconduct means anything that in the opinion of CFL:

- will bring adverse publicity or reaction to CFL, CFL’s brand or the products or services of the brands operated by CFL;
- is of a negligent, reckless, fraudulent, immoral, scandalous or illegal nature, including but not limited to drunkenness, violent behaviour or use of illegal drugs while providing the Services;
- is damaging, disparaging or detrimental to CFL, CFL’s brand or the products or services of the brands operated by CFL;
- is of a controversial nature, including but not limited to public comment on any matter whatsoever, that brings CFL, CFL’s brand or the brands operated by CFL, ridicule or condemnation from a substantial section of the public.

COMPLIANCE WITH THIS CODE

Suppliers and Distributors must comply with this Code at all times. To this end, Suppliers and Distributors should:

- establish company-wide policies implementing this Code;
- provide such information and training as necessary to ensure all Personnel fully understand and comply with this Code;
- actively monitor compliance with this Code;
- not less than once per year, conduct an audit of any workplaces and facilities owned or controlled by Supplier/ Distributor (as applicable) to determine compliance with this Code the evidence of which must be provided to CFL on request; and
- promptly report any material non-compliance to CFL and take active steps to resolve or remedy such non-compliances as soon as practicable in accordance with CFL requirements.

Document No	Prepared by	Approved by	Date
CFL-COD-SC-001	Procurement Supply Chain	Group CFO	October 2019

1 Animal welfare

- 1.1 CFL recognises that the well-being of animals and livestock is of paramount importance for ethical and socially responsible supply chain management and is a matter of serious concern to CFL customers.
- 1.2 Suppliers and Distributors must comply with applicable requirements relating to animal welfare at all times including in the keeping, processing and transport of any livestock.
- 1.3 Suppliers and Distributors are also expected to demonstrate a meaningful commitment to animal welfare, for example, by seeking out and implementing new and innovative ways to improve animal welfare standards in the food production chain.

2 Antitrust and fair competition

Suppliers and Distributors must comply with all applicable laws and regulations relating to antitrust and fair competition. To this end, Suppliers and Distributors are expected to:

- (a) conduct business dealings with honesty, transparency, propriety and good faith;
- (b) promote efficiency and quality in the supply of goods/services;
- (c) not abuse their position in the market; and
- (d) not engage in any form of agreement or understanding with competitors to fix prices, rig bids, allocate customers and/or restrict supply.

3 Chain of responsibility

- 3.1 CFL recognises the need for a safe and efficient transport function in the CFL supply chain and we aim to work only with Suppliers and Distributors that demonstrate compliance with applicable chain of responsibility laws. This includes any industry codes and guidelines which govern the supply chain interactions between vendors, carriers, consignees, manufacturers and suppliers.
- 3.2 We expect all our Suppliers and Distributors to maintain best road transport industry practices at all times including, without limitation, in relation to queuing and scheduling, loading and unloading, vehicle safety, vehicle mass and dimension, driver behaviour and safety, driver fitness, driving hours and fatigue management, and security.
- 3.3 Suppliers and Distributors are responsible for implementing suitable processes, training, policies and procedures for ensuring legal compliance and safety in their operations and dealings with third parties involved in the carriage of freight in each State and Territory. Suppliers and Distributors must not make or impose any demands or requirements on any supply chain participant that would cause any person to breach applicable road transport laws.

4 Confidential information

- 4.1 Confidential information of CFL includes, without limitation, information relating to CFL's business, products, customers, upcoming promotional activity, suppliers, pricing, costs, intellectual property and other proprietary rights, know-how, trade secrets and strategies.
- 4.2 If required by CFL, Suppliers and Distributors must:
 - (a) execute a confidentiality and non-disclosure agreement with CFL in advance of any disclosure of confidential information; and
 - (b) procure written confidentiality undertakings from any Personnel who require access to such confidential information.
- 4.3 Access to any confidential information of CFL is strictly limited for the purposes of fulfilling contractual obligations and responsibilities. Suppliers and Distributors must not disclose the confidential information of CFL to any person other than on a 'needs to know' basis to Personnel who have signed a confidentiality undertaking (where required) or with the express consent of CFL.

Document No	Prepared by	Approved by	Date
CFL-COD-SC-001	Procurement Supply Chain	Group CFO	October 2019

- 4.4 Suppliers and Distributors must immediately report to CFL any unauthorised access to or disclosure of CFL’s confidential information and must take all reasonable steps to mitigate the consequences of such access/disclosure as required by CFL.
- 4.5 Likewise, CFL commits to ensuring these strict confidentiality guidelines are applied to all information shared by Suppliers with CFL. This includes but is not limited to price structure, manufacturing processes, and general business.

5 Conflicts of Interest

- 5.1 Suppliers and Distributors must promptly disclose to CFL any apparent or actual conflict of interest so that CFL can determine how to appropriately address the situation. A “**conflict of interest**” arises when personal interests or activities influence, could influence, or appear to influence, the person’s performance of duties and responsibilities or judgment with respect to transactions affecting CFL.
- 5.2 Some situations that could give rise to a conflict of interest include:
- (a) having a personal or significant financial investment or interest in any company that competes, does business, or seeks to do business with CFL;
 - (b) doing or omitting to do something which has the effect of giving undue advantage to a third party in its dealings with CFL;
 - (c) when family members, domestic partners, or personal friends work for CFL, another CFL supplier, CFL customer or CFL competitor;
 - (d) providing gifts, entertainment, meals or other things of value to an employee of CFL.
- 5.3 Where CFL determines that a conflict of interest exists, CFL may require Supplier/Distributor to immediately dispose of its interest and cease performing any duties which may be affected.

6 Compliance with laws

All Suppliers and Distributors must abide by all applicable laws, rules, regulations, mandatory guidelines, binding directives, orders and codes and any standards in force from time to time, both in the country in which they operate and in Australia.

7 Employment and work practices

a. Dignity and respect

- 7.1 CFL values diversity in people and ideas in the workplace and believes that all individuals should be treated with fairness, dignity and respect. Suppliers and Distributors are expected to promote the same values and should ensure their Personnel do the same.

b. Drugs and alcohol

- 7.2 The use or sale of illegal or recreational drugs is strictly prohibited at all CFL work sites. Suppliers and Distributors must ensure their Personnel do not perform work under the influence of alcohol or drugs.

c. Labour practices and illegal workers

- 7.3 Suppliers and Distributors must not perform any work or activities using children under the legal age for employment or workers under any form of forced or indentured servitude, whether in Australia or outside Australia. Threats of violence, physical punishment, confinement, and any other form of physical, sexual, psychological, or verbal harassment or abuse are strictly prohibited.
- 7.4 Suppliers and Distributors are responsible for ensuring their Personnel are entitled to work in Australia. This includes confirming citizenship or permanent resident status, and visa entitlements of any non-citizens. Checks should be conducted before the worker commences work, when their visa expires and whenever the worker’s circumstances change. Suppliers and Distributors must not allow illegal workers to perform any paid or unpaid work whether or not the arrangement is made directly with the Supplier/Distributor or otherwise such as through a contractor, labour hire company or referral company.

Document No	Prepared by	Approved by	Date
CFL-COD-SC-001	Procurement Supply Chain	Group CFO	October 2019

d. Non-discrimination, harassment and vilification

- 7.5 CFL does not tolerate unlawful discrimination, vilification and harassment under any circumstances. Suppliers and Distributors are responsible for ensuring that their workplaces are free from unlawful discrimination, harassment and vilification and should have in place company-wide policies implementing applicable laws prohibiting such unlawful acts and practices.
- 7.6 Without limiting the foregoing, Suppliers and Distributors must not engage in or encourage any form of discrimination in hiring and employment on the grounds of race, colour, religion, sex, age, physical disability, national origin, creed and any other basis prohibited by law, or any deliberate or unintentional behaviour that might harass, humiliate, intimidate or offend an individual or incite public hatred, contempt or ridicule of a person or groups of persons.

e. Smoke free workplace

- 7.7 CFL is committed to maintaining smoke free workplaces to protect the health and welfare of all CFL employees, staff and visitors. Suppliers and Distributors must ensure their Personnel refrain from smoking at CFL workplaces and any smoke-free designated areas.

f. Working hours and conditions

- 7.8 Suppliers and Distributors should ensure that their staff have safe and healthy working conditions and reasonable daily and weekly work schedules. Staff should not be required to work more than the number of hours allowed for regular and overtime work periods under applicable law.

8 Environmental sustainability

- 8.1 CFL recognises the value of the natural environment and is committed to reducing overall environmental impacts including through improving use of recycling and renewables and reducing litter impacts. We expect all our Suppliers and Distributors to support our commitment to environmental sustainability and to be accountable for their own environmental sustainability performance.
- 8.2 Suppliers and Distributors are expected to implement industry best practices in relation to environmental sustainability in the food production chain and must comply with CFL’s environmental sustainability requirements which may be notified by CFL from time to time, including in relation to sourcing, manufacturing, packaging, transport and disposal of products.
- 8.3 Suppliers and Distributors should also aim to achieve continuous improvements in their environmental sustainability performance.

9 Food safety, quality and integrity

- 9.1 CFL aims at all times to achieve the highest standards of food safety, quality and integrity. To this end, CFL expects all Suppliers and Distributors to ensure compliance with applicable food safety regulations, audit requirements, industry best practice and ethical standards, and to provide transparency, promote innovation and proactively build consumer trust and confidence in the relevant food production chain.
- 9.2 Suppliers and Distributors are also expected to have in place a comprehensive quality management system for ensuring all food safety and quality assurance requirements are met in the food production and supply chain from primary production through to factory processing and final dispatch.

10 Gifts and entertainment

- 10.1 Suppliers and Distributors should be aware that gifts and entertainment are not needed in order to conduct business with CFL and are generally discouraged at CFL. Modest gifts and some kinds of entertainment, such as a team celebration, can sometimes be appropriate but only in circumstances where the gift/entertainment is not provided in return for anything of value.
- 10.2 Suppliers, Distributors and CFL employees must not give, or offer to give, or accept any kind of gifts or entertainment in return for anything of value including (without limitation) any business, services or confidential information or otherwise with the intent to influence a decision.

Document No	Prepared by	Approved by	Date
CFL-COD-SC-001	Procurement Supply Chain	Group CFO	October 2019

- 10.3 The following situations are always inappropriate and are expressly prohibited:
- (a) giving a gift, entertainment, or preferred treatment with the intention of trying to influence the objective decision-making of a CFL employee;
 - (b) offering any gift, entertainment or preferred treatment while involved in a purchasing or contracting decision process (e.g. RFI, RFQ, RFP);
 - (c) any gift of currency, pre-paid gift cards, shares or thing redeemable for cash;
 - (d) offering entertainment where the Supplier will not be present/represented;
 - (e) offering extravagant recreational outings, travel, or accommodation at a Supplier sponsored event;
 - (f) offering an opportunity to purchase products, services, or a financial interest to any CFL employees under terms not available to all CFL employees;
 - (g) giving a gift that could be seen to be a bribe, or anything indecent, improper or illegal or which could damage CFL's reputation.

11 Health and safety

- 11.1 Suppliers and Distributors are responsible for ensuring their Personnel perform their duties in a way that assures their own safety as well as the safety of others in compliance with applicable health and safety requirements.
- 11.2 Suppliers and Distributors must ensure their entity and their Personnel are compliant in the CFL online contractor management system before performing work on CFL sites. CFL will not engage with non-compliant entities.
- 11.3 Suppliers and Distributors are responsible for monitoring the compliance of their Personnel in the system and ensuring compliance is maintained. Non-compliant Personnel must not perform work on CFL sites. Personnel that are no longer employed by the Supplier or Distributor must be removed from the system.
- 11.4 Suppliers and Distributors must ensure their Personnel are suitably qualified and experienced to perform their duties and comply with applicable emergency procedures. Accidents, injuries and illnesses, and any events or circumstances which may impact the health and safety of Personnel should be promptly reported to the responsible persons including a CFL representative (where applicable).

12 Insider trading

Insider trading and sharing inside information with others is illegal. Suppliers and Distributors must not use any information about CFL that is not publicly available to buy, sell or manipulate the price of CFL securities. This includes trading indirectly through other persons and providing investment 'tips' to others.

13 IT security: CFL's electronic environment

- 13.1 Suppliers and Distributors with access to CFL's computer systems, networks, databases and storage devices, including the CFL Intranet, email and voicemail and all stored information (**CFL's electronic environment**) must take all reasonable steps to protect the security and integrity of CFL's electronic environment including (without limitation):
- (a) using password protection and/or encryption for all data and devices;
 - (b) not sharing CFL information and data on public forums or social media;
 - (c) not disclosing individual passwords, user IDs and access codes to any other person;
 - (d) ensuring that access to CFL's electronic environment is restricted to approved personnel for the sole purpose of performing their duties;
 - (e) ensuring virus protection software is installed on personal computers used to access the CFL's electronic environment;
 - (f) being vigilant against scams such as phishing;

Document No	Prepared by	Approved by	Date
CFL-COD-SC-001	Procurement Supply Chain	Group CFO	October 2019

- (g) complying with CFL's IT related policies (e.g. policies regarding acceptable use of IT systems, working remotely and record keeping) as notified by CFL;
- (h) complying with applicable privacy and data protection laws.

13.2 Suppliers and Distributors must not use CFL's electronic environment to:

- (a) delete, decompress, run, launch, open or install any files, programs, attachments, links or emails which may contain any computer virus, worms or malicious codes;
- (b) download, view or forward any materials of a discriminatory, harassing, threatening, sexual, pornographic, racist, sexist, defamatory or otherwise offensive nature;
- (c) download, publish or communicate any material via the Internet, including CFL's Facebook page and other social media accounts, which may infringe the intellectual property rights or moral rights of any person.

13.3 In any event, at a minimum, Suppliers and Distributors are expected to treat CFL's electronic environment with at least the same standards of protection applied to their own electronic environment.

13.4 In the event that a breach of privileged information or access has occurred, CFL must be notified immediately.

14 Physical security

14.1 Suppliers and Distributors are primarily responsible for the physical security of their Personnel and the goods in their care.

14.2 In addition, Suppliers and Distributors are expected to ensure that their drivers and other transport personnel are adequately trained and experienced in dealing with any security risks which may arise in performing their role.

15 Privacy

15.1 Suppliers and Distributors must abide by applicable privacy laws and regulations when handling personal information and data and must comply with CFL's privacy policies when handling personal information collected for and on behalf of CFL.

15.2 Suppliers and Distributors must immediately report to CFL any actual or suspected privacy breach including, without limitation, any unauthorised access to or disclosure of personal information and data relating to CFL's employees, personnel or customers.

16 Prohibition of bribes, unlawful payments and other corrupt practices

16.1 Suppliers and Distributors must not participate in or allow any corrupt, unethical or illegal conduct, including the payment of bribes and other unlawful payments.

16.2 Without limiting the foregoing, Suppliers and Distributors must not directly or indirectly pay or provide anything of value to any person for any of the following purposes (whether or not the purpose is the sole or ancillary purpose):

- (a) winning or retaining any government contract or government related business;
- (b) influencing any act or decision of any government official, political party, candidate for political office, or official of a public organisation;
- (c) promoting, encouraging or furthering any illegal, corrupt, improper or unethical conduct.

16.3 The above prohibition applies notwithstanding local business customs and market practices in any country which would otherwise allow such conduct.

Document No	Prepared by	Approved by	Date
CFL-COD-SC-001	Procurement Supply Chain	Group CFO	October 2019

17 Publications and public announcements

Suppliers and Distributors must seek CFL’s prior written approval before using or permitting any use of CFL’s name, logo and other trademarks, images, information and materials in any external publications and public announcements - including press releases, testimonials, quotations, case studies, promotions and marketing activities – on any media platforms including social media. CFL’s approval may be granted or withheld by CFL in its absolute discretion and on such terms as CFL considers appropriate. Any approval will only be effective for the specific purpose for which it was provided.

18 Record keeping

Suppliers and Distributors must ensure their financial books and records conform to generally accepted accounting principles and that any paper and electronic records are maintained in accordance with applicable record keeping requirements, including requirements relating to the retention and destruction of documents and information. Without limiting the foregoing, all records should be accurate, complete and up to date in all material respects and should be legible, transparent, and reflect actual transactions and payments. Suppliers and Distributors are also responsible for ensuring that all transactions with CFL are properly authorised and reported as required.

19 Social media

- 19.1 Suppliers and Distributors are expected to ensure appropriate and ethically responsible behaviour when using any social media platforms (for example Twitter, Facebook, LinkedIn, Pinterest, Google+, Tumblr and Instagram). This includes ensuring transparency, accuracy and professionalism at all times, and that fairness and respect is maintained towards both individuals and the CFL brand.
- 19.2 Suppliers and Distributors should actively monitor their own social media activities and ensure any inappropriate content is dealt with in an appropriate manner. This includes having a crisis management plan to mitigate potential risks of negative publicity and consequent damage to brand reputation.
- 19.3 Suppliers and Distributors must not cite, post or reference CFL, CFL brands and CFL products without CFL’s prior written approval. Any social media content inconsistent with the values and commitments set out in this Code should be promptly reported to CFL.

20 Trade law

Suppliers and Distributors are responsible for ensuring compliance with applicable trade laws including import and export controls, customs and duties, import and quarantine permits, inspections and sanctions both in Australia and the countries in which they conduct business.

21 Up-stream suppliers

Suppliers and Distributors should be aware that careful selection of upstream third-party suppliers of goods/services in the CFL supply chain (**Upstream Suppliers**) is important for effective supply chain management. Suppliers and Distributors are expected to ensure their Upstream Suppliers’ conduct is consistent with this Code. Suppliers and Distributors should actively screen any proposed Upstream Suppliers before entering into new arrangements and should continue to monitor their Upstream Suppliers on an ongoing basis to ensure any compliance issues are promptly addressed and notified to CFL.

Document No	Prepared by	Approved by	Date
CFL-COD-SC-001	Procurement Supply Chain	Group CFO	October 2019