# Supplier Code of Conduct

## 1. Purpose

This Supplier Code of Conduct sets out our expectations for ethical business conduct, respect for human rights, adherence to labour standards and environmental protection. Our requirements for fair labour practices are aligned with the Ethical Trading Initiative (ETI) Base Code, which is grounded in the Universal Declaration of Human Rights and the Core Conventions of the International Labour Organization. Additionally, requirements support the goals of the Children's Rights and Business Principles and the IHRB Dhaka Principles including the Employer Pays Principle.

We understand that meeting these standards may require support, and we are committed to collaborating with our suppliers to promote transparency and to support implementation with guidance and training. However, conformance with this policy is a contractual requirement and where fundamental violations occur, or standards are persistently unmet without timely resolution, we reserve the right to terminate business relationships.

The provisions in this Code represent minimum standards and should not limit suppliers from exceeding them. We encourage continuous improvement and alignment with industry best practices. Suppliers are expected to comply with all applicable regional, national and international laws. Where legal requirements and this Code address the same issue, the higher standard of protection must be applied.

## 2. Scope

This Supplier Code of Conduct applies to all our direct suppliers of goods and services.

## 3. Key Principles

| Ethical Business Conduct | | |
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| **Clause** | **Supplier Commitment** | **Requirement** |
| **1** | **Business is conducted lawfully and ethically.** | Suppliers must operate ethically, without bribery, corruption, or financial misconduct and must hold all necessary licenses and permits to operate legally. |
| **2** | **Trade restrictions and sanctions are complied with.** | Suppliers must not engage with embargoed territories or sanctioned entities when fulfilling contractual obligations on behalf of Community Foods. |
| **3** | **Privacy is protected.** | Suppliers must protect confidential information and comply with all applicable data protection and privacy laws. |

| Human Rights and Labour Standards | | |
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| **Clause** | **Supplier Commitment** | **Requirement** |
| **1** | **Employment is always voluntary.** | - Suppliers must not use or benefit from any form of involuntary labour, including forced, trafficked, bonded, indentured or prison labour.<br>- Workers' freedom of movement must not be restricted, and personal identification documents must not be withheld. |

| Human Rights and Labour Standards / continued | | |
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| **Clause** | **Supplier Commitment** | **Requirement** |
| **2** | **The right to freedom of association and collective bargaining are respected.** | - Suppliers must respect workers' rights to freedom of association and collective bargaining, including the right to form or join unions or associations of their choice. Where local laws restrict these rights, alternative means for independent and free association must be allowed.<br>- In the absence of a formal trade union agreement, suppliers are encouraged to establish effective systems for worker consultation and representation. |
| **3** | **Health, safety, and wellbeing at work is protected.** | - Suppliers must ensure a safe and hygienic working environment that protects workers from accidents, injuries and occupational illnesses. |
| **4** | **Children are protected.** | - Suppliers must not use or exploit child labour.<br>- Suppliers should only employ individuals who meet the legal minimum age for employment or the relevant ILO standards—whichever is higher. If workers under 18 are employed, their work must meet the requirements of local law, not interfere with their education or cause any harm.<br>- Suppliers must have appropriate policies and processes in place to respond to child labour. |
| **5** | **Fair wages and benefits are provided.** | - Suppliers must pay wages, overtime, benefits and leave that meet or exceed legal requirements, negotiated agreements or prevailing industry standards—whichever is highest.<br>- Compensation should be sufficient to cover basic needs and allow for some discretionary income.<br>- Wage deductions must not be used as a disciplinary measure, and workers must receive written and understandable wage information with each payment. |
| **6** | **Working hours are reasonable.** | - The regular workweek must not exceed 48 hours, excluding overtime, and daily working hours must not exceed 13. Workers must receive at least one day off every seven days, or two days off in every 14-day period where permitted by local law.<br>- All overtime must be voluntary, and total working hours must not exceed 60 per week, except in exceptional circumstances. These exceptions must comply with national law, be covered by a freely negotiated collective agreement, include safeguards for worker health and safety and be justified by genuine emergencies or unforeseen production demands. |

| Human Rights and Labour Standards / continued | | |
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| **Clause** | **Supplier Commitment** | **Requirement** |
| **7** | **Equal opportunities are provided.** | - Suppliers must uphold equal opportunity principles and must not engage in or support discrimination in any aspect of employment—including hiring, pay, training, promotion, discipline, termination or retirement—based on race, caste, national origin, migrant status, religion, age, disability, gender, marital or parental status, pregnancy, sexual orientation, union membership or political affiliation. |
| **8** | **Formal and fair work opportunities are provided.** | - Suppliers must ensure that workers are engaged in a formal employment relationship which meets the requirements of local and national law.<br>- Suppliers must provide all workers—permanent, temporary, or casual—with a written employment contract which includes all key terms and conditions of engagement.<br>- Temporary or labour-only contracts should be used solely for short-term needs and must not be used to avoid legal or social security obligations, or to create insecure employment. |
| **9** | **People are treated with respect and dignity.** | - Suppliers must treat all workers with dignity and respect, and ensure a workplace free from harassment, abuse, coercion or intimidation—whether physical, sexual or psychological. |
| **10** | **Effective grievance mechanisms are in place.** | - Suppliers must provide an effective and transparent grievance mechanism for stakeholders (including workers and communities) to raise concerns without fear of retaliation. Anonymous reporting must be supported, and all reports made in good faith must be treated fairly. |
| **11** | **Responsible recruitment practices are in place.** | - Suppliers must establish contractual agreements and effective monitoring systems with all recruitment agencies, labour providers, and homeworking agents to ensure compliance with legal obligations, the standards outlined in this Code of Conduct and to maintain full transparency over the recruitment process, including any intermediaries involved.<br>- Employers are responsible for covering all recruitment-related costs. If it is identified that workers have paid any fees, these must be reimbursed in full.<br>- Workers must be provided with full transparency regarding all terms and conditions of employment prior to commencing work. For migrant workers, this information must be shared before they depart from their home region or country. |

| Human Rights and Labour Standards / continued | | |
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| **Clause** | **Supplier Commitment** | **Requirement** |
| **12** | **Entitlement to work is verified.** | - Suppliers must employ only individuals with a legal right to work. This includes verifying original identification documentation for all workers—permanent, temporary or agency—before employment begins. |
| **13** | **Accommodation is safe and meets acceptable housing standards.** | - Where supplier-provided accommodation is offered, it must be maintained in a safe, hygienic condition and meet acceptable housing standards. The accommodation should be secure to support the safety and wellbeing of workers, without unnecessarily limiting their freedom of movement. |
| **14** | **Human rights defenders are protected.** | - Suppliers must not participate in or condone any form of physical or legal intimidation, threats or attacks against human rights defenders who are exercising their right to free expression, peaceful assembly or protest. |
| **15** | **Land and water rights are protected.** | - Suppliers must identify and respect all legal and customary rights related to land and water use, and must uphold the principle of free, prior and informed consent when purchasing, leasing or using land and water. |

| Environmental Protection | | |
|---|---|---|
| **Clause** | **Supplier Commitment** | **Requirement** |
| **1** | **Environmental laws and regulations are complied with.** | - Suppliers must comply with all applicable local and national environmental legislation, including obtaining and maintaining relevant permits related to facility operations, resource extraction and usage, waste disposal and emissions. |
| **2** | **Air pollution is minimised and Greenhouse Gas emissions are reduced.** | - Suppliers must actively work to minimise air pollution and are expected to develop or engage in initiatives aimed at reducing greenhouse gas emissions to near-zero levels across their scope 1, 2 and 3. |
| **3** | **Waste is responsibly managed.** | - Suppliers must manage and dispose of waste in a safe and responsible manner. Efforts should be made to minimise waste generation and maximise recycling wherever possible. |
| **4** | **Chemicals are used responsibly.** | - The use of banned or restricted chemicals is prohibited. Suppliers must minimise chemical usage, ensure it is carefully controlled, and handle, store and dispose of all substances safely and responsibly. |

| Environmental Protection / continued | | |
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| **Clause** | **Supplier Commitment** | **Requirement** |
| **5** | **Water is used responsibly.** | - Water must be used efficiently, and suppliers must ensure that their operations do not compromise local communities' access to safe water—whether through excessive use in water-stressed areas or contamination of water sources. |
| **6** | **Energy is used efficiently.** | - Energy must be used efficiently and responsibly, with a preference for low-carbon and renewable sources wherever feasible. |
| **7** | **Biodiversity is protected.** | - Suppliers must take proactive measures to ensure that their sourcing, manufacturing and distribution activities do not harm biodiversity including through deforestation and conversion, farming methods, fertilizer use and transport.<br>- We strongly encourage participation in initiatives aimed at protecting and enhancing biodiversity. |
| **8** | **Climate-resilience planning is in place.** | - Suppliers must assess the potential impacts of climate change on their operations and develop a climate resilience plan. This plan should identify climate-related risks—such as extreme weather events, water scarcity and temperature fluctuations—and outline strategies to mitigate the impact of these risks. |

## 4. Monitoring and Compliance

Suppliers must:

- Have adequate processes, procedures, and management systems in place to meet the requirements within this Code of Conduct and maintain accurate records to demonstrate conformance.
- Allow audits and assessments by Community Foods or its authorised representatives. These audits may be announced, semi-announced or unannounced.
- Grant us permission to include your company information in any public supply chain disclosures.
- Promptly report any concerns relating to this Code of Conduct including any relevant enforcement action by local authorities.

## 5. Supply Chain Visibility

It is essential for us to understand the origins of the raw materials in our products. We require full transparency from our suppliers regarding the sources of these materials and expect appropriate contractual agreements to be in place that ensure shared visibility back to cooperative and farm.

All new suppliers must complete a cooperative and farm disclosure form ahead of approval to supply.

## 6. Supply chain and farm standards

We expect our suppliers to communicate the principles of this Code of Conduct to their own suppliers and business partners, and to take appropriate measures to ensure its effective implementation. However, we acknowledge that small agricultural enterprises, particularly family-run farms, may face challenges in meeting these requirements. To support a scalable and practical approach to minimum labour standards and environmental stewardship, we have developed minimum farm standards and guidance.

## 7. Approval to Supply

Production must not begin until suppliers have received formal confirmation that the packhouse has been approved by our Technical and Ethical Teams. This approval is specific to the named processer at the designated address. Under no circumstances should production be subcontracted, outsourced, or relocated to a different site without prior written approval from Community Foods. If you encounter any challenges that may require contingency arrangements, please contact us immediately. Unauthorised subcontracting will be considered a critical breach of our supplier terms and conditions.

## 8. Definitions

**CHILD LABOUR**

The International Labour Organization defines child labour as work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development. Child labour refers to one or more of the following:

1) Work done by a child who is under the minimum age of admission to employment for the type of work concerned
2) Work that interferes with compulsory education
3) Work that is likely to jeopardize a child's health, safety or morals, known as hazardous work
4) Other "worst forms of child labour" besides hazardous work.

**MIGRANT WORKER**

A migrant worker is any individual who moves from one country or region to another, or has previously done so, with the intention of being employed by someone else rather than working independently.

**HOMEWORKER**

An individual who performs work from their home or another location of their choosing, outside of their employer's premises, to produce a product or service under the employer's direction, in exchange for payment.

**GRIEVANCE MECHANISM**

A grievance mechanism is a formal process that allows individuals or groups to raise complaints and seek resolution for issues arising from business activities or workplace environments.

**RECRUITMENT FEES**

Recruitment fees refer to any charges or associated costs imposed on workers, either directly or indirectly, in whole or in part, for securing employment. These may include, but are not limited to:

- Payments for recruitment services provided by labour agencies or recruiters.
- Fees related to the recruitment of workers on behalf of third parties.
- Costs incurred during direct recruitment by the employer.
- Additional expenses linked to recruitment, referral, or placement across or within national borders, such as medical examinations, insurance, skills and qualification testing, training and orientation, equipment, travel and accommodation, administrative processing and visa applications.

**SUBCONTRACT**

Engaging a third-party business or individual to pack a product or deliver a complete service on your behalf is considered subcontracting. Additionally, relocating production or any part of it to an undisclosed site, even within the same company ownership, without prior approval will also be classified as subcontracting.

**GREENHOUSE GAS EMISSION SCOPES**

**Scope 1 -** Direct emissions from sources that an organisation owns or controls.
**Scope 2** - Indirect emissions that result from the generation of purchased electricity, steam, heat or cooling consumed by an organisation, where the emissions occur at the energy supplier's facilities rather than the organisation's own operations.
**Scope 3** - Indirect emissions that occur outside the organisation's direct control but are related to its operations and value chain, such as emissions from the manufacture and use of products, waste disposal, and business travel.

## 9. Review

This Supplier Code of Conduct will be reviewed annually and updated as necessary to reflect changes in law, best practice, and stakeholder expectations. We will monitor compliance and report on progress annually.

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