



Lely Business Partner Code of Conduct

Executive Summary

At Lely, our vision is: a sustainable, profitable, and enjoyable future in farming. As an international family-owned organization, we recognize that responsible business conduct is fundamental to achieving this vision. This Business Partner Code of Conduct defines the standards we expect from all our business partners. It is grounded in our core values - passion, innovation, progress, honesty, and respect - and reflects our commitment to strong Environmental, Social, and Governance (ESG) principles.

This Business Partner Code of Conduct outlines clear expectations in the following key areas:

- **Human Rights:** Prohibiting child and forced labor, ensuring fair treatment, and fostering safe and inclusive workplaces.
- **Health and Safety:** Promoting safe working environments and upholding product safety standards.
- **Environment:** Reducing environmental impact, conserving resources, and supporting circular economy practices.
- **Ethics:** Ensuring integrity, fair competition, anti-corruption, and data protection.
- **Compliance:** Promoting transparency through due diligence, audits, and accessible reporting mechanisms.

Adherence to this Business Partner Code of Conduct is a prerequisite for doing business with Lely. We expect our Business Partners not only to comply with these standards but also to actively promote them throughout their own operations and supply chain.

By working together, we can drive meaningful change and contribute to a better, more sustainable future for agriculture.

Acknowledgement

The undersigned, authorized to represent the Business Partner, hereby agrees and acknowledges on behalf of the Business Partner that it shall comply with and adhere to the principles, standards and requirements of this Business Partner Code of Conduct.

Business Partner's name:

Name undersigned:

Function:

Date:

Signature:



1. Introduction

At Lely, our vision is: a sustainable, profitable and enjoyable future in farming. As an international family-owned organization, we are deeply committed to the future of the agricultural sector. Our core values - passion, innovation, progress, honesty and respect – guide our direction and decisions. Our commitment to Environmental, Social, and Governance (ESG) standards is central to everything we do. Making a real impact depends on our commitment to these standards across the value chain.

Lely conducts business with business partners who act responsibly and with integrity. We select our business partners based on various (sustainability) criteria and as a minimum, each business partner is required to sign and adhere to the standards and principles outlined in this Business Partner Code of Conduct (the “**Code**”). This Code requires our business partners to accept and take responsibility.

2. General requirements

2.1 Scope

This Code applies to all business partners of Lely, including suppliers and franchisees (each a “**Business Partner**”). Compliance with this Code is a prerequisite for conducting business with Lely.

2.2 General responsibilities

The Business Partner shall take all necessary action to ensure compliance with the standards and principles outlined in this Code. The Business Partner is expected to maintain a code of conduct for its own business partners, imposing standards no less stringent than those described in this Code.

The Business Partner shall use its best efforts to be aware of the business practices of its suppliers and other business partners, requiring them to comply with this Code or the values it embodies. The Business Partner shall implement risk-based human rights and environmental due diligence processes to identify, prevent and mitigate adverse human rights and environmental impacts in its value chain. Upon becoming aware of any significant issues, the Business Partner shall promptly report this to Lely and take appropriate corrective actions.

The Business Partner is solely responsible for the costs associated with complying with this Code.

3. Human Rights

The Business Partner shall respect, protect, and actively promote internationally recognized human rights and labor standards. The Business Partner shall ensure that it is not involved in, accessory to, profiting from, assisting with, or facilitating the commission of human rights violations or abuses by any party. This includes:

3.1 No child labor

The Business Partner shall respect and protect the dignity and rights of children. The Business Partner shall ensure that only individuals who have reached the minimum legal working age, as defined by applicable national legislation, are employed. Child labor shall not be tolerated.

3.2 No forced labor

The Business Partner shall exclude any form of forced or compulsory labor. All work must be voluntary and without any form of intimidation or punishment threatened for non-engagement. The Business Partner must



avoid any labor practices involving physical, psychologic, sexual or verbal violence and/or abuse, or economic exploitation.

3.3 Equal and fair treatment, non-discrimination, diversity

The Business Partner shall ensure that all its employees are treated equally, with dignity and respect. Any form of harassment, threat, or discrimination based on grounds of national extraction or social origin, race, color, gender, age, religion, or political opinion, should not be tolerated in any hiring and employment practices. The Business Partner shall foster an inclusive work environment.

3.4 Remuneration and working hours

The Business Partner shall ensure that compensation paid to employees complies with all applicable wage laws, including those related to minimum wages, overtime hours, and legally mandated benefits. The Business Partner shall also observe legal regulations on working hours and sufficient resting periods, including holidays. In the absence of local laws, industry best practice standards must be adhered to. The Business Partner shall ensure to offer equal pay for equal work performed at equal levels at similar locations.

3.1.5 Freedom of association

The Business Partner shall respect the right of employees to freely associate, form and join trade unions of their choice, seek representation and bargain collectively, as permitted by and in accordance with applicable laws and regulations. Membership in trade unions or workers' representations shall not be a reason for discrimination or retaliation.

4. Health and Safety

The Business Partner shall ensure a healthy, hygienic, and safe work environment that complies with all applicable laws, regulations and industry best practice standards. The well-being of employees and contractors must be supported. This includes:

4.1 Injury and Disease Prevention

The Business Partner must protect employees from hazardous work environments by providing proper protection against harmful substances. Employees working under dangerous conditions, must be provided with adequate personal protection equipment and training in its proper use. Regular safety audits must be conducted to assess compliance and identify potential health and safety hazards. Proactive measures must be taken to mitigate risks and prevent workplace incidents.

4.2 Emergency preparedness

The Business Partner shall identify and assess potential emergency situations and minimize their impact by implementing emergency plans and response procedures. These include emergency reporting, employee notification, evacuation procedures, training, and drills. Emergency plans must include appropriate fire detection and suppression equipment, adequate exit facilities, contact information for emergency responders.

4.3 Product safety



The Business Partner must ensure that all products supplied to Lely comply with applicable product safety regulations, are properly labeled, and include clear product-handling instructions. The Business Partner must also ensure that individuals who may be exposed to these products are protected from hazardous substances. All products and the raw materials used in their manufacture must meet all applicable regulatory requirements.

4.4 Safe Housing Opportunities

If the Business Partner provides housing opportunities to employees, the accommodation must be adequate and safe.

5. Environment

The Business Partner shall commit to responsible and sustainable business practices, identifying and minimizing adverse environmental impact on the community, environment, biodiversity, and natural resources, while safeguarding public health and safety. This includes:

5.1 Environmental permits and reporting

The Business Partner shall obtain, maintain and keep current all required environmental permits, approvals, and registrations and comply with all reporting requirements.

5.2 Materials restrictions

The Business Partner shall adhere to applicable laws, regulations, and customer requirements regarding the prohibition or restriction of specific substances in products and manufacturing.

5.3 Resource conservation

The Business Partner must ensure that its production and procurement processes comply with environmental regulations, including deforestation, biodiversity, land use, and water management. This includes avoiding unlawful acquisition, construction, or use of land, forests, and water sources essential for people's living, and preventing unlawful evictions. The Business Partner shall strive to minimize natural resources use through sustainable practices.

5.4 Pollution prevention

The Business Partner shall minimize or eliminate emissions and discharges of pollutants and the generation of waste at the source.

5.5 Waste management

The Business Partner shall systematically manage, reduce, and responsibly dispose of or recycle non-hazardous waste. Hazardous materials shall be identified, labelled, and managed for safe handling, movement, storage, use, recycling, reuse, and disposal. Both non-hazardous and hazardous waste data shall be tracked and documented.

5.6 Recycling and reuse of materials



The Business Partner shall observe a circular economy approach, contributing to the recycling and reuse of materials and products wherever possible, and adhering to applicable legal standards for recycling and reuse of materials and products.

5.7 Energy consumption and greenhouse gas emissions

The Business Partner shall seek methods to improve energy efficiency and to minimize energy consumption and greenhouse gas emissions. The Business Partner shall set and report on group-wide greenhouse gas reduction goals. Energy consumption and all Scope 1, Scope 2, and significant categories of Scope 3 emissions shall be tracked, documented, and reported to Lely or publicly.

5.8 Conflict minerals

The Business Partner shall support due diligence and traceability throughout its supply chain for all minerals. The Business Partner is expected to be aware of and comply with all applicable legal requirements regarding minerals from conflict-affected and high-risk areas, including OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

6. Ethics

The Business Partner shall uphold the highest standards of integrity in all business interactions. This includes:

6.1 Compliance with laws and regulations

The Business partner shall comply with all applicable laws, rules and regulations in the countries where it operates. It shall maintain appropriate measures to ensure compliance with these laws, rules and regulations.

6.2 Fair competition

The Business Partner must commit to fair and undisturbed competition and comply with all applicable competition laws and regulations.

6.3 No corruption

The Business Partner shall not engage in or tolerate any form of corrupt behavior. The Business Partner shall implement monitoring, record-keeping, and enforcement procedures to ensure compliance with anti-corruption laws and regulations.

6.4 Business information and intellectual property

The Business Partner shall ensure that any sensitive business information or trade secrets received through business activities with Lely are held in strict confidence and are not improperly used or disclosed to third parties. The Business Partner shall respect, protect, and secure Lely's registered and unregistered intellectual property rights and recognize intellectual property rights of third parties.

6.5 Privacy, data protection, and information security

The Business Partner shall respect the right to privacy. It shall process personal data of its employees, suppliers, customers, and other business relations in compliance with applicable data protection laws. Business Partners



must follow the latest information security standards, implement appropriate physical and digital security (including cybersecurity) programs and procedures, including incident response procedures. In case of suspected or actual security incidents or data breaches related to Lely, Lely must be immediately notified.

6.6 Trade law regulations

The Business Partner shall comply with all applicable import and export control laws, including but not limited to sanctions, embargoes and other laws, regulations, government orders, and policies controlling the international transmission or shipment of goods, technology, and payments.

7. Compliance with the Code

7.1 Compliance with Code

Lely regards compliance with the provisions of this Code, which may be amended from time to time, as essential for the business relationship between Lely and the Business Partner. The Business Partner shall use its best efforts to be familiar with the business practices of its suppliers, subcontractors, and other business partners and to require all such suppliers, subcontractors, and business partners to comply with this Code or the values laid down herein.

7.2 Proportionality and support for SMEs

Lely recognizes that its Business Partners vary in size, capacity, and risk exposure. Accordingly, Lely applies a proportional approach to the implementation and assessment of this Code, particularly in relation to small and medium-sized enterprises (SMEs). Where appropriate, Lely may provide tailored guidance, practical tools, or phased implementation pathways to support compliance.

Business Partners who foresee difficulties in meeting the requirements of this Code are encouraged to contact Lely at an early stage, so that appropriate support measures can be considered.

7.3 Controls and audits

The Business Partner shall support Lely's implementation of legally required and other due diligence processes by actively participating in related initiatives. This includes, but is not limited to, completing self-assessment questionnaires and providing Lely with relevant and reasonably requested information and documentation. Lely shall use the information solely to assess the Business Partner's compliance with the Code and, as the case may be, verify the preparation and implementation of an agreed remediation plan or measures and not for any other purpose.

Lely may conduct audits at the Business Partner's site, including any manufacturing sites, to verify compliance with the Code. These audits may include inquiries into the Business Partner's monitoring of its own business partners. Such audits may be performed either by Lely employees or by a third-party auditor designated by Lely. Audits shall be scheduled at business hours mutually agreed with the Business Partner and shall be prepared by the Business Partner providing appropriate documentation that clearly and transparently substantiates adherence to this Code.

Where appropriate, the Business Partner shall participate in initial or further training measures proposed by Lely to ensure the Business Partner's compliance to laws, rules and legal regulations.



The Business Partner and Lely shall discuss any questions in relation to this Code in a trustful and respectful manner.

7.4 Consequences in case of non-compliance with Code

Upon becoming aware of any significant issues, the Business Partner shall promptly report this to Lely. If Lely finds or has reasonable grounds to suspect the Business Partner's non-compliance with the Code, Lely shall inform the Business Partner. Lely expects the Business Partner to investigate and correct issues of non-compliance through the preparation and implementation of an agreed remediation plan or measures as soon as possible. If the Business Partner does not show meaningful action to correct its non-compliance with this Code, Lely reserves the right to terminate the business relationship. Any such termination of a business relationship due to substantive and continuing non-compliance with the Code is considered a termination for cause and does not entitle the Business Partner to any kind of compensation.

7.5 SpeakUp

The Business Partner and its employees, as well as stakeholders, are encouraged to report any concerns, doubts, unethical situations, and (suspected) violations of this Code or its underlying values to the Lely SpeakUp website: <https://lely.speakup.report/lely>. The Lely SpeakUp website is available via Lely's corporate website and provides an option to report anonymously. The Business Partner shall support any investigations into alleged violations.

Additionally, as part of its due diligence efforts, the Business Partner shall establish a similar and easily accessible speak-up or whistle-blower mechanism. This mechanism should enable individuals to report any concerns, doubts, unethical situations or (suspected) violations anonymously and without fear of retaliation.