



<b>Document Number:</b>	<b>Product Quality Booklet</b>
<b>PO WE X11369</b>	
<b>Issue Number:</b>	
<b>5</b>	
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<b>Issue date:</b>	15/10/2021

This booklet is compiled as a communication document for Ecotone's suppliers of raw and packaging materials, finished products and other quality services and it includes Ecotone's quality and food safety requirements.



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## 1 INTRODUCTION

This booklet sets out the Ecotone's quality requirements applicable to any raw or packaging material, as well as any Ecotone's branded finished product purchased by Ecotone. These requirements must be complied with by all raw material, packaging material and 3<sup>rd</sup> party suppliers.

Many of the expectations in this booklet are based not only on regulatory requirements, but also industry best practice and reflect our consumers and customers' expectations. This booklet does not eliminate a supplier's responsibility to comply with all applicable European or local legal and regulatory requirements, Ecotone Purchasing terms and/or other contract obligations. Ecotone reserves the right to make modifications to this booklet as required. Suppliers will be notified of these changes within a reasonable notice.

In case of conflict between the Product Quality Booklet and Ecotone's General Purchase Terms and Conditions or the supply agreement with the supplier, the Product Quality Booklet will prevail.

Ecotone will be monitoring the supplier status against the requirements in this booklet, and any deviation may constitute a breach of the terms of conditions of trading, as stated in Ecotone's General Purchase Conditions. For questions on the documents, please contact your Ecotone Quality contact.

Supplier's approval to supply Ecotone raw materials, packaging and Ecotone's branded finished products is based on compliance with Ecotone Supplier Quality Declaration (SQD) or Ecotone's questionnaires; in addition, the approval is subject to the result of an approval and/or monitoring audits performed by the Ecotone's Quality department. In this booklet, Ecotone branded finished products will be referred to as finished products. A manufacturer of such products (co-packer or third-party supplier) as well as raw material and/or packaging will be referred to as supplier.

To ensure the food safety of Ecotone's branded finished products, 3<sup>rd</sup> party suppliers are required to complete the specific requirements per product category, which are indicated in Preventive Action per Category (PAC) documents and are specifically applicable to Ecotone's branded finished product suppliers only.

Satisfactory compliance with the different components of this booklet (and PAC) will be controlled by the Ecotone Market Quality Department and Ecotone's Factory Quality Managers.

By accepting this document, the supplier acknowledges and accepts to comply with all requirements of the Product Quality Booklet as detailed hereafter.

Note that in case of difficulties in the understanding of English, please contact one of the Ecotone's Quality personnel for support.



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## 1.1 GLOSSARY

In this section a list of definitions

- 3<sup>rd</sup> party supplier = is a supplier of finished goods to Ecotone
- PQB = Product Quality Booklet
- PAC = Preventive Action per Category (specific to 3<sup>rd</sup> party suppliers)
- SQD = Supplier Quality Declaration
- Trader = A company who buys and sells goods
- Vendor = Supplier of goods or raw materials.
- Subsidiary = A site belonging to a larger group
- FFRA = Food Fraud Risk Assessment
- FSRA = Food Safety Risk Assessment
- Finished Product = Ecotone's Branded Finished product
- Ecotone's Representative= A member of the Ecotone team
- GMP = Good Manufacturing Practice
- CSR = Corporate Social responsibility
- SLC = Supplier Location Centre (Interspec Specification System)
- HACCP = Hazard analysis critical control point
- SEDEX = Social ethical data exchange
- R&D = research and development
- EU = European Union
- Accredited Laboratory = is a laboratory that is evaluated and tested according to stringent and widely accepted criteria for quality, accuracy, reliability, and efficiency in accordance with ISO 17025
- RM / PM Specification = raw and packaging material suppliers must provide technical specifications covering the composition of the material, the chemical, physical and sensory, microbiological and allergenic parameters, handling, storage, shelf life and any other legal requirement of relevance.
- Finished Product Specification = Finished Product specification agreed by Ecotone with the supplier. This provides the detail of products attributes, recipe, storage and of any heat treatment for products supplied.



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## 2 ECOTONE QUALITY POLICY

At Ecotone, our brands are our most valuable assets and many of them are successful leaders of their respective markets. They all have strong local roots and are among the pioneers of the organic market in their country. Ecotone believes that our success is dependent on the supply of quality products that meet customer and consumer expectations.

Ecotone is committed to continually enhance the reputation of all Ecotone brands and maintaining consumer confidence in its products through the development and implementation of quality and food safety systems, standards and practices.

It is the policy of Ecotone and its operating companies:

- To produce and market safe, legal food with superior product quality as expected by our consumers and customers.
- To achieve this target with the cooperation and compliance of our suppliers to meet the Ecotone's Quality requirements as defined in this booklet.

All raw materials, packaging, quality related services and Ecotone's branded finished products supplied to Ecotone must comply with latest amendment of all European, local and/or UK legislations and regulations and with any relevant codes of practice applicable to the raw material, packaging, product or process.

Any changes to, or proposals of change which impact the regulatory compliance of raw materials, packaging materials for use in Ecotone branded products, or any Ecotone branded finished products in the market must be communicated immediately by the supplier to the appropriate Ecotone quality representative.



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### 3 ECOTONE SUPPLIER QUALITY MANAGEMENT SYSTEM

This chapter outlines how Ecotone manages its supplier base in terms of food safety, legality and quality of raw materials, packaging and Ecotone’s branded products.

Whilst, this section of the Ecotone Product Quality Booklet also applies to traders, the assessment methodology will generally be performed on-line at the discretion of the Ecotone’s quality representative. However, where the information resulting from the on-line assessment is deemed insufficient, Ecotone’s reserves the right to require the assessment of a Tier 2 supplier(s) either via an Ecotone’s quality representative audit or third-party audit; records of such verification must be maintained by the Trader and available on request.

For the assessment of suppliers of raw materials of agricultural origin, an Ecotone’s quality representative will assess the need to perform audits on a case-by-case basis.

Ecotone’s supplier quality management system includes 6 elements:



#### 3.1 PRODUCT QUALITY BOOKLET (PQB)

The Product Quality Booklet (this document) is the Ecotone’s standard for supplier assurance, including all specific Ecotone’s requirements to be applied to all suppliers (raw material, packaging material, 3<sup>rd</sup> party manufactured finished products and quality related services).

#### 3.2 RISK ASSESSMENT

Ecotone carries out regularly a supplier risk assessment, which covers food safety, food fraud, food defense and product quality to ensure Ecotone’s brand integrity. Based on the risk assessment results, suppliers are graded and selected for an Ecotone audit.

##### 3.2.1 FOOD SAFETY RISK ASSESSMENT (FSRA)

All suppliers must perform physical, chemical and microbiological analysis at an accredited laboratory at agreed frequencies based on legal limits, following either sampling requirements as laid out in EU or UK legislation or best practice guidance (where available), and/or specific Ecotone requirements as specified in the Preventive Action per Category documents (PACs) or as agreed with Ecotone’s Quality Function. All testing results must be documented and be made available to Ecotone upon request. The suppliers must inform Ecotone quality representative immediately of any non-compliant result that may impact Ecotone’s materials/ products.

Each finished product supplier will be asked to fill in a Supplier PAC. This document is essential in Ecotone’s risk management system and mandatory to all finished product suppliers.



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The Supplier PAC will be filled in upon request of Ecotone's quality representative and includes mitigation actions taken by the supplier for the identified food safety risks. These replies will be used as a base for Ecotone's own mitigation action plan which might include a request to the suppliers for different sets of product analysis results and/or declarations of compliance.

### 3.2.2 FOOD FRAUD RISK ASSESSMENT (FFRA)

For FFRA, high risk ingredients used in Ecotone's products are identified in joint effort with our sourcing teams. For these ingredients an evaluation is made based on parameters such as past fraud cases and possible origins, easiness to commit and detect the adulterated ingredient and possible food safety impact of such adulterated ingredient and finally different food safety or quality claims of Ecotone's products for these ingredients.

Based on this risk assessment, different actions might be taken by the Ecotone quality representatives. These actions might include asking suppliers for more detailed information regarding the steps they take to prevent fraud, declarations of compliance, analysis results, etc. Collaboration of suppliers is mandatory and answers to Ecotone's quality requests must be answered in a timely fashion. Ecotone's expectation on how supplier should manage food fraud in its supply chain can be found in 4.4.2.

### 3.3 AUDIT PROGRAM

The Ecotone's supplier audit program encompasses an annual audit plan which is defined based on supplier risk assessment.

#### 3.3.1 APPROVAL AUDITS FOR NEW SUPPLIERS

**New suppliers** will always be subjected to an APPROVAL AUDIT.

Prior to this audit, new suppliers will be asked to submit the following information:

- Supplier Quality Declaration (Ecotone's format) which includes detailed information on their operations and quality management system, HACCP, etc. This declaration is mandatory for all suppliers and it is used to make sure suppliers are knowledgeable and compliant with Ecotone's specific requirements (policies which are part of this document) and to perform an initial evaluation of the supplier food safety and quality capabilities.
- Supplier PAC (as described above in 3.2.1)

The comprehensive approval audit can be performed either on-line and/or on-site, depending on the Ecotone's quality auditor decision. The approval audit will typically include an assessment, but is not restricted to, the following topics:

- General Information
- Site Charts / Plans
- Site Certifications
- Management Review
- Process Chart
- HACCP
- Traceability test
- Supplier PAC
- Allergen Management
- GMP
- Product Quality
- Complaints Analysis
- Non-conformities and Issues
- CSR (optional)
- Pest Control
- Health & Safety (optional)
- Internal Audits



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### Approval Audits Scoring

For **NEW suppliers**, an approval audit is performed and this can result in one of two scores:

- APPROVED – The supplier audit has been successful and the supplier can start producing Ecotone branded-products. Non-conformities raised during this audit need to be closed as described in section (3.4.2).
- NOT-APPROVED – The supplier audit has demonstrated that the audited site is in no condition to guarantee the food safety, quality and food fraud standards to safeguard Ecotone’s consumers and its brands integrity at this point in time. A new approval audit can be requested when the supplier has closed the raised non-conformities.

The results of the audit will be evaluated by Ecotone’s supplier quality audit committee, which is responsible for the final decision on the supplier approval. The result will be communicated to the supplier via Ecotone’s sourcing team.

### 3.3.2 MONITORING AUDITS FOR EXISTING SUPPLIERS

Based on previous year’s performance and Ecotone’s supplier quality risk assessment, Ecotone’s **existing supplier monitoring audit** plan will be setup. Suppliers identified in the yearly audit plan will be notified by the Ecotone’s quality auditors, who will also agree with the supplier’s quality representative the audit dates. The monitoring audit can include a full scope of food safety and quality topics or just a selection of them. This is at Ecotone’s auditor discretion. The audit plan will be communicated to the supplier upfront. More information on the audit execution and result can be found in 3.4.3.

## 3.4 AUDIT EXECUTION

Ecotone’s supplier audits (approval/monitoring) include 4 steps: preparation, execution, report and follow-up.

### 3.4.1 AUDIT PREPARATION & EXECUTION

During the audit preparation, the Ecotone’s auditor follows the following steps:

- The auditor revises the following documentation prior to the audit:
  - Supplier risk assessment annual result
  - Supplier Quality Declaration (SQD = SLC spec in Interspec), including all the different information such as certifications, HACCP, etc.
  - Supplier PAC (specifically applicable to Ecotone’s branded finished product suppliers only)
  - Complaints reports last 24 months
  - Issues last 24 months
  - Monitoring plan results last 24 months
- The auditor informs the supplier ‘s quality representative and agrees with them on audit date and time. He/she also explains the scope and agenda of the audit and the preparations required by the supplier. A desktop audit could be arranged in case of legal travel restrictions for the auditor.
- On the date of the audit the following activities take place:
  - Audit opening meeting to cover introductions, audit objectives and evaluation criteria, agreement on communication on audit follow up.
  - The audit activity is performed by gathering objective evidence to demonstrate compliance.
  - Discussion on specific (extra) topics in detail
  - Closing meeting with next steps / follow up activities

On site audits can take up to 2 days, while desktop audits should take maximum 8 hours in total.





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### 3.4.2 AUDIT NON-CONFORMITIES GRADING

During the audit, the auditor will evaluate the different Ecotone standard criteria against the site procedures, policies and records, ways of working, answers to different questions, etc.

Depending on the auditor's evaluation, non-conformities might be raised as follow:

- **CRITICAL – a food safety or legal standard is not met** – this results in immediate danger to consumers. Critical non-conformities should be actioned and resolved within **10 days** of the audit end date.
- **MAJOR – a food safety or legal standard might not be met or Ecotone product quality requirement is not or might not be met** – this might result in danger to consumer and damage to Ecotone's brand integrity. A major non-conformity can be raised when several minor non-conformities are found in a specific topic. Major non-conformities should be closed within **30 days** of the audit end date.
- **MINOR** – an issue that is not in compliance with GMP, including inappropriate records. Minor non-conformities should be closed within 6 months of the audit end date.
- **OBSERVATIONS** – other topics that Ecotone auditor considers relevant and that must be included in the audit non-conformities list.

Any disputes on grading must be discussed and resolved by all parties by audit closure.

If resolution cannot be achieved by audit closure, the supplier can appeal in writing and provide the rationale for non-acceptance; this will be then be reviewed by Ecotone independently from the auditor and a response supplied.

### 3.4.3 MONITORING AUDIT SCORES

Monitoring audits can result in three different scores as per the guidelines below:

RESULT	Explanation of audit result	Accepted number none conformities			
		CRITICAL	MAJOR	MINOR	TOTAL
GREEN	Acceptable	None	1	Or ≤10	Maximum 6 = 1 major + max. 5 minor Or max. 10 minor
AMBER	Improvement needed	None	2 or 3	Or >10 and ≤20	Max. 12 = 2 major and max. 10 minor or Max. 8 = 3 major and 5 minor or ≤20 minor
RED	Not Acceptable	≥1	Or ≥4	Or >20	n/a

1 critical = 21 minor; 1 major = 5 minor

Suppliers that have been audited in two consecutive years, and do not achieve an acceptable audit result will be reviewed / scrutinized on a more frequent basis and improvement plans will need to be implemented and verified (see 3.6).



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#### 3.4.4 AUDIT REPORT

Non-conformities raised during the audit will be made available to the supplier by the end of the audit. The full report will be sent to the supplier by the Ecotone's quality representative within 10 working days of the audit end date. This representative will be responsible together with the supplier's quality representative to close the non-conformities raised within the timelines expected (see 3.4.2).

#### 3.5 SUPPLIER EVALUATION

The scope of the Supplier Evaluation includes:

- Supplier Quality Monitoring Key Performance Indexes (KPIs)
  - CPMU = Number of complaints per million units sold
  - Issues = Number of quarantines, withdrawals, and/or recalls
  - Monitoring Plan Compliance = Product analytical testing plan compliance results
- Supplier Audit Scores Ranking (see 3.4.3)
- Non-conformities 'Closing KPI'

The supplier evaluation is performed regularly, at least once a year. The result will be used to guide the continuous improvement activities, the annual audit plan and the annual monitoring plan.

#### 3.6 SUPPLIER CONTINUOUS IMPROVEMENT

The Ecotone Quality team will be deployed to support supplier's continuous improvement, to ensure that all elements of the quality booklet are adhered to.

The benefit for Ecotone suppliers to collaborate with Ecotone's quality managers, is that they are highly trained and can support with the development of structured improvement plans. Their support will include visits, sharing of best practice, technical expertise, complaints and issues root cause analysis.



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## 4 ECOTONE QUALITY REQUIREMENTS – PART 1

All Ecotone’s suppliers must comply with the following points:

### 4.1 CORPORATE SOCIAL RESPONSIBILITY

In the last 10 years, we have built a leading player in sustainable and organic food. Today we are the largest international food brand that has become a B Corp Company. We have offices and factories in 7 key countries, with over 15 leading and purposeful brands that are over 80% organic, 95% vegetarian and all GMO free. Our products are available in more than 90 countries.

We are determined to do more and to act boldly to grow biodiversity, by promoting Food that is better for People and Biodiversity with a portfolio of mainly organic and vegetarian products that improves health and contributes to preserving the environment. We plan to contribute to biodiversity preservation and ecosystems restoration by developing agri-chains fostering biodiversity (preservation of natural habitats, crop rotation, organic and regenerative agriculture, etc.) and raise awareness and engage our people in our purpose.

In addition, at Ecotone we want to be a ‘Force for Good’ and as part of this journey we are also looking at our social and ethical impact as this really matters to us. Ethical is increasingly important to us because of the changing regulatory environment as well as the increasing global awareness of forced labour, especially in some of the countries we source from. We have spent time reviewing how we work with our suppliers on ethical trade and we have published a revised Supplier Code of Conduct (ver.2020). In addition, Ecotone has chosen to use SEDEX as its platform to address ethical compliance with all suppliers.

In accordance to this, Ecotone suppliers must be committed to:

- Signing and applying the Ecotone’s Supplier Code of Conduct (the document can be found on our website, follow this link: [SUPPLIER CODE OF CONDUCT \(ecotone.bio\)](https://ecotone.bio/supplier-code-of-conduct))
- Applying the Ecotone Supplier Ethical Policy (see 4.1.1)
- It is recommended to gain a sustainability certification (e.g. Iso26000, B Corp, etc.)

#### 4.1.1 SUPPLIER ETHICAL POLICY

The Supplier Ethical Policy will be applied to all suppliers. Ecotone may apply the policy further down the supply chain for key raw materials.

The supplier ethical trade performance will be monitored based on periodic evaluation of the SEDEX Advance (the supplier ethical data exchange). Suppliers manufacturing Ecotone raw materials, packaging materials and/or branded products are expected to be registered on SEDEX Advance, to have completed the Self-Assessment Questionnaire (SAQ), and shall allow access to their SAQ and audit report and non-conformances. Where supplier sites have hosted an ethical audit, the non-conformances shall be closed out within the required timeframe.

Note: All suppliers based in UK must comply with the requirements of the UK’s Modern Slavery Act and in particular the [Transparency in Supply Chains provision \(Article 54/9\)](#).



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The section below outlines Ecotone’s requirements specific to SEDEX and what is expected from suppliers:

- a) **Suppliers shall be registered on SEDEX Advance**
  - Suppliers are required to [join SEDEX](#), with a supplier membership
  - Membership must be renewed annually
- b) **Suppliers shall complete the SEDEX Self-Assessment Questionnaire (SAQ):**
  - The SAQ must be 100% complete.
  - Suppliers must ensure the SAQ is linked and visible to Ecotone [Company Reference ZC406895974] on SEDEX system.
  - SAQs must reviewed and updated at least annually.
- c) **Ethical Audits** shall be required only where a supplier is classed as high risk by the SEDEX risk assessment following the completion of the Self-Assessment Questionnaire. Note that Ecotone is aligned with the Sedex’s grading system for Ethical Audits non-conformances. Business critical non-conformances found during ethical audits must be communicated to Ecotone by the supplier within 5 working days of the non-conformance being identified by the auditor.

This Supplier Ethical Policy applies to all Ecotone suppliers. Ecotone expects its suppliers’ senior managers to take responsibility for ensuring that the Supplier Ethical Policy is implemented and resourced sufficiently to be effective. Below is reported the KPI’s followed by Ecotone.

KPI	Definition
% supplier Ethical Trade compliance	Suppliers complying with Supplier Ethical Operating procedure: - Registration on SEDEX - Completion of SEDEX SAQ - Ethical Audits results

Ecotone will undertake a risk assessment to identify which of the company’s raw materials represents the highest ethical trade risk. Once identified, these risks will inform future requirements of Ecotone suppliers for additional due diligence below tier one.

#### 4.2 ORGANIZATION

Suppliers must have procedures in place that define the organizational structure, procedures and training programs that will be executed to ensure that the raw and packaging materials, finished products and services manufactured or provided under Ecotone brands will be safe and meet the quality expectations of Ecotone.

#### 4.3 QUALITY MANAGEMENT SYSTEM

It is required for suppliers to maintain a verifiable quality management system which is evaluated regularly to ensure its effectiveness. A GFSI<sup>1</sup> recognized certified quality management system is recommended.

#### 4.4 RISK MANAGEMENT

General risk management will be applied to the evaluation of raw material, packaging material, processing and product composition for all food safety, quality and possible fraud risks. It is expected for suppliers to have similar systems in place for risk management.

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<sup>1</sup> Global Food Safety Initiative – for more information, go to [www.mygfsi.com](http://www.mygfsi.com)



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#### 4.4.1 FOOD SAFETY POLICY (HACCP)

Suppliers must have a documented food safety program in place: such as HACCP and associated policies. HACCP program must comply with Codex Alimentarius (latest approved version), and ideally validated by an external party. HACCP must be reviewed and revised, when any changes are made to the products or processes, when repetitive issues occur, if required by regulation and/or minimally once a year. HACCP documentation and process-flow diagrams must be made available to Ecotone.

#### 4.4.2 FOOD FRAUD POLICY (VACCP)

Food fraud is of growing concern. It involves the deception of consumers using food products for economic gain. Food fraud can be more dangerous than traditional food safety risks because the contaminants are unconventional and not obvious to the consumer.

At Ecotone we have integrated this hazard into our global risk analysis. We believe that it is a joint responsibility with our supplier to have a system in place to ensure that food integrity is secured.

We have confidence in our suppliers and are convinced that together we will have more strength to prevent and limit this hazard; we need your cooperation, as you need the cooperation from your own suppliers.

Two fundamental steps should be taken to aid in the mitigation of food fraud:

- Firstly, to carry out a 'food fraud vulnerability assessment' in which information is collected at the appropriate points along the supply chain (including raw materials, ingredients, products, packaging) and evaluated to identify and prioritize significant vulnerabilities for food fraud.
- Secondly, appropriate control measures shall be put in place to reduce the risks from these vulnerabilities. These control measures can include a monitoring of market prices, a testing strategy, origin verification, specification management, supplier audits etc.

With this policy we strive to:

- A. Determine the most relevant and appropriate preventive actions at our level
  - Follow and update our food fraud risk assessment
  - Inform and include our suppliers in this process
  - Implement a specific, appropriate and accurate control plan (analysis, visits...)
  - Cease trading with any supplier which is directly involved with food fraud.
- B. Ask our supplier to put in place at their level and with their suppliers:
  - A food fraud vulnerability assessment
  - Appropriate control measures
  - A clearly documented control plan outlining when, where and how to mitigate fraudulent activities.
  - Complete and return information covered in Ecotone's PAC (where relevant)

We believe that it is the supplier responsibility to have a system in place to ensure that the food integrity is secured, in order to maintain the trust of our consumers in our products, and brands.



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#### 4.4.3 FOOD DEFENSE POLICY (TACCP)

It is essential to Ecotone to protect its consumers, employees, brands and other assets from product contamination, by organising and promoting efforts to prevent, deter, identify, respond to and contain threats or acts of deliberate contamination.

These threats can be categorized into three broad groupings:

- **Malicious** contamination with materials causing ill-health or even death
- **Sabotage** of the supply chain leading to food issues
- **Misuse** of food and drink materials for terrorist or criminal purposes

Each supplier location shall assess the hazards posed to raw materials, packaging and finished products used or manufactured in its facilities. Food Defense plans must be documented, reviewed and revised as required by regulation and/or minimally once a year.

#### 4.5 INCIDENT AND CRISIS MANAGEMENT

An "INCIDENT" is defined as any act or event that has the potential to have a negative effect on the Ecotone brands, typically associated with the production or supply non-conforming raw material, packaging material or finished product. The details of an incident or developing situation which could lead to a crisis situation, need to be assessed promptly and escalated appropriately.

A "Crisis" is defined as any unexpected event where Ecotone's (or Ecotone's private label client(s)) brand, trademark, reputation, assets, etc. may be threatened and inhibit the normal functioning of the business such as damaging its image, reputation or business interests (e.g. food safety problem, unsafe or illegal, fire at the production plant, strike).

##### 4.5.1 COMMUNICATION

The supplier must provide Ecotone with an emergency contact, including individual name, telephone number(s) and email address, who will also be available out of hours. These details must be made available in either Ecotone's specification system or in the completed and returned supplier questionnaire. The Ecotone's allocated Quality contact or the Ecotone's buyer must be contacted immediately by phone and e-mail in case of issues.

There are 2 routes of issue identification:

- Internal (Ecotone): employees; monitoring plan results
- External: authorities; consumer or customer; media; suppliers; other

If any defect and/or non-conformity in the goods (including packaging and labelling) becomes known to one of the parties, the party is obliged to inform the other party both by telephone immediately and in writing promptly thereafter (including any relevant documents) of such defect and/or non-conformity, stating:

- Issue identification and description (see above);
- Type of defect and/or non-conformity;
- The goods affected (name, brand, article code, lots concerned, quantities);
- Any other information known that may be relevant.

Records of production of the relevant batches (traceability data) must be sent to Ecotone **within four (4) hours** after notification or upon request. The supplier should not communicate externally on behalf of Ecotone, without Ecotone's prior written agreement.

The Parties shall make their best endeavour to jointly make all decisions with regard to management of the crisis. However, Ecotone shall be the final decision maker regarding the management of the crisis.



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#### 4.5.2 INCIDENT HANDLING

- A team must be in place at the supplier to manage major situations involving food safety, major regulatory issues, natural disasters or significant public relations problems.
- When Ecotone informs the supplier of an issue, the supplier must conduct a full investigation to analyze the root cause. Ecotone will request updates as needed.
- A final investigation report must be sent to Ecotone within the agreed timeline.
- If a recall, a withdrawal or a quarantine is decided, conditions defined in the Ecotone General Purchase Conditions or in the contract between Ecotone and the supplier apply.
- All suppliers must regularly review the adequacy of their product recall procedures.
- In case of incidents, the supplier will carry out product analytical tests in accredited laboratories that have a proven track record in the analysis in scope and in the material product matrix, including the participation in ring trials.

Below for reference the definitions of recall, withdrawal and quarantine:

- Recall is when finished products are removed from the market via a public announcement
- Withdrawal is when finished products are removed from the shops and distribution centre/supply without a public announcement
- Quarantine is when finished products are put on hold in warehouse

#### 4.5.3 COMPLAINT HANDLING

The supplier will have in place a procedure to investigate, manage and correct, analyse trends and respond to consumer complaints. Consumer complaints reports will be sent to the supplier so that improvement plans can be put in place as necessary. The supplier will provide all necessary information to Ecotone in relation with the product subject to the complaint, and should reply within the agreed timelines as agreed with the relevant Ecotone's personnel. Depending on the complaint severity suppliers may be asked for a response within 24h of receiving the information. Ecotone's personnel will advise on a case-by-case basis.



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## 4.6 ALLERGEN MANAGEMENT

Allergens in foods are a food safety risk and, as such, must be managed to ensure the safe consumption by the allergenic consumer. Suppliers must comply with the requirements set out in Commission Regulation (EU) 2021/382 of 3 March 2021 amending the Annexes to Regulation (EC) No 852/2004 as regard food allergen management, which requires companies to control allergens in the supply chain. Consumers affected by allergen or intolerance reactions should be given the possibility to choose food products that are safe for them, by having access to complete and accurate information.

- **Products:** this allergen policy applies to Ecotone EU own branded products and raw materials both organic and conventional.
- **Allergens:** this policy refers to all allergens listed in Annex II of European Regulation No. 1169/2011 or in local specific regulation where the product is sold, whether they are intentionally present in Ecotone products as ingredients or they are present as a result of cross-contamination.

### 4.6.1 DEFINITIONS

- An allergen is usually a protein capable of inducing an allergic reaction.
- Allergen cross contamination is the unintentional presence of trace amounts of allergenic foods in the final product.
- 'May Contain' labelling is used to inform consumers of the risk that food might accidentally contain small amounts of an allergen.
- Unintentional presence is the accidental inclusion or contamination by another allergen ingredient not already present in the finished product or raw material.
- An allergic reaction involves an immune system response that affects different organs in the body and can be life threatening.
- An intolerance does not involve an immune system reaction and the symptoms are linked to difficulty in digesting and assimilating foodstuff.

### 4.6.2 ECOTONE EXPECTATIONS - ALLERGENS

- Ecotone product formulation should avoid the use of allergenic ingredients whenever possible (taking into consideration costs, technological and other constraints).
- Suppliers must deliver raw materials and finished products safe and suitable for all our consumers, including people suffering from allergies or intolerances as specified by EU Regulations No. 1169/2011 and good manufacturing practices.
- The supplier must maintain a risk-based allergen management program. This shall be constructed using HACCP principles to ensure that allergen cross contamination is minimized and appropriately controlled.
- Positively releasing materials potentially containing allergens must not be used, unless it is used to substantiate the adequacy of other validation/verification activities.
- It is expected that the supplier will have a documented system in place to demonstrate which raw materials, ingredients or finished product contain allergenic ingredients.
- Where an allergen is not incorporated into **all** products, suitable control measures must be in place for its management.





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- All allergens require specific handling. The Supplier must be able to demonstrate that specific risk assessment studies have been performed on all allergen containing ingredients. These assessments must include, but not limited to:-
  - Identify potential allergen cross-contamination from raw material suppliers.
  - Identify the raw materials containing allergens used on site and which products are at risk.
  - Define the process steps.
  - Assess the risk of allergen cross-contamination.
  - Implement allergen controls.
- A formal policy for handling allergens must be held and shared with Ecotone.
- Procedures and practices designed to prevent allergen cross-contamination include:
  - Controlled storage / sampling / dispensing activities of incoming raw materials.
  - Production activities / rework controls /equipment design/ scheduling/ packaging controls.
  - Assessment of efficacy of cleaning process must be confirmed by product testing and plant swabbing, and validated annually. These must be available on request.
  - Supplier must implement an effective employee allergen training program.

New Product Development controls.

***Please note that a request to put cross-contamination information on a finished product label shall not be used as a substitute for an effective food allergen control program.***

- All allergen information must be indicated in the product specification in line with EU Regulation's No. 1169/2011.
- Sites must be able to formally declare their allergen status in the Ecotone specification based on the allergen risk assessment outcome for cross-contamination.

***Please note that the supplier must inform Ecotone proactively and timely of any change occurring at the production site and/to the product specification, to allow changes to the product labelling if needed.***

- Ecotone will carry out its monitoring plan and will share the results with the supplier if necessary.

#### 4.6.3 ALLERGEN LABELLING

Labelling of allergens should help allergic consumers identify quickly and easily foods of concern and must conform to the European and local regulations.

Suppliers must comply with the following:

- When cross-contamination is unavoidable, the supplier must declare this in the product specification.

In case of an "allergen-free X" claim:

- The claim must be mentioned in the specification completed by the supplier; the supplier is responsible for any claims made.
- It is the responsibility of the supplier to take all measures deemed necessary to guarantee the conditions required for the claim, and to state them in the specification.
- For "gluten-free" claims for the products with the crossed grain logo:
  - Supplier must meet requirements of AOECs standard or are able to provide detailed assessment to prove the gluten free status in accordance with Regulation (EU) No 828/2014 and any relevant UK requirements.
  - Supplier must send annually:
    - AOECs inspection certificate by an approved external control body
    - A gluten analysis certificate from an accredited laboratory (ELISA R5 Mendez method) relevant for all Ecotone raw materials and finished products



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**Please note that failing to declare an allergen cross-contamination in the product specification by Supplier, will result in immediate withdrawal of the product from the distribution. All direct and indirect costs related to this action will be borne by the supplier.**

Whilst to date, there is no European legislation that establishes thresholds for the use of “may contain” labelling required due to cross-contamination, there are best practice guides available such as Vital 3 (<http://allergenbureau.net/vital/>) which provide guidance as to when a ‘May contain’ declaration is required.

**NOTE:** where the cross contact allergenic material is present in a particulate form rather than homogeneously distributed in the Finished Product **no level** of cross-contamination will be accepted without ‘May Contain’ labelling.

#### 4.6.4 REFERENCES

- i. Regulation (EU) No 1169/2011 of the European Parliament and of the Council of 25 October 2011  
<http://eurlex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32011R1169:EN:NOT>
- ii. Allergene in Lebensmitteln, Allergologie-Ernährungswissenschaft- Recht- Praxis, Behr’s Verlag
- iii. Reputable Governmental or sector guidance to conduct Allergen Risk assessments include:
  - Campden Guide 59: Validation of Cleaning to remove food allergens
  - Campden Guide 71: Food allergens; practical risk analysis, testing and action levels
  - FSA Guidance for food businesses on allergens: <https://www.food.gov.uk/business-guidance/allergen-guidance-for-food-businesses#allergen-information-resources>
  - Risk assessment: <http://www.foodallergens.info//Manufac/Assess.html>
  - Allergen HACCP list: <http://www.foodallergens.info//Manufac/management/checklist.pdf>
  - VITAL (Voluntary Incidental Trace Allergen Labelling): <http://www.allergenbureau.net/vital/vital/>

#### 4.7 GENETICALLY MODIFIED ORGANISMS (GMOS)

Ecotone branded products do not contain any GMOs, GMO ingredients or ingredients derived from GMOs. All suppliers which produce products containing ingredients such as soybean, corn, rice and/or rapeseed must apply the Ecotone Non-GM Ingredient Policy below.

Genetically Modified Organisms (GMO) are vegetable ingredients produced from seeds of which DNA has been modified to express a specific function (production of a toxin, resistance to a chemical molecule, production of a nutrient, etc.).

##### Labelling threshold for GMs:

According to regulation EU 1829/2003, the presence of GMO derived ingredients in a product must be labelled on pack, unless the proportion is **below 0.9%**. Organic regulation prohibits the use of GMO derived ingredients.

##### GMs free criteria:

European consumers do not want food containing GMO derived ingredients (1) and they see it as a threat for the environment (2). French authorities have defined labelling rules for claim “**GM free**” (text Nr. 2012-128 of 30/01/12), establishing a maximum threshold of 0.1% of GMO adventitious contamination, and conditions for the use of claim. There is no European alignment on this claim.



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This policy applies to Ecotone EU own branded products and raw materials, organic and conventional:

- Our products do not contain any GMOs, or any products produced from or by GMO.
- Genetically modified ingredients “at risk” are: soybean, rice, corn and rapeseed.
- We require non-GMO guarantee on yeast strains, ferments, raising agents and enzymes.
- Enzymes obtained by non-GMO microorganism but on GMO growth medium are forbidden
- Enzymes obtained by GMO microorganism are forbidden
- Suppliers are expected to maintain a risk-based approach to GMO contamination risk and share the results with Ecotone upon request.
  - For “at risk” ingredients, which do not contain proteins and where GM contamination cannot be detected (no PCR possible), provide upon request a certificate of non-use of GM ingredient(s).
  - For “at risk” ingredients containing proteins, have a PCR analysis, made by an accredited laboratory on each batch and provide this PCR analysis upon request; **do not use** the ingredient batch if contamination is:
    - > 0.1% for all organic raw materials;
    - > 0.1% for conventional ones if there is a GMO-free claim on the final product;
    - > 0.9% for other conventional raw materials;
    - unless a stricter limit is defined in the specifications;
  - propose alternatives to “at risk” ingredients.

Ecotone maintains a monitoring plan based on risk analysis, based on the following criteria:

- Organic or conventional product
- Presence of a “GMO free” claim
- GMO ingredients allowed or not allowed in Europe
- The levels below apply unless stricter rules are specified in the product or raw material specification.



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### Actions in case of presence of GMO contamination of a product:

Level of Contamination	Final product	Isolated case	Recurrent case (more than once on the same finished product or raw material)
LOD <math>x \le 0.1\%</math>	Organic		the supplier is asked to provide his analysis results on raw materials used.
$0.1\% < x < 0.9\%$	Organic without "GM free" claim	<ul style="list-style-type: none"> <li>the supplier is asked to provide his analysis results of the raw material;</li> <li>the supplier must analyse the product before the next delivery and send the result to Ecotone.</li> </ul>	<ul style="list-style-type: none"> <li>the supplier must implement preventive actions agreed with Ecotone;</li> <li>the supplier must analyse each batch of the product before delivery and send the result to Ecotone until the problem is solved (at least 5 batches analysed).</li> </ul>
$0.1\% < x < 0.9\%$	Organic and conventional with a "GM free" claim	<ul style="list-style-type: none"> <li>block the product;</li> <li>the supplier must investigate;</li> <li>provide to Ecotone the analysis results on the raw material;</li> <li>make new analysis of finished product of the same batch and provide the results to Ecotone;</li> <li>Ecotone will release or reject the product based on the decision table below;</li> <li>the supplier will make analysis before sending the next delivery of finished product and provide the result to Ecotone.</li> </ul>	
$x \ge 0.9\%$	Organic or conventional product		
detected	GMO not allowed in Europe		

### By following the decision table below, supplier can identify if confirmatory analysis is required:

Second analysis	Third analysis (in an accredited lab)	Course of Action
Conform (Below contamination level)	Conform	The product is accepted.
	Not conform	The product is rejected
Not Conform	Not applicable	

All direct and indirect losses and costs including any Ecotone's customers penalties related to the actions above shall be borne by the supplier.



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#### 4.8 PESTICIDE RESIDUES

Ecotone consumers have high expectations when it comes to pesticide residues in its branded products, especially in its organic products. All Ecotone organic branded products must comply with Ecotone Pesticide Policy below.

The term 'pesticides' is a generic term that is used to indicate a broad range of chemicals and other agents intended to control pest or other harmful living organisms.

'Pesticide residues' means residues, including active substances, metabolites and/or breakdown or reaction products of active substances currently or formerly used in plant protection products.

The appropriate management of pesticide residues is important and regulated in conventional food via specific legislation. For organic, whilst the legal framework on organic food products does not establish specific pesticide thresholds, organic food consumers, national control bodies and authorities expect organic raw materials products to be produced using natural substances and processes; therefore, indirectly expects maximum residue levels to be no greater than 0.010 ppm (mg/kg) in organic food materials and products.

This document has been written to facilitate our suppliers and Ecotone to work together in ensuring the organic quality of its products.

According to Ecotone's Supplier Quality Management policy, suppliers are expected to maintain a risk-based approach to residue testing, including testing for pesticides which are currently banned in the EU/ UK and share the results with Ecotone upon request. For conventional raw materials and/or finished products, EU MRL will be applied. For details please refer to [EU Pesticides Database | Food Safety \(europa.eu\)](#)

Main aspects to be taken into consideration are:

- Type of raw material
- Origin of raw material
- Size of batches
- Homogeneity of received raw material batch
- Sampling method and size

Analytical tests must be performed by ISO17025 accredited laboratories and have a proven track record in the analysis of pesticides residues in the material product matrix, including the participation in ring trials and selection of the optimal detection method.

Suppliers must assess the scope and coverage of multi-pesticide residue testing and consider testing for specific pesticides further to the risk assessment, where these are not covered by multi-residue analysis. All costs related to the actions above shall be borne by the supplier.

Ecotone will carry out its own risk assessment and supplementary monitoring plan and will, when appropriate, share the results with supplier(s).



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#### 4.8.1 ORGANIC PRODUCTS PESTICIDE POLICY

Organic production is an overall system of farm management and food production that combines best environmental practices, a high level of biodiversity, the preservation of natural resources, and a production method in line with the preference of certain consumers for products produced using natural substances and processes. Therefore, the organic produce does not define itself through the absence of pesticides and harmful substances, but through the global process of its production and processing.

For this reason, the legal and regulatory requirements on organic agriculture do not establish thresholds for organic produce. Detection of the presence of pesticides, which are not allowed in organic agriculture can however be an indication of their use.

Currently there is no EU harmonised legislation on the acceptability of maximum pesticide residues in organic produce; this area of the legislation is regulated at national level, by the individual EU member states and UK, and therefore, the regulations differ from country to country.

**In absence of harmonized rules, an organic product is considered to be non-conform to Ecotone’s requirements when pesticide analysis results in the presence of in line with BNN Orientation Values:**

- Residue > 10 ppb or 0.01ppm; or,
- The sum of all residues > 20 ppb or 0.02ppm

It must be noted that Ecotone does **not** accept, the BNN “adjustment for analytical variance of 50%”. For details, please follow the following link: [BNN Orientation Values | Bundesverband Naturkost Naturwaren e.V. \(n-bnn.de\)](https://www.n-bnn.de)

Where suppliers deliver organic materials to Ecotone’s manufacturing facilities based in member states or UK where stricter requirements apply, these will supersede the above and will need to be complied with.

In case of dried single ingredient products, the following reconstitution factors will be used to calculate the level in the original raw material in accordance with BNN dehydration factors, where these guidelines are recognised (\*BNN: [Conversion factors January2017.pdf \(n-bnn.de\)](https://www.n-bnn.de)); note that not all EU member states or UK recognise such guidelines, and where suppliers deliver organic materials to Ecotone’s manufacturing facilities based in member states or UK where stricter requirements apply, these will supersede the BNN guidelines.

Food product	Dehydrating Factor (*BNN)
<b>Dried Fruits</b>	
in general	5
<b>Green and black tea, aromatic herbs, medicinal herbs, herbal tea, and tea-like products</b>	
in general	4



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Food product	Dehydrating Factor (*BNN)
<b>Spices</b>	
It is not reasonable to apply a single conversion factor to the large variety of products, which are covered by the term "spices". A product-specific conversion factor between 1 and 10 can be applied, when a product is dried for the purpose of preservation.	
<b>The categories below serve for orientation - Spice Category:</b>	
Vegetables and mushrooms (dried), e.g. chilli- or ground paprika	7
Exemption: garlic	3
Leaves and herbs	4
Flowers, e.g. rose flowers, lime flowers, hibiscus, cornflower etc.	4
Roots and rhizomes, e.g. ginger, turmeric, horseradish etc	4
Seeds and fruits, e.g. fennel, aniseed, caraway, cumin, vanilla bean etc.	1
Exemptions: nutmeg, pepper, cilantro, vanilla powder	4
Bark, e.g. cinnamon	4
<b>Further spices:</b>	
Buds (cloves), style and stigma (saffron) and aril (mace)	4

In case of reconstituted products such as diluted products, the pesticide residue in the fresh raw material prior to dilution shall not exceed 0.01 ppm.

If pesticides are detected at levels exceeding the above, the following steps must be followed:

1. The party identifying the issue (either Ecotone or the supplier) informs the other one immediately.
2. The product must be put on hold pending investigation and decision.
3. Further analysis must be performed to confirm or not the contamination

	First analysis	Second analysis	Third analysis	Conclusion
<b>Results</b>	Confirmation of a non-conform result	Conform	Conform	Contamination not confirmed
			Not Conform	Contamination confirmed
<b>Accredited Laboratory</b>	A	B	A or B or C	-
<b>Sample</b>	A	B	C	-

4. In parallel to analysis, the supplier must carry out investigations on his raw material data to identify the root cause.
5. If the non-conformity is confirmed, both the supplier and Ecotone will inform their respective certification body about the contamination and identified root cause. Certification bodies will make their recommendation. Ecotone's certification body recommendation will be followed.
6. If the contamination is confirmed:

Ecotone and the supplier will define and agree a corrective action plan in line with the certification body requirement(s) and/or local authority. All direct and indirect losses and costs, including any Ecotone's customers penalty linked to the issue will be borne by the supplier.



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## 4.9 PALM OIL

### 4.9.1 INTRODUCTION

As an integral part of our sustainability policy, Ecotone adheres to the production of certified sustainable palm oil as managed by the Roundtable for Sustainable Palm Oil (RSPO). Suppliers are required to adhere to the Ecotone Certified Sustainable Palm Oil Policy below.

Ecotone is committed to the sourcing of certified sustainable palm oil. This oil is produced by palm oil plantations which have been independently audited and found to comply with the globally agreed environmental standards devised by the Roundtable on Sustainable Palm Oil (RSPO). Note the following text as directly extracted from the RSPO Supply Chain Certification Standard RSPO-STD-T05-001 V2 ENG, from 1<sup>st</sup> February 2020:

#### *“1. Introduction*

1.1. The Roundtable on Sustainable Palm Oil (RSPO) is a not-for-profit, international membership organisation that unites stakeholders from the different sectors of the palm oil industry: oil palm producers, processors and traders, consumer goods manufacturers, retailers, banks/investors, and environmental and social non-governmental organizations (NGOs), to develop and implement global standards for sustainable palm oil production.

#### *2. Scope*

*Oil palm products may go through many production and logistical stages between the oil palm plantations to end products. The General Chain of Custody requirements of the RSPO Supply Chain Standard shall apply to any organisation throughout the supply chain that takes legal ownership and physically handles RSPO certified sustainable oil palm products at a location under the control of the organisation, including outsourced contractors. After the final process in the supply chain, there is no further requirement for application of this standard to that product.*

*Any certified oil palm products can be traded through any of the four supply chain models that are approved by RSPO:*

- Identity Preserved (IP)
- Segregated (SG)
- Mass Balance (MB)
- Book and Claim (BC) (see Annex 4)

*For the purpose of certification, the first three (any one or a combination) of the above models shall be used. All claims made shall be in accordance with the published RSPO Rules on Market Communications and Claims. Current rules are available on the RSPO website ([www.rspo.org](http://www.rspo.org)).*

Ecotone is committed to the use of sustainable palm oil in both its organic and conventional branded finished products. When palm oil is needed due to technical reasons, Ecotone strives to obtain “Certified Sustainable Palm Oil”, preferably “Identity Preserved” or “Segregated”, and tolerates Mass balance supply chains. By exception only, Ecotone will compensate use of non-sustainable palm oil with RSPO credits.

Ecotone’s commitment to certified sustainable palm oil is achieved by:

- Involving all palm oil containing products suppliers, so that they become RSPO certified
- Certifying our own local supply chains, and using the RSPO logo in our products when appropriate
- Substituting palm oil whenever possible
- Preferably developing new products without palm oil

In 2017, we moved from locally managed RSPO certifications, to one single corporate multi-site certification.





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#### 4.10 CONTAMINANTS

A formal documented policy/risk assessment detailing screening/monitoring regime for all EU and UK legislated contaminants should be in place. See [Commission Regulation \(EC\) No 1881/2006](#).

Where appropriate, to ensure compliance with legislation and Ecotone product specifications, known/likely contaminants) levels in raw materials and finished products should be evaluated at agreed frequencies.

Where appropriate, suppliers should be able to demonstrate compliance with EU and UK legislated Contaminants.

##### 4.10.1 MINERAL OILS

Mineral oils (MOAH, mineral oil aromatics hydrocarbons, MOSH mineral oil saturated hydrocarbons.) cover a diverse group of hydrocarbons with a safety risk, in particular in case of regular exposure. They are currently not regulated under European law. However, the following thresholds in the product have been proposed by the BMELV (German Federal Ministry of Food, Agriculture and Consumer protection):

- MOAH (Mineral Oils Aromatic Hydrocarbons) C16-C35: no detectable (with a detection limit less than 0,5 mg / kg).

At Ecotone, we apply this threshold for MOAHs and we strive for absence of MOSH (Mineral Oils Saturated Hydrocarbons) in our products.

Please note that the interpretation of the publish health risk from mineral oils differs in each European Member state or UK; it is important that suppliers are made aware that in some member states testing results of MOAHS C16-C35 above 0,5 mg / kg, must to be shared with the local Authorities who will evaluate consumer risk. Where suppliers deliver products to Ecotone in member states or UK where stricter requirements apply, these will supersede the Ecotone's policy and will need to be complied with.

We require our suppliers:

- to evaluate and manage the risk of mineral oils contamination from all possible sources:
  - raw materials and ingredients
  - processing aids
  - machinery lubricants & oils
  - packaging materials including inks, sealants, glues, etc.
- to warrantee the above mentioned thresholds in Ecotone branded finished products



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## 5 ECOTONE QUALITY REQUIREMENTS – PART 2

In addition to all points covered under section 5 Part 1, all suppliers must comply with “Ecotone Quality Requirements – Part 2” section, which is based on key GFSI requirements.

GFSI certified suppliers will be familiar and typically already compliant with the requirements listed below.

Suppliers who do not hold a GFSI certified quality management system, must review and comply with the following requirements.

### 5.1 PROCUREMENT CONTROLS

Suppliers must have controls in place to ensure that raw materials, other intermediate products, food-contact packaging materials and finished product comply with their specifications. The supplier must provide a specification that defines and conforms to all food safety, legal and quality requirements applicable to the specific raw material, packaging, and / or finished product supplied. In addition, the specification must be accompanied by all necessary documentation such as, but not limited to, certificate of analysis, certificate of conformance, etc for each consignment, unless otherwise specified or agreed by contract.

It is a specific requirement of Ecotone for suppliers to provide all possible countries of origin of all raw materials, including agricultural raw materials, packaging and other intermediate products. Ecotone favours short and transparent supply chains; the supply chain information must be made available on request, e.g. supplier name, supplier location.

Ecotone is passionate about Biodiversity and is developing programmes with suppliers against a defined set of Biodiversity criteria. Specific details will be provided to selected suppliers via the R&D team.

### 5.2 CONTROL OF MANUFACTURING OPERATIONS

#### 5.2.1 FACILITY AND EQUIPMENT CONTROLS

Suppliers must produce finished product in facilities with equipment that is appropriately designed, built and maintained to ensure the production of safe food products. The facilities must be operated in a sanitary manner, according to written procedures. Procedures must be in place to prevent and identify potential extraneous material contamination of products, such as:

- Verification of water source for potability.
- Glass, wood (including pallets) and brittle plastic management policy.

#### 5.2.2 FOREIGN MATERIAL CONTROLS

A program to control or detect foreign material must be in place. Based on the process and the manufacturing environment, it could include devices such as magnets, sieves, screens, bone detection devices, metal detectors, optical sorters and x-rays, etc.

#### 5.2.3 IN PROCESS CONTROLS

Effective in process controls must be in place to ensure the product is produced according to agreed specifications and/or regulatory requirements. In particular, process controls must be in place to ensure the use of the correct ingredients, processes and packaging (and labelling) to the appropriate production batch. Process controls must be measured at a pre-established frequency (based on risk assessment) to ensure product safety; results must be documented, held for one year past the product shelf life or as required by applicable regulations, and must be made available to Ecotone upon request.



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#### 5.2.4 PRODUCT HOLD AND RELEASE

Effective controls must be in place to manage product(s) that does not conform to specifications and/or regulatory requirements, including:

- Record keeping procedures to log and track all batches put on HOLD to ensure correct disposition.
- Secure location to store product retained for non-compliance issues.

Without prejudice to Ecotone's right to claim damages, non-conforming Ecotone branded finished products may be:

- reworked following strict rework and traceability control procedures,
- donated subject to Ecotone's prior written consent,
- disposed of, in which case the supplier will denature the product and its packaging prior to disposal.

#### 5.2.5 CONTROL OF LABORATORY OPERATIONS

For product testing accredited laboratories with publicly recognized accreditation for the particular testing scope for the type of product or raw material or packaging being supplied must be used. This is not mandatory for routine quality control tests.

Product sampling must take place in line with EU or UK legislation (where available) or follow best practice guidance.

When an internal laboratory is used, the following systems and practices must be in place:

- Written sampling plans must be in place for all materials to be tested.
- All laboratory methods must be based on accredited methods.

The laboratory must have quality control procedures in place to ensure the accuracy of results, and tests must be performed by properly trained staff. Pathogen testing can be performed only if the appropriate laboratory controls and laboratory design/location is in place to protect the production facility.

#### 5.2.6 PEST PREVENTION

Suppliers must have an effective integrated pest management program, in house or contracted, in place to ensure that the facility and its surroundings are maintained in a sanitary and pest free condition. For in house systems, evidence of personnel training to a recognised qualification must be in place.

### 5.3 CONTROLS OF WAREHOUSE AND TRANSPORTATION OPERATIONS

Suppliers must have procedures in place to ensure that products are stored and distributed in a timely, safe and secure manner, and can be effectively traced if necessary.

#### 5.3.1 RECEIVING AND DISPATCHING

Procedures to ensure control of incoming and dispatch of raw materials, packaging materials, intermediates and/or finished products must be in place, including inspection of trailers, taking of product temperatures (if relevant), and inspection of loads. Receiving and dispatching activities must be documented.

#### 5.3.2 RETURNED GOOD CONTROLS

A documented program must be in place describing the management of any finished product returned to the facility after it has left the control of the supplier's company, including methods of segregation and evaluation of the product.



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#### 5.4 TRACEABILITY

Suppliers must have procedures in place that will permit traceability of all ingredients, primary packaging, and finished products by individual lot number(s) or other identifying code, one step back and one step forward in the supply chain. Suppliers shall maintain accurate and complete records of the raw materials, primary packaging and/or finished products for at least twelve months after expiry of the BBE Date. The records shall at least include records of the raw material, primary packaging and /or finished products on arrival at, during storage in and shipping from Supplier's Premises.

The records shall include batch codes to ensure conformity with the raw material, primary packaging and finished product specifications and all applicable food manufacturing and supply legislation:

- information relating to the quality control systems used by the supplier including the results of any quality control and of any European Union food manufacturing regulation audit, whether generated externally or internally, during the period of twelve months after the expiry date of the BBE Date of the relevant products;
- retained finish products samples, at least two consumer unit per batch code, must be held for the duration of the batch shelf life, and be made available to Ecotone upon request.
- if a supplier has run an industrial test for the raw material, primary packaging, and/ or finished product, the supplier shall keep at least six products or laboratory samples until six months after the Best Before End Date.



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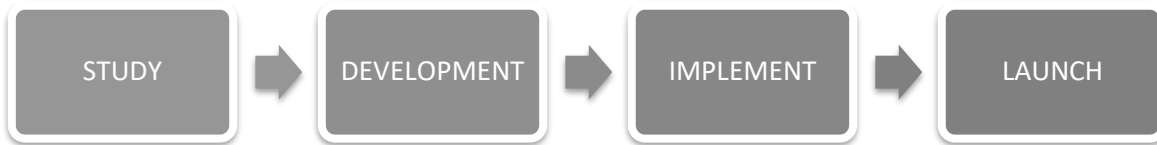


## 6 PRODUCT DEVELOPMENT, FINISHED PRODUCTS, RAW MATERIALS AND PACKAGING MATERIALS SPECIFICATIONS

Ecotone requires that suppliers provide a technical specification, otherwise known as a finished product specification for every finished product. Specific product category food safety and quality requirements are described in the Supplier Preventive Action per Category PAC document (see 3.2.1 **Error! Reference source not found.**)

### 6.1 NEW PRODUCT DEVELOPMENT AND APPROVAL

The product development is a joint activity undertaken by both the Supplier’s and Ecotone’s R&D teams. The process can vary slightly depending on the type of innovation, technology, etc. ;in all case as a minimum, the innovation process includes the following phases, which are outlined in some details below:



#### **Study Phase:**

Ecotone R&D/Marketing team work jointly to create a project brief which is then shared with the potential supplier/ existing supplier. The project charter will included definitions, concept & objectives, product profile, estimated potential volumes and sell price. Ecotone typically requires suppliers to sign an non-disclosure agreement (NDA) and to agree with Ecotone’s General Purchasing Conditions (GPC). In addition the supplier is asked to contribute to the retro-planning and share any of their internal constraints and required steps.

#### **Development Phase:**

Once the project brief has been sent to the supplier, any new supplier to Ecotone has to undergo an approval by the Quality team (see 3.3.1).In Addition, any new production line of any existing Ecotone supplier will also need to be evaluated by quality team (see 3.3.2).

During the development phase the supplier is asked to submit samples (lab or pilot scale) and to provide specific information as the following: COGS, ingredient lists, estimated nutritional values, possible claims and justification, any identified risks from product, packaging and/or production, including but not limited to raw material availability, scale up challenges, etc. Note that the “risks evaluation” needs to be completed using Ecotone’s template, and needs to include mitigation strategies for the identified risk.

***The supplier needs to provide enough quantities of samples to allow Ecotone to perform internal panel checks, analytical and shelf-life tests as needed.***

After the completed risk evaluation, the prototype samples are reviewed and approved, the development is allowed to move forward to the Implementation phase.

#### **Implementation Phase**

Based on experience and advise/feedback from supplier, Ecotone R&D will confirm if an industrial trial is needed and align with the supplier in its execution. Industrial trial samples have to be delivered in the final packaging (format, material and specification) that will be used in production.



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**Industrial trial Analytical and Product Quality Information:** the supplier utilises the final submission samples to establish the following:

- Quality Attribute Sheets (QAS) to be filled by Quality and R&D team representatives from both Ecotone and supplier.
- To perform transit trials (i.e. transport test), where required involving Ecotone e.g. R&D, Marketing, etc. in the assessment.
- Proof of total shelf life, as advised and documented by the supplier; the supplier commits that under normal production condition the product will not display any deviation before the end of shelf life.
- Physical, chemical and microbiological tests based on risk assessment, and to ensure compliance with EU and local food safety legislation.
- Organoleptic parameters, contaminants and other food safety analytical tests, shelf life, nutritional values and specific migration linked with the category and the simulant are performed by the supplier to finalize the product development.

All of the above points, are the responsibilities of the supplier, who has to provide compliant product with all applicable regulations and Ecotone's requirements. Ecotone R&D may perform confirmatory test (analytical or shelf-life tests).

Industrial trial samples will be approved by different Ecotone representatives (marketing, sales, etc.). The process is usually facilitated by the Ecotone R&D representative. After approval is given, the supplier commits to meet the agreed gold standards at first production.

**Specification completion:** the supplier completes all necessary details of the Ecotone's product specification, which includes a full specification of both the recipe (PRD spec) and the packaging (PCK spec) using the Ecotone specification tool. Based on the information provided in the technical specifications, Ecotone R&D will create a label specification which will contain the base information for the product artwork.

Specifications given by the supplier are considered legally binding. At this point the product is considered industrialised and ready for production.

**Validation of Supply Chain Topics & Final Contract Conditions:** Marketing and sourcing contact the supplier to finalize information such as: outer case packing, other tertiary packaging, palletization, scrapping risk and Minimum Order Quantities and final Cost Of Goods. The supplier signs the "Supplier Commercial Commitment and the Price Sheet", as provided by the Ecotone's sourcing team representative.

**Draft Artwork creation and revision:** Ecotone marketing team will complete the artwork design and have it validated by Ecotone R&D and the vendor. If changes to product specifications are needed, the vendor will request it the R&D team. If errors are found in the draft artwork (e.g. difference between the approved specifications and/or the project brief), the vendor will inform the Ecotone marketing representative.

**Project contract approval:** The Project contract are presented to the internal steering committee for approval to move to next stage.

**The final industrial prototype is submitted together with the final business case for approval and commitment to launch. The vendor is expected to commit to the launch before the submission to this internal committee. Any risk related to delivering the product in quality, time or cost has to be shared timely with Ecotone.**



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### Launch Phase

**Final artwork approval:** final artwork design is sent to the supplier for their final validation. If errors are discovered the supplier will inform the Ecotone marketing representative.

**Please note that the supplier is fully responsible for the label declaration compliance with the legal requirements of the country of sales.**

**First production:** The first production date is determined in agreement with Ecotone's representatives; Ecotone's representative reserve the right to attend first production. It is the supplier responsibility to organise and set up the first production, including ensuring the correct raw materials and packaging are available. After first production, the product specifications as well as the Quality attribute sheet are confirmed.

**Post-launch review:** After the first production run, a post-launch review of the project and the product quality may be performed and discussed by the supplier and Ecotone.

## 6.2 FINISHED PRODUCT SPECIFICATION

The finished product specification, managed by Ecotone R&D teams and signed by the supplier, in the Ecotone requested format, includes **at minimum**:

- full list of ingredients and sub-ingredients (including processing aids) with percentages in final product, countries of origin, quality marks (e.g. organic, MSC, etc.)
- list of ingredients and allergen declaration
- nutritional values per 100 ml/gr
- Nutriscore (follow this [LINK](#) for more explanation on this topic)
- product claims agreed during development (e.g. organic, RSPO supply chain, etc.)
- health and nutritional claims agreed during development
- consumption serving size
- country of manufacturing
- country of packaging
- whether the product is produced in a supplier facility or outsourced to a third party
- shelf-life details and shelf-life validation test information o storage (before and after opening) and transport conditions
- transport, preparation and storage instructions
- quality attributes, organoleptic characteristics, dimensions
- physical and chemical parameters
- supplier mandatory statements and logo details (e.g. Organic EU logo)

### 6.2.1 NUTRITIONAL VALUE DECLARATION

Ecotone requires the supplier to deliver nutritional data allowing a correct declaration on packaging and supporting agreed nutritional and health claims.

The supplier will be held responsible in case of incorrect nutritional data in the specification. He will be asked to provide Ecotone with corrected data from analysis. Costs linked to incorrect data (fees from authorities, packaging destruction, analysis by Ecotone) will be charged to the supplier.

## 6.3 PACKAGING SPECIFICATION

The supplier will provide Ecotone with a finished product packaging specification including:

- description and type of packaging, food grade declaration
- materials used (including inks), weights, environmental marks, and disposal information for the country of sales declared by Ecotone
- shelf life and traceability codes descriptions and examples



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- net weight (e-mark), number of servings per consumer unit
- packaging treatment details (e.g. modified atmosphere)
- overall migration and specific migration for each simulant requested
- compliance with all EU regulation for food packaging
- compliance to different Ecotone requirements with regards to packaging composition as required during the development process by Ecotone R&D team
- supplier certificate on the NIAS (Non-intentionally added substances)





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## 7 MAIN AMENDMENTS

Please find below the main amendments from one version to another.

### 7.1 FROM VERSION FEB. 2014 TO VERSION MAR. 2015 (ISSUE 1)

Chapter	Amendments
1	Change: For questions on the documents, please contact your Ecotone Quality representative
3	Change: Supplier evaluation adapted for Suppliers that maintain a GFSI certification
4.5	New: Food Fraud Management
7.2	New: Food Fraud Policy
7.4	Update: Non-GM Ingredient Policy 7.4.3. Policy <ul style="list-style-type: none"> <li>• .....do not use the ingredient batch if contamination is: <ul style="list-style-type: none"> <li>➤ &gt; 0.1% for all organic raw materials;</li> <li>➤ &gt; 0.1% for conventional ones if there is a GMO-free claim on the final product;</li> <li>➤ &gt; 0.9% for other conventional raw materials;</li> <li>➤ unless a stricter limit is defined in the specifications;</li> </ul> </li> </ul>
7.6	Update: Pesticide Policy 7.6.3. Policy An organic product is considered not to conform for Ecotone when analysis result in presence: <ul style="list-style-type: none"> <li>• 1 residue &gt; 10 ppb or</li> <li>• sum of all residues &gt; 20 ppb</li> </ul>
7.7	Update: Palm Oil Policy to include the new RSPO principles
	Removal: Nutritional Policies

### 7.2 FROM VERSION MAR. 2015 TO VERSION DEC. 2017 (ISSUE 2)

Chapter	Amendments – ISSUE NR. 2
	Document renamed from Supplier Quality Booklet to Product Quality Booklet – to address the point that this document is to be used in both Ecotone factories and third-party suppliers.
1	Added that the booklet is to be used also by Ecotone factories
4.1	Renamed from Corporate Ethics and Sustainability to Corporate Social Responsibility
4.2	Renamed from Organization and Responsibility to Organization
4.5	Renamed from Food fraud management to Risk management – also addressing wider risk scope
7.3	Updated: Allergen Management Policy

### 7.3 FROM VERSION DEC. 2017 TO VERSION SEPT. 2018 (ISSUE 3)

Chapter	Amendments – ISSUE NR. 3
	No changes, just document links corrections

### 7.4 FROM VERSION SEPT. 2018 TO VERSION SEPT. 2019 (ISSUE 4)

Chapter	Amendments – ISSUE NR. 4
3.1	Supplier selection and approval – specific mention of copies of documents to be sent to Ecotone for supplier approval
4.1	Corporate Social Responsibility <ul style="list-style-type: none"> <li>• Link to new Supplier Code of Conduct</li> <li>• Reference to new Ecotone Supplier Ethical Policy (7.1)</li> </ul>
5.6	Added that suppliers must have at least <b>two consumer unit per batch</b> as retention sample till end of shelf life
7.1	Replace Supplier Code of Conduct by Ecotone Supplier Ethical Policy
7.3	Updated Allergen Management Policy
7.4	Extended non-GMO ingredient policy to microbes and microbial products (such as enzymes, etc.)
7.5	Non-GMO packaging policy applied to all Ecotone branded products



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Chapter	Amendments – ISSUE NR. 4
3.1	Supplier selection and approval – specific mention of copies of documents to be sent to Ecotone for supplier approval
7.7	Updated reference to RSPO newest standard (revised 14 June 2017); change Green Palm to RSPO credit; reference to Ecotone multi-site certification

## 7.5 FROM VERSION SEPT. 2019 TO VERSION JUL. 2021 (ISSUE 5)

General review of the document and amendments made on ALL chapters. Main changes include:

- Extension of the document to cover requirements for raw materials, packaging materials and quality related services suppliers.
- Main changes on Chapter 3. ECOTONE SUPPLIER QUALITY MANAGEMENT SYSTEM
- Main changes on Chapter 6. PRODUCT DEVELOPMENT, FINISHED PRODUCTS, RAW MATERIALS AND PACKAGING MATERIALS SPECIFICATIONS
- Appendices (previous Chapter 7) have been integrated into the different policies in Chapter 4.