

## **Supplier Partner Code of Conduct**

SunOpta Inc. and Supplier Partners conduct their business in accordance with the spirit, as well as the letter, of the law. We believe in and adhere to standards of ethical conduct in all business operations, even beyond the strict requirements of the law, applicable to all SunOpta Group Companies and to all Supplier Partners in respecting and upholding our Code of Conduct.

SunOpta selects its agents, contractors, distributors, suppliers and consultants based on their abilities to perform the required work competently and comply with the SunOpta Supplier Partners Code of Conduct. This policy has been established to set forth the standards that govern all SunOpta Group Supplier Partners in the performance of their duties on behalf of the respective members of the SunOpta Group, and in accordance with all existing and future business relationships.

Supplier Partners must be prepared to provide SunOpta with information about subjects mentioned in this guideline. In accordance with SunOpta's Code of Conduct, Supplier Partners must be prepared to be audited by SunOpta or by an authorized 3rd party representative.

The SunOpta Supplier Partner Code of Conduct encompasses our philosophy, guidelines, and policies as they relate to:

- 1. Child Labor**
- 2. Prison Labor/Forced Labor**
- 3. Disciplinary Practices**
- 4. Legal Requirements**
- 5. Industry Standards**
- 6. Ethical Standards**
- 7. Traceability**
- 8. Working Hours**
- 9. Wages and Benefits**
- 10. General Labor Practices & Freedom of Association**
- 11. Discrimination**
- 12. Community Involvement**
- 13. Health & Safety**
- 14. Environment**
- 15. Privacy and Confidentiality**
- 16. Product Safety**
- 17. Management Systems**

## **1. Child Labor**

In accordance with International Labor Organization (ILO) Convention 138, every worker employed must be at least fifteen (15) years of age. However, SunOpta acknowledges the potential benefits of family operated farms and encourages legal and legitimate programs that seek to enrich the lives and opportunities of workers under the age of 18.

All workers under the age of 18 shall be protected from economic exploitation and from performing any work that is likely to be hazardous to their health or physical, mental, or social development. Furthermore, no worker under the age of 18 shall be permitted to work overtime or during hours that conflict with compulsory education.

In the event that child laborers are identified, responsible means will be taken to remove each child from the work site and ensure they will have access to compulsory schooling. This may require ongoing compensation to the child's parents or caretaker, and monitoring by a third party.

We support the development of legitimate workplace apprenticeship programs for the educational benefit of younger people.

## **2. Prison Labor/Forced Labor**

We will not utilize or purchase materials from Supplier Partners that use any prison, indentured, or forced labor. The Supplier Partner must not use involuntary labor of any kind, including prison labor, indentured, debt bondage, or forced labor by governments.

Supplier Partners shall not directly or indirectly support slavery or human trafficking of any kind. If the Supplier Partner recruits foreign contract workers, the Supplier Partner must ensure consistent contract terms are upheld from recruitment to employment and pay any applicable agency recruitment commissions. Furthermore, no worker shall be employed for any period of time against his or her will and each worker shall maintain possession of his or her travel documents.

## **3. Disciplinary Practices**

We will not utilize Supplier Partners who use corporal punishment or other forms of physical or psychological coercion. Supplier Partners must treat all workers with respect and dignity and provide them with a safe and healthy work environment. All supplier partners will be required to have written guidelines relating to employee working treatment and conditions.

## **4. Legal Requirements**

All Supplier Partners should be in good standings with all local and national applicable government laws and regulations. We expect our Supplier Partners to be law abiding as individuals and to comply with legal requirements relevant to the conduct of all their businesses.

Supplier Partners must observe and be in compliance with Rules of Origin laws and regulations.

## **5. Industry Standards**

Supplier Partners must be in compliance with applicable industry recognized certification standards.

- When deemed necessary commit to the development and use of the highest standards and practices for organic production, processing, and handling. Observe all state, provincial, federal, and international regulations pertaining to organic production, processing, and handling.
- When deemed necessary commit to the development and observance of the necessary practices for production, processing, and handling of products subject to religious law (e.g., Kosher, Halal).
- When deemed necessary comply with HACCP regulations for production, processing, and handling of food products.
- When deemed necessary commit to the development and use of the highest fair trade standards and practices. Observe all of code of ethics pertaining to fair trade regulations.

## **6. Ethical Standards**

We want to be recognized as a company of high ethical standing. We will seek to identify and utilize Supplier Partners who aspire as individuals and in the conduct of all their business practices to a set of ethical standards not incompatible with our own.

The Code of Conduct guidelines establish SunOpta's expectation for conducting business in a manner that is consistent with our Value Statement and in compliance with laws and government regulations.

Supplier Partners must not engage in corrupt or unethical practices, such as paying bribes in exchange for jobs, preferential treatment, etc. Supplier Partners must only maintain one set of complete and accurate working-hour and payroll documents and records that represent true working conditions.

We do not support animal based laboratory testing by our Supplier Partners.

## **7. Traceability**

To provide our customers with complete traceability, it is vital for us to have open and transparent dialogue with our suppliers. We require that our suppliers have full traceability in their production and/ or supply chain of all materials originating from all sources.

Suppliers must be prepared to provide SunOpta with information about the presence of GMOs in all products and raw materials. (reference: SunOpta Supplier Approval and Quality Expectations Manual)

## **8. Working Hours**

Ensure overtime hours do not exceed local legally defined limits, but in any case total working hours (normal + overtime) shall not exceed sixty (60) hours in any seven (7) day period and twelve (12) hours in a twenty four (24) hour period unless in response to qualified harvest season requirements and/or exceptional circumstances.

Furthermore, ensure that all workers receive at least one (1) full rest day in every seven (7) calendar days unless in response to qualified season requirements and/or exceptional circumstances.

## **9. Wages and Benefits**

We will only do business with supplier partners who provide wages and benefits that comply with any applicable laws and match the prevailing local industry practices. Our goal is to work with and encourage supplier partners who establish a living wage.

Wages are essential for meeting the basic needs of employees and reasonable savings and discretionary expenditure. Legally mandated benefits must be provided. Payment of wages should be in a timely manner and at a minimum on a monthly basis.

Workers shall be paid at least the local minimum wage or a wage that meets local industry standards, or whichever is greater. Hourly rates for overtime must be higher than the regular work shift. The Supplier Partner provides paid annual leave and holiday as required by law or which meet the local industry standard, whichever is greater.

Supplier Partners must record all employee working hours and deductions completely and accurately. Supplier Partners must not engage in practices designed to circumvent national or local wage, benefit or labor laws.

## **10. General Labor Practices & Freedom of Association**

We respect workers' rights to form and join organizations of their choice and to bargain collectively. We expect our suppliers to respect the right to free association and the right to organize and bargain collectively without unlawful interference. Supplier Partners must respect employee rights to freedom of association; they must not impose any punitive actions against workers in supporting union such as threatening, fining, suspending or firing workers exercising those rights. They should ensure that workers who make such decisions or participate in such organizations are not the object of discrimination or punitive disciplinary actions and that the representatives of such organizations have access to their members under conditions established either by local laws or mutual agreement between the employer and the worker organizations.

The SunOpta Code of Conduct provision on free association neither permits, nor requires SunOpta its Supplier Partners to engage in unlawful activities to protect the rights of association. Nevertheless, where the right to freedom of association and collective bargaining is restricted under law, the supplier should not hinder the development of lawful parallel means for independent free association and bargaining.

## **11. Discrimination**

We believe the dignity, individuality and privacy of all people must be respected.

While we recognize and respect cultural differences, we believe that workers should be employed on the basis of their ability to do the job, rather than on the basis of personal characteristics or beliefs. We will favor Supplier Partners who share this value.

We aim to employ people who reflect the diverse nature of society and we value people and their contribution irrespective of age, sex, disability, sexual orientation, race, color, religion, marital status, or ethnic origin. Discrimination against anyone for their membership or affiliation to any trade union or political party is prohibited. There is zero tolerance of any sexual, physical, or mental harassment.

## **12. Community Involvement**

We will favor Supplier Partners who share our commitment to making ongoing positive social contribution to improving community conditions.

We encourage all Supplier Partners to contribute in their own way to such philanthropic endeavors as assisting the economically disadvantaged, promoting human rights and social justice, protecting the environment and fostering educational and cultural interests.

We endorse such service to local communities and the society at large. We are committed to leading the way through contributions to educational, charitable, and public service activities.

## **13. Health & Safety**

We will only utilize Supplier Partners who provide workers with a safe and healthy work environment. Appropriate training shall be undertaken to ensure that employees understand the organization's health and safety policy.

When a Supplier Partner has residential facilities for their employees, the housing must constitute a safe and healthy environment. All applicable laws and regulations should be followed that relate to health and safety, including: fire safety, sanitation, risk protection, electrical, mechanical, and structural safety.

## **14. Environment**

Our goal is to do business with Supplier Partners who share our commitment to the environment and who conduct their business in a way that is consistent with SunOpta's Environmental Philosophy and Guiding Principles, located on our website, [www.sunopta.com](http://www.sunopta.com).

We encourage continuous improvement, responsible use of raw materials and natural resources, and operations designed to reduce activities that have a harmful impact on the environment.

We would like to inspire our Supplier Partners in working for continuous improvement within this area and pollution prevention as well.

#### **15. Privacy and Confidentiality**

Each party agrees to keep the other party's Information provided in the SunOpta Code of Conduct acknowledgment document or as part of a social accountability audit, in strict confidence and not to disclose it to any other third party or use the other party's Information for any purpose other than for the performance of the evaluation herein described without the prior written consent of the other party.

Each party may disclose the other party's Information to its employees and consultants, and employees and consultants of its affiliates, who have a need to know such Information and are bound by obligations of confidentiality and non-use similar to those herein. Without limitation, each party agrees to treat the Information which it receives as it would its own proprietary information and to take all reasonable precautions to prevent the unauthorized disclosure to any third party of the Information which it receives hereunder.

#### **16. Product Safety**

We require that our Supplier Partners have documented food safety procedures in place and be compliant with national and international regulations. (reference: SunOpta Supplier Approval and Quality Expectations Manual)

#### **17. Management Systems**

We encourage our Suppliers to implement documented management systems for quality, environment, labor practices, and health and safety.