

# GLOBAL SUPPLIER CODE OF CONDUCT



THE J.M. SMUCKER COMPANY

A Shared Commitment to “Doing Things Right”



## PURPOSE

The J.M. Smucker Company (referred to as “we”, our”, “us”, Smucker”, or the “Company”) was founded and has operated for more than 120 years in accordance with the time-honored principles embodied in our *Basic Beliefs of Quality, People, Ethics, Growth, and Independence*. The principles embodied in our *Ethics Basic Belief* are fundamental to our business, as ethical conduct is vital to ensure successful, sustained business relationships. As extensions of our business, Smucker expects its Suppliers to practice similar values and standards of conduct that we ask of our own Company. To that end, the Company is committed to protecting the working rights and safety of the

people who work with the Company or supply the Company with goods and services, while recognizing the cultural and legal differences found throughout the world. The Company has developed this Global Supplier Code of Conduct (“Supplier Code”) to clarify our global expectations in the areas of labor practices, and human rights, health and safety, business practices, and environmental management.

### Scope

This Supplier Code applies to all third parties that provide goods or services to Smucker or any of its subsidiaries, divisions, affiliates, or agents (“Suppliers”).

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## POLICY STATEMENT

This Supplier Code sets forth the basic and minimal expectations that all Suppliers must meet to do business with Smucker. We expect our Suppliers to conduct business responsibly, with integrity, honesty, and transparency, and to adhere to the following principles:

### 1. COMPLIANCE WITH LAWS

Smucker is firmly committed to conducting business in compliance with both the letter and the spirit of the law and the highest ethical principles. We expect our Suppliers to implement and maintain effective management systems to ensure they comply with all applicable laws, rules, regulations, and codes of the countries in which they do business, including laws relating to employment, discrimination, environment, land rights, and health and safety, as well as relevant international standards. The Company will not do business with Suppliers who knowingly violate laws or have repeated problems conforming to them.

### 2. LABOR PRACTICES AND HUMAN RIGHTS

Smucker supports international human rights principles, including [the United Nations Declaration of Human Rights](#), [the International Labor Organization's Declaration of Fundamental Principles and Rights to Work](#), [the United Nations Guiding Principles on Business and Human Rights](#), [the International Labor Organization Organization](#) (ILO) Convention No. 29 on Forced Labor, [the International Labor Organization \(ILO\) Convention No. 105](#) on Abolition of Forced Labor, [the International Labor Organization \(ILO\) Convention No. 138](#) on Minimum Age for Admission to Employment and Work, and [the International Labor Organization \(ILO\) Convention No. 181](#) on Private Employment Agencies. We encourage our Suppliers to: (i) develop human rights policies that cover all operations and relevant stakeholders, (ii) implement those policies in their operations, and (iii) regularly measure direct, indirect, and potential human rights impacts and remediate adverse human rights impacts.

#### 2.1. NON-DISCRIMINATION AND HUMANE TREATMENT

We expect our Suppliers to value human rights and provide a workplace in which all employees are treated with dignity and respect. The definition "employee" includes any person performing work for upstream supply chain partners, first

tier suppliers, sub-tier suppliers, and farms under both direct and indirect employment, including office and production personnel, contracted and imported labor, homeworkers, migrant workers, agency workers, and part-time, temporary and/or seasonal labor. Recognizing that there are differences in laws, customs, and economic conditions that affect business practices, we support, encourage, and embody an attitude of mutual respect among all employees. Each employee has the right to work in an atmosphere that promotes equal opportunities and affirmative action, and prohibits discriminatory practices, including discrimination on the basis of race, color, religion, sex, sexual orientation, gender identity, transgender status, veteran status, disability, political opinion, national extraction, social origin, age, family responsibilities, and trade union membership. Suppliers must ensure the workplace is free of harassment, including sexual harassment, verbal or physical abuse, or other such unlawful and unethical treatment. Suppliers may under no circumstances physically discipline employees or otherwise threaten their physical safety.

#### 2.2. HEALTH AND SAFETY

The Company is committed to operating its facilities in a manner that protects human health and safety as well as the environment. Suppliers are expected to provide a safe and hygienic working environment that minimizes exposure to health risks and to have procedures in place to prevent accidents and injuries to their employees and the communities in which they operate. A management representative should be responsible for health and safety at all operating sites, and all employees should be provided with regular and updated training on health and safety. All employees must have access to clean and sanitary toilets, be provided with free potable water, and where appropriate sanitary eating and food storage facilities. If Suppliers make housing available to employees, all such housing must be safe, hygienic, and meet basic needs. Any charges related to employee housing must be at rates equivalent to or below the market.



### 2.3.CHILD LABOR<sup>1</sup>

Smucker does not condone or permit the use of child labor by our Suppliers, or the companies with whom they do business, in any of their local or global facilities or operations. Suppliers must maintain official documentation for every employee that verifies the employee's date of birth. In those countries where official documents are not available to confirm exact date of birth, Suppliers are required to confirm an employee's age using an appropriate and reliable assessment method and to keep all related records.

Additionally, all young workers under the age of 18 must be restricted from performing any activity that exposes them to undue risks that can harm physical, mental, or emotional development. Young workers must also be restricted from work conducted at night time. All employees should be allowed the opportunity to complete compulsory education.

### 2.4.FORCED LABOR

All labor must be voluntary. Suppliers cannot use any prison, indentured, involuntary, or forced labor of any kind. Suppliers are prohibited from engaging in slavery or human trafficking of any kind, including the recruitment, harboring, transportation, solicitation, provision, or acquisition of persons for labor or services through the use of force, fraud, or coercion. In accordance with ILO Convention 181 on Private Employment Agencies, employees must not be required to pay any fees or deposits for recruitment or hiring purposes, including travel expenses, administration or other fees. Suppliers cannot require employees to surrender any government-issued identification, passports, or work permits as a condition of employment, and cannot restrict employees' freedom of movement in any way, including requiring any employee to remain in employment for any period of time against his or her will. Where employees are foreign migrants, Suppliers may not under any circumstances use threats of termination or repatriation as a way of exercising control.

### 2.5.FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

Smucker expects that all Suppliers fully respect the legal rights of employees to associate, organize, and bargain collectively. Suppliers must respect all instances where this is done in a lawful manner without interference, penalty, or retaliation. Where local laws curtail these rights in any way, Suppliers should encourage alternative means to facilitate worker representation.

### 2.6.WAGE AND HOUR PRACTICES

We expect our Suppliers to comply with all applicable wage and hour laws, and rules and regulations, including minimum wage, overtime, and maximum hours. Where collective bargaining or other industry agreements set more favorable terms for employees, Suppliers must abide by these. Where minimum wage requirements are not sufficient to meet basic needs, employers should strive to pay a living wage to all employees.

All employees, including any employees hired through a recruitment agency, should be fully informed of their wages in writing during the recruitment process and receive pay slips detailing the specifics of their wages and deductions. Suppliers may not make any disciplinary or illegal deductions that an employee has not consented to.

In the absence of national or local law, suppliers should not require a regular work week over 60 hours, and employees should be allowed at least one day off after six consecutive days of work.

Employees must agree voluntarily to do any overtime work. All overtime work performed by non-exempt employees must be compensated at requisite premium rates.

<sup>1</sup> In the absence of any national or local law, "child" is defined as less than 15 years of age. If local minimum age law is set below 15 years of age, but is in accordance with developing country exceptions under International Labor Organization ("ILO") Convention 138, the lower age will apply.





## 2.7. RECRUITMENT AND EMPLOYMENT

Suppliers must ensure that all employees perform work under a legal employment relationship. Suppliers should understand the recruitment process of both direct and indirect employees who are recruited through labor recruiters and intermediaries. Suppliers must systematically and effectively identify and monitor the hiring and management of especially vulnerable employees, in particular: migrant workers, agency, contract, temporary, and casual workers. Where Suppliers rely on the use of labor recruiters they must ensure that only registered employees are supplied to them.

Suppliers must provide all employees a copy of their employment terms in writing and in the official language and any language understood by the employee and make sure employees fully understand the employment terms prior to beginning to work for the Supplier. Employees should not be required to sign an incomplete contract.

Suppliers must not use employment agreements such as consecutive fixed-term contracts, labor-only contracting, subcontracting, home-working, apprenticeship schemes, or other arrangements with the aim to avoid payment of legally required employment benefits to employees. Suppliers must inform Smucker in writing of all home-working arrangements and subcontracting activities, regardless of whether these activities are related to the production of goods for or provision of services to Smucker.

## 2.8. EMPLOYMENT OF UNDOCUMENTED EMPLOYEES

Smucker does not permit Suppliers to knowingly hire, recruit, or refer for employment any individual not authorized to work in the Supplier's country of operation. It is also not permitted to continue to employ an individual known to be an unauthorized, undocumented employee or to contract the use of an unauthorized, undocumented employee. Suppliers also

may not employ individuals that are national citizens of any sanctioned country defined by the U.S. Office of Foreign Assets Control or any individual included on the Specially Designated Nationals List. Smucker requires companies to inspect, verify, and document the identity and employment authorization of every employee, including employment agency staff.

## 3. BUSINESS INTEGRITY

### 3.1. COMMERCIAL BRIBERY

Commercial bribery is illegal and subject to criminal penalties in many countries, including the United States. No Supplier may provide any form of bribe, kickback, facilitating payment, or any hidden or undocumented side payment to any person in connection with any Smucker related business. Suppliers must maintain an updated Company policy prohibiting bribery, kickbacks, facilitating payments, corruption, and fraudulent business practices that is clearly communicated and implemented, and the Supplier must maintain corresponding management systems. Suppliers should implement and maintain a grievance system for employees to anonymously report issues or suspicious activity without fear of retaliation.

Smucker does not and will not participate in bribery, including facilitation payments, or kickbacks of any kind, small or large, and will turn down and turn away from any business or any transaction in which bribery or kickbacks are involved. Smucker competition for business is conducted fairly, ethically, and on the quality of the products it produces.



### 3.2. GIFTS AND ENTERTAINMENT

In accordance with Smucker Code of Business Conduct and Ethics, no employee or member of the employee's immediate family may accept gifts from Suppliers, customers, or other entities with which the Company does business where such gifts are of more than nominal value. This restriction also includes offers of entertainment (theater, sporting events, fishing trips, etc.) that go beyond the common courtesies generally and normally acceptable as appropriate ethical business practices, either in scope or in cost. Monetary gifts or gratuities are never acceptable under any circumstance and fall under our bribery policy. Smucker prides itself on its reputation of acting with integrity and bases decisions on legitimate business requirements.

### 3.3. QUALITY & FOOD SAFETY STANDARDS

Our reputation has been built on the quality of our products and the goodwill created by that consistent quality. Any Supplier providing goods or services for any business area of the Company must be completely aware of, and comply with, the laws relating to the production and sale of the goods they sell to Smucker. Suppliers must strictly adhere to Smucker quality control procedures and ensure the goods they sell to Smucker are accurately labeled and comply with federal, state, and local requirements. Suppliers are required to immediately report to Smucker issues that could negatively affect the quality or safety of a Smucker product.

### 3.4. DATA SECURITY

Smucker respects the privacy of all of our employees and constituents and expects our Suppliers to handle data responsibly and in compliance with all laws. Suppliers must safeguard and maintain the security of any confidential information received from Smucker, including information received from or about Smucker employees, customers,

consumers, or shareholders.

### 3.5. CONFIDENTIALITY

At times, it will be appropriate and necessary for Supplier employees and agents to have access to certain confidential technical or business information and materials of our Company. Confidential treatment of such information is extremely important. Supplier employees and agents must take all reasonable precautions to prevent disclosure of confidential information and materials to third parties and not use information and materials without Smucker's prior written consent. This also applies to information subcontractors of our Suppliers may obtain while providing services to Smucker. Suppliers may be required to sign a confidentiality agreement prior to working with the Company.

### 3.6. CONFLICT OF INTEREST

The term "conflict of interest" describes any circumstance that could cast doubt on an employee's ability to act with total objectivity with regard to the Company's interests. It is important our Suppliers ensure their employees and employees of their subcontractors who are assigned to Smucker projects have no direct or indirect conflict with Smucker's business interests. All Suppliers are required to notify Smucker of any potential conflict of interest such as financial interests, prior employment or family employment of their employees with Smucker, and obtain Smucker's written consent prior to assigning such conflicted employees to work on any Smucker business.

Trusting and cooperative relationships with companies with whom we do business (such as our customers, Suppliers, and advertising agencies) are of vital importance. It is generally inconsistent with these relationships for such companies to attempt to recruit Smucker employees. Additionally, the prospect of such employment can create conflicts of interest





and concerns about the handling of confidential business information.

### 3.7. RECORDKEEPING

We are committed to maintaining complete and accurate records. Suppliers must also maintain accurate financial books and business records in compliance with legal requirements. In particular, Suppliers must maintain necessary documentation to demonstrate compliance with this Supplier Code and all applicable laws and make these documents available to Smucker upon request.

## 4. ENVIRONMENT

Smucker considers environmental sustainability to be one of our many responsibilities as a good corporate citizen, and it is a strategic focus of our Company. We strive to develop relationships with Suppliers who share our concerns and commitment to improving the environment.

### 4.1. BIODIVERSITY AND DEFORESTATION

Where appropriate, Suppliers should promote ecological diversity by protecting and enhancing on-farm and/or neighboring habitats and ecosystems. Suppliers must commit to no deforestation or degradation of primary forest and in addition, zero net deforestation in agro-forestry supply chains.

### 4.2. ENVIRONMENTAL PERMITS AND REPORTING

Suppliers doing business with the Company must act in an environmentally responsible manner and comply with all applicable environmental laws, rules, codes, and regulations for the regions of the country, and the world, in which they conduct business. This includes compliance with all reporting, permitting, and environmental licensing requirements.

### 4.3. HAZARDOUS MATERIALS

Suppliers must properly handle, store, and dispose of hazardous materials and waste according to applicable laws and regulations. Suppliers must ensure that relevant staff are informed and trained in the safe handling of these materials.

### 4.4. ENVIRONMENTAL MANAGEMENT

Smucker recommends Suppliers implement an environmental management system to ensure identification, monitoring, and continuous improvement of their environmental performance. Suppliers should strive to optimize their environmental performance, including taking measures to minimize their natural resource consumption, prevent pollution, and minimize and properly dispose of waste.

## 5. REPORTING & ENFORCEMENT

### 5.1. WHISTLEBLOWER PROTECTION AND NON-RETALIATION

Smucker is committed to an organizational culture that encourages ethical conduct and compliance with the law. In accordance with this commitment, Smucker expects all Suppliers to adopt policies and procedures strictly prohibiting retaliatory, threatening, or harassing acts against anyone who in good faith seeks advice, raises a concern, or reports misconduct. Under no circumstances may any Supplier require its employees or vendors to enter into or abide by any confidentiality agreement that may discourage or prohibit the employee or vendor from reporting any non-compliance with this Supplier Code or any violation of applicable law to an appropriate investigative authority.





## 5.2.REPORTING INFORMATION

You may submit a report anonymously using the Smucker's Voice Line. The Smucker's Voice Line is a global platform which is available 24 hours per day, seven days a week, at 1-844-319-9352 or [www.jmsmucker.ethicspoint.com](http://www.jmsmucker.ethicspoint.com).

## 5.3.FULL COOPERATION AND DISCLOSURE

Suppliers are expected to cooperate with investigative authorities to the fullest extent permitted by law. In the event any supplier becomes aware of credible evidence of any non-compliance with this Supplier Code, or of any other violation of applicable law, that supplier must timely disclose such evidence to the proper investigative authorities and, when appropriate, to Smucker personnel necessary to permit a full and complete investigation of the suspected misconduct.

## 5.4.ENFORCEMENT

Suppliers are required to comply with this Supplier Code as a condition of doing business with Smucker. Suppliers must also ensure their suppliers and subcontractors involved in the provision of goods or services for Smucker are also in compliance.

Suppliers must appoint personnel responsible for communicating and implementing the standards set forth in this Supplier Code. Smucker will employ various mechanisms to assess compliance, such as certifications, review of records, and onsite audits. Suppliers must allow Smucker and/or any of its representatives or agents reasonable access to its facilities and relevant records for the purpose of ensuring compliance with this Supplier Code. If the Company determines that any Supplier has violated this Supplier Code, the Company may, at its discretion, either terminate its business relationship or require the Supplier to implement a corrective action plan within a time frame agreed upon between the Supplier and the Company.



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