



VEPO CHEESE

The Dutch way to say cheese

HUGO PUT

VEPO
CHEESE

VEPO
CHEESE

Vepo Cheese Supplier Code of Conduct - Cheese

Introduction

Vepo Cheese is engaged in cutting, grating, packaging, and trading cheese. We collaborate with suppliers who, like us, take responsibility for people, animals, and the environment. This **Supplier Code of Conduct** outlines the requirements and guiding principles that Vepo Cheese applies to its suppliers.

This Code is based on international guidelines and conventions, including **the ILO¹ core labour standards**, relevant EU legislation, and generally accepted sustainability principles. The Code applies to all suppliers of Vepo Cheese and, where relevant, to their own suppliers and subcontractors.



Compliance with laws and regulations

Suppliers of Vepo Cheese must comply with all applicable laws and regulations in the country or countries in which they operate, including EU legislation relating to labour, human rights, the environment, animal welfare, (food) safety, and ethical business conduct.

This includes, but is not limited to, the 10 principles of the **United Nations Global Compact²** and the **OECD³ Guidelines for responsible business conduct**.

Where the requirements of this Code of Conduct exceed local legislation, the stricter standard shall apply.

Core strategic commitments of Vepo Cheese

- 1. Climate neutrality and emission reduction:** Vepo Cheese recognises that a significant share of its climate impact originates from purchased goods and services (namely 99% in 2025, Scope 3). Therefore, climate and CO₂ considerations are structurally integrated into our sustainable procurement policy to reduce scope 3 emissions, in line with the GHG Protocol.
- 2. Sustainable sourcing of raw materials and circularity:** Vepo Cheese offers a product range that considers both animal welfare and climate-related risks, including the development of plant-based alternatives and hybrid products. Circular packaging (design for recycling) is also a priority. By 2028, we aim to offer a recyclable solution for every product group, in line with the PPWR⁴ requirements.
- 3. Food safety:** Food safety is of critical importance in our sector and is therefore our highest priority.
- 4. Human rights:** Respect for ILO core labour standards and safe working conditions is structurally considered in supplier selection and evaluation.
- 5. Integrity and ethical business conduct:** Vepo Cheese aims for responsible and ethical procurement practices, addressing topics such as anti-corruption and grievance mechanisms. EU anti-corruption legislation and the UN Global Compact principles serve as guiding frameworks.
- 6. Transparency & supply chain responsibility:** Supply chain responsibility is considered an integral part of professional supplier conduct. Vepo Cheese expects suppliers to have insight into their supply chains and to be willing to share data and drive improvements.

¹ International Labour Standards | International Labour Organization

² The Ten Principles | UN Global Compact

³ OECD Guidelines for Multinational Enterprises on Responsible Business Conduct

⁴ Packaging and Packaging Waste Regulation

Approach

Our policy prioritises climate and emission reduction, climate adaptation, raw material use and availability, animal welfare, human rights, transparency & supply chain responsibility, and integrity & ethical business conduct. To safeguard our strategic themes, Vepo focuses on the approach outlined below to jointly enhance the sustainability of the value chain together with suppliers.

1. Assessment framework and maturity:

Supplier evaluations consider not only the current situation but also:

- The organisation's development trajectory per theme;
- The presence of plans to further quantify data;
- The willingness to structurally improve transparency and performance.

Suppliers demonstrating measurable progress are positively recognised.

2. Proportional application:

Smaller or low-impact suppliers are expected to provide an appropriate level of insight, while strategic or high-impact suppliers are asked to provide more detailed substantiation.

3. Alignment with methodologies/standards:

Vepo Cheese aligns as much as possible with the GHG Protocol, sector practices, and recognised standards. Additional guidelines may be communicated per topic.

Principles and minimum requirements for suppliers

Vepo Cheese expects all suppliers to comply with the following principles and minimum requirements, where applicable to their operations⁵. These form the basis for collaboration. We ask from our suppliers to actively implement these standards within their own organisation and supply chain.

⁵ For instance, animal welfare and water management do not apply to suppliers of packaging materials or services



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1. Climate neutral and emission reduction

Suppliers are expected to take responsibility for the environmental impact of their activities and comply with applicable environmental and water legislation.

Suppliers are asked to

- have insight into their environmental impact;
- take concrete measures to reduce scope 1, 2, and (where possible) scope 3 emissions;
- set clear reduction targets (e.g. aligned with legislation, sector initiatives, or the GHG Protocol);
- invest in water and energy efficiency, renewable energy, process optimisation, and sustainable sourcing and logistics;
- provide product carbon footprint data (including substantiation) upon request.

Where relevant, Vepo Cheese expects suppliers to be transparent about measures related to climate, energy use, and water management, enabling more targeted management of scope 3 emission reductions

Product-level and supply chain information

Where relevant, procurement decisions consider:

- availability of product-level CO₂ data;
- ability to substantiate product footprints;
- consistency between product-level and organisational data.

This enables Vepo Cheese to better manage its own Scope 3 emissions.

2. Sustainable sourcing of raw materials and circularity

2.1 Deforestation-free supply chains

Suppliers of cheese and their upstream suppliers must handle manure processing, waste streams, and the use of crop protection products with due care, with the aim of preserving or even enhancing biodiversity.

Where soy, palm oil, or derived products⁶ are part of animal feed (or where palm oil is used as an ingredient in cheese), Vepo Cheese expects that:

- the supplier takes adequate measures to prevent deforestation within the supply chain;
- it is ensured that no areas with high conservation value⁷ or protected status have been affected for the production of soy or palm oil;
- the traceability of soy and/or palm oil products in animal feed can be demonstrated via a segregated supply chain, the mass balance principle, or a credit system (Book & Claim), as safeguarded by certification systems such as RTRS, QS Soy Plus, and ProTerra for soy, and RSPO for palm oil.

Where and when certification systems such as RTRS, ProTerra, QS Soy Plus, or comparable schemes demonstrably ensure “deforestation-free” sourcing, Vepo Cheese will use these certifications as substantiation for “deforestation-free procurement.”

2.2. Water Management

Where relevant to production, suppliers have insight into and actively manage water use within their production processes. This includes, among other things, the following aspects:

- water consumption is measured and monitored, for example expressed as water use per tonne of product;
- measures have been implemented to reduce water use and mitigate water-related risks, such as process optimisation, water reuse, or efficiency techniques.

Suppliers who not only develop plans but also demonstrate measurable and reliable progress are viewed favourably.

2.3. Animal Welfare

Vepo Cheese attaches great importance to animal welfare at the beginning of the supply chain.

Suppliers must comply with EU⁸ and national legislation and ensure respectful treatment of animals.

⁶ Soy in animal feed refers to soybean meal, whether or not ground or in pellet form. Palm oil products are understood to include fractions and derivatives of palm oil and palm kernel oil, as well as palm kernel expeller, whether or not ground or in pellet form

⁷ To prevent deforestation in high conservation areas, Vepo Cheese prefers the use of:

- locally produced or European animal feed;
- responsibly produced soy (RTRS segregated, or equivalent), to ensure a deforestation-free supply chain

⁸ EU legislation: Directive 98/58/EC Article 3, Directive 98/58/EC Annex, Directive 98/58/EC and Regulation (EU) 2016/429

This means among other things,

2.3.1 Animal health

- a preventive approach to animal health, focused on nutrition, housing, hygiene, and management;
- timely and appropriate treatment of sick or injured animals;
- restrictive and responsible use of antibiotics (metaphylactic⁹ use under conditions and curative use);
- a ban on routine preventive use of antibiotics;
- in addition to anaesthesia and/or sedation, pain relief must also be administered during surgical procedures to minimise pain and stress for the animal;
- animals must be adequately stunned prior to slaughter¹⁰.

Where dehorning using caustic paste and castration using a rubber ring are not prohibited by law, Vepo Cheese advocates for their phase-out

2.3.2 Housing and natural behaviour

- housing that allows natural behaviour and provides sufficient lying space and freedom of movement, preferably supported by access to pasture;
- permanent tethering of animals is not permitted, except where temporary and functional, and supported by free-stall housing or access to pasture;
- calves that are housed individually must be able to have visual and physical interaction with other calves, and group housing is mandatory after 8 weeks;
- calves must have (free) access to roughage from the age of 2 weeks¹¹.

2.3.3 Transparency and control

- basic data on animal health and farm operations are recorded;
- the company is subject to a form of inspection or audit by a government authority, sector organisation, or recognised scheme..

2.4 Sustainable Packaging

When procuring packaging and packaged products, Vepo Cheese considers the extent to which packaging solutions contribute to a circular and future-proof supply chain, with themes such as waste reduction, reuse, and recycling. The following aspects are of importance:

- cardboard boxes must be certified with an FSC recycled certificate;
- where products are packaged in plastic film, the supplier must, in a timely manner, comply with the requirements for recyclability and the use of post-consumer recycled material as laid down in the PPWR.

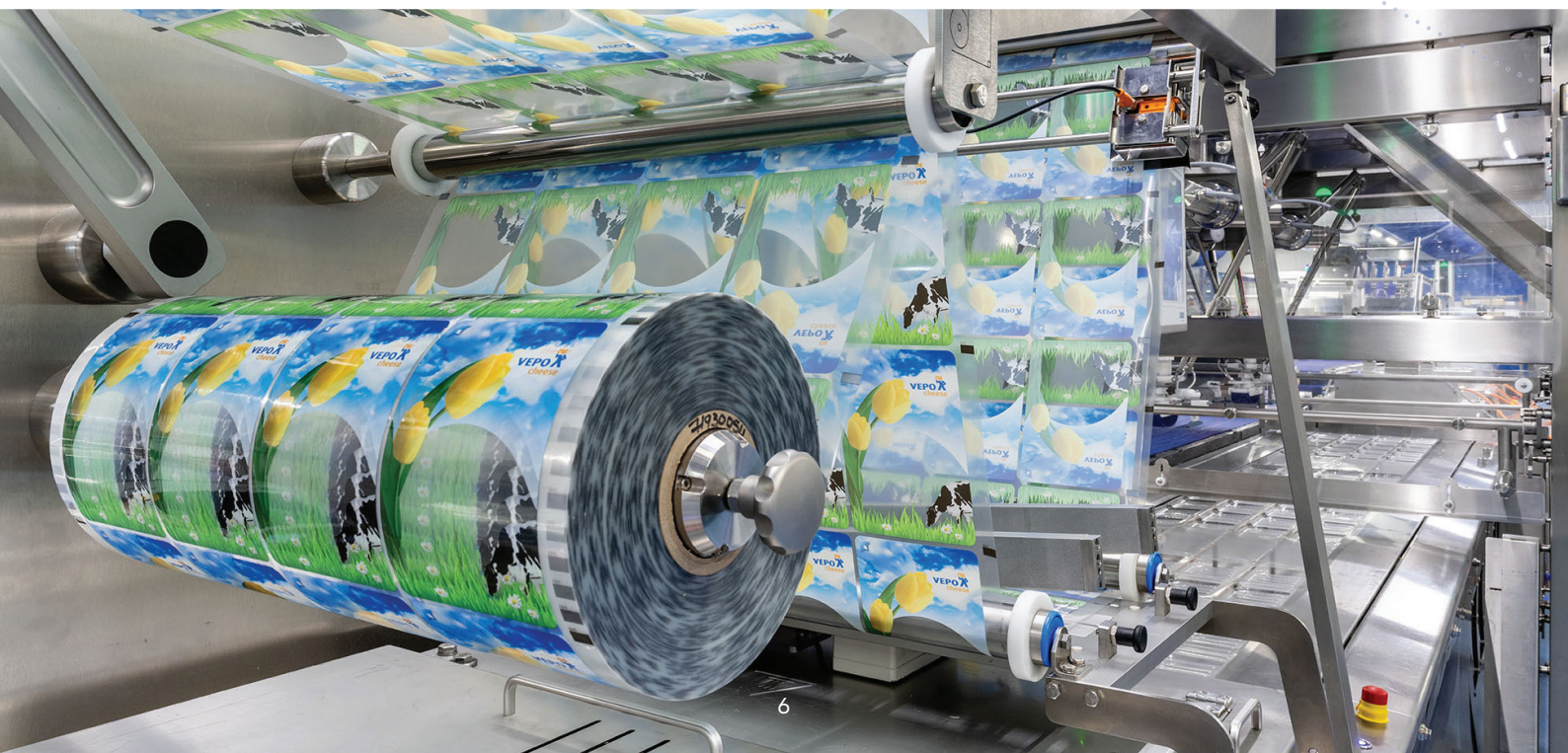
We encourage the use of mono-materials and to further test and expand these together with Vepo Cheese.

Vepo Cheese expects suppliers to pay attention to waste reduction and the recyclability of materials when packaging products

⁹ Refers to the treatment of the entire group when one animal is ill, in order to prevent further spread.

¹⁰ Council Regulation (EC) No 1099/2009 on the protection of animals at the time of killing

¹¹ Council Directive 2008/119/EC



3. Food safety and product responsibility

Suppliers of raw materials, ingredients, and packaging

- comply with all relevant laws and regulations in the field of food safety;
- take measures to prevent the use of harmful substances;
- ensure adequate implementation of the HACCP (Hazard Analysis and Critical Control Points) system for identifying and controlling production risks;
- ensure full traceability of ingredients, components, and products, supported by up-to-date and accessible records;
- pay attention to waste reduction and the recyclability of packaging materials.

Vepo Cheese requires recognised food safety and quality certifications that are GFSI-recognised (such as FSSC 22000, IFS, or BRCGS) as assurance of food safety, traceability, and process control. These certifications form an important prerequisite within the sustainable procurement policy.



4. Human rights and labour conditions

4.1 Respect for Human Rights

Suppliers

- respect the ILO core labour standards (no child labour¹², no forced labour¹³, equal treatment, freedom of association, adequate and safe housing, and proper sanitation);
- give employees the freedom to terminate their employment in accordance with applicable laws or contractual agreements;
- have policies or processes in place to identify and mitigate risks of human rights violations;
- prevent negative impacts on local communities and respect their rights, including access to resources and protection from environmental harm;
- (where based in Europe) implement a strict non-discrimination policy in accordance with relevant EU legislation¹⁴ to prevent any form of discrimination.

4.2. Working Conditions

Suppliers

- ensure fair and safe working conditions;
- provide a safe and healthy working environment, including:
 - compliance with relevant occupational health and safety legislation;
 - adequate instruction and training;
 - availability of personal protective equipment;
 - registration and follow-up of workplace accidents.

Depending on the risk profile of the procurement relationship, Vepo Cheese may request suppliers to demonstrate compliance with ILO core labour standards through an independent third party, for example via a SMETA audit or an equivalent verification.

¹² ILO Conventions 138 and 182

¹³ ILO Convention 29

¹⁴ EU Charter of Fundamental Rights (Art. 21)

5. Integrity and ethical business conduct

Vepo Cheese does not tolerate any form of corruption¹⁵, bribery, fraud, or unfair business practices.

We ask from suppliers that they

- act with integrity and transparency;
- not offer or accept improper advantages;
- have policies or procedures in place to prevent corruption and bribery;
- have a whistleblowing mechanism in place to report misconduct or integrity risks without fear of retaliation;
- handle reported incidents appropriately.

6. Supply chain responsibility and transparency

Suppliers are responsible for compliance with this Code of Conduct within their own organisation and, where applicable, within their supply chain.

Suppliers identify social and ethical risks within their supply chain and are able to address them.

Upon request from Vepo Cheese, suppliers must be able to provide relevant information or documentation to substantiate compliance.

Supply chain responsibility is considered an integral part of professional supplier conduct.

In addition to the minimum requirements, Vepo Cheese seeks to engage with its suppliers in dialogue regarding their willingness to further improve sustainability.

¹⁵ EU-Anti-Corruption legislation



7. Monitoring and compliance

7.1 Consideration, dialogue, and continuous improvement

Vepo Cheese does not apply a strict exclusion policy, but makes a careful assessment per procurement relationship, balancing risks, improvement potential, and strategic importance. Where necessary, Vepo Cheese engages in dialogue with suppliers to encourage improvements or initiate an improvement plan.

7.2 Evidence & data requests

Vepo Cheese may request audit reports, relevant policy documents, and progress data (including emissions insights/footprints where relevant) to assess compliance and progress.

7.3 Review of cooperation

A continued lack of transparency or failure to implement improvements may lead to a reconsideration of the collaboration.

8. Reporting and transparency

Vepo Cheese considers sustainable procurement to be a dynamic and continuously evolving process. The policy is therefore periodically evaluated and, where necessary, refined based on new laws and regulations, changing societal expectations, and current developments in science and sector practices, ensuring it remains relevant, effective, and future-proof.

9. Signature

By signing this Supplier Code of Conduct, the supplier confirms that the content of this Code of Conduct has been read and understood. The supplier commits to complying with the principles set out herein and actively promotes these requirements and principles within its organisation and supply chain.

Vepo Cheese also recognises that some measures may not yet have been implemented. **Therefore, where the supplier is unable to comply, we request that the relevant provision be clearly marked in red where compliance is not (yet) possible.**

Date:

Supplier name:

Signature:

Name / function of signatory:

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This Supplier Code of Conduct forms an integral part of the collaboration with Vepo Cheese.

