



## **SUPPLIER CODE OF CONDUCT**

The Niagara Bottling Supplier Code of Conduct is designed to ensure the products and services we receive from our Suppliers follow all laws and our commitment to ethical, responsible practices. The Supplier Code of Conduct outlines our expectations and requirements for Suppliers with respect to labor and employment, human rights, environmental sustainability, and business practices.

### **I. APPLICABILITY**

This Code of Conduct applies to all Suppliers that provide goods or services to Niagara Bottling, LLC ("Niagara"). Niagara strives to conduct business in a responsible manner and expects its Suppliers to do the same. Each Supplier is responsible for compliance with the standards set out in this Code of Conduct throughout its operations and throughout its entire supply chain.

Niagara may audit or inspect Suppliers, directly or through use of third party auditors, at any time to determine whether they are complying with this Code of Conduct. Niagara reserves the right to suspend and/or terminate its business relationship with Suppliers violating this Code of Conduct.

### **II. COMPLIANCE WITH LAWS AND REGULATIONS**

At a minimum, Suppliers are required abide by and act in accordance with all applicable federal, state, and local laws and regulations, in addition to all international laws and industry standards. Where this Code of Conduct requires a Supplier to meet a higher standard than that set out by law or regulation, the Supplier must meet such higher standard.

### **III. LABOR, EMPLOYMENT, AND WORKPLACE REQUIREMENTS**

A. Human Rights and Labor: Suppliers must ensure that all labor used in services provided to Niagara Bottling and/or the procurement, manufacturing or production processes related to goods provided to Niagara complies with all local, state, and federal labor and employment laws of the United States and any laws of any country in which Supplier and/or Niagara do business. This includes, without limitation, the following:

1. Suppliers must not use slave or trafficked labor. Slave or trafficked labor includes, but is not limited to, forced labor, bonded or indentured labor, involuntary servitude, sexual exploitation, and child labor.
2. Suppliers must not use child labor: all employees must be of at least legal age, as established by local law, but in any case at least 14 years old. Employees under



the age of 18 must not perform hazardous work that may jeopardize their health, safety or morals. Hazardous work includes, but is not limited to: work at dangerous heights or in confined spaces; work with hazardous substances, dangerous machinery, equipment and/or tools; work that involves the manual handling or transport of heavy loads; and night work.

3. Suppliers must ensure that workers are not charged recruitment fees or any similar fees, or debts, or financial obligations as a condition of being hired or as a condition of employment, whether such employees are hired directly or indirectly through a recruiter or broker. Niagara expects that if any such fees are charged to workers, Supplier must repay them on behalf of its workers, even if local law authorizes imposition of such fees.
  4. Employees must have freedom of movement. Suppliers and their recruiters and brokers are prohibited from retaining employees' passports, identity documents, or other valuable possessions.
  5. Employees must have freedom to terminate their employment or work arrangement without restriction and without threat or imposition of discipline, penalty, retaliation, or fine or other monetary obligation.
  6. Suppliers must implement and maintain a reliable system for verifying the eligibility of all workers, including age eligibility and the legal status of foreign workers, as well as keep records of such verification.
  7. Suppliers must compensate all workers with wages, including overtime premiums, and benefits that at a minimum meet the higher of: (I) the minimum wage and benefits established by applicable law; (II) collective agreements; (III) industry standards; and (IV) an amount sufficient to cover basic living requirements.
  8. Suppliers must implement and maintain a reliable system for verifying the eligibility of all workers, including age eligibility and the legal status of foreign workers, as well as keep records of such verification.
- B. Safe and Equitable Work Environment: Suppliers must ensure all employees are provided a safe work environment, where they are treated with dignity and respect. This includes, without limitation, the following:



1. Ensuring employees are free from physical, sexual, verbal or mental abuse, coercion or threats, corporal punishment, or any form of harassment during their hiring or employment.
  2. Supplier must not discriminate in hiring, compensation, training, advancement or promotion, termination, retirement, or any other employment practice based on race, color, national origin, gender, gender identity, sexual orientation, military status, religion, age, marital or pregnancy status, disability, or any other characteristic other than the worker's ability to perform the job.
  3. Providing employees with clean and sanitary facilities, safe drinking water, and appropriate procedures, safeguards, and equipment to prevent workplace and work-related accidents and injuries.
  4. If providing housing for employees, such housing must be separate from production and distribution areas, provide a separate bed for each employee, and provide continuous access to safe drinking water, hot water, and toilet facilities. Employees must be able to leave facility grounds during non-working hours.
- C. Policies: Suppliers must establish and maintain policies reflecting these requirements and ensure compliance in its operations and throughout its supply chain, including with its suppliers and subcontractors.
- D. Fines, Fees and Penalties: Any fines, fees or penalties applied or imposed on workers by the Supplier or other parties acting on their behalf, whether at the workplace or at Supplier-operated or -affiliated housing facilities, must be clearly identified in a written policy made readily available to all workers. All such fines, fees or penalties should be properly documented, must not be excessive, and must not discriminate between local or foreign workers.
- E. Grievances: Suppliers must provide all workers with an effective grievance mechanism to raise any concerns in a confidential and anonymous manner, without fear of retribution. Suppliers must investigate grievances and document the investigation. In the event a grievance is found to be valid, the Supplier must put in place a corrective action plan and monitor to ensure the underlying concern does not reoccur.

#### **IV. ENVIRONMENTAL SUSTAINABILITY**

- A. Compliance: Suppliers must operate their facilities in compliance with all environmental laws, including laws and international treaties relating to waste disposal, emissions, discharges, and hazardous and toxic material handling.



- B. Permitting: Suppliers must obtain and maintain any environmental permits required under international, federal, state, or local law, and maintain documentation of compliance with such permits.
- C. Goods: Suppliers must ensure the goods that they manufacture (including the inputs and components incorporated into such goods) comply with all environmental laws and treaties. Suppliers must use packaging materials that comply with all environmental laws and treaties.
- D. Sustainable practices: Suppliers should commit to actively work towards reducing the environmental impacts of their supply chain and operations including natural resource consumption, material sourcing, waste generation, wastewater discharges and air emissions, and prevent accidental releases of hazardous materials into the environment and adverse environmental impacts on the local community.

Suppliers should demonstrate continuous reduction of the carbon footprint and greenhouse gas (GHG) reduction of the products and services they provide via annual reports or scorecards. Such endeavors could include, but should not be limited to:

1. Measuring, tracking and investing in projects and programs to drive reduction of greenhouse gases across its manufacturing, supply chain or operational footprint.
2. Investment in technology, equipment and resources to help buildings and plants implement energy management systems and waste reduction measures.
3. Use renewable energy sources like solar, wind and biomass.
4. Programs and training to employees to reduce waste and encouraging recycling.
5. Programs that incorporate the use of post-industrial and post-consumer waste within its manufacturing and operations.

Suppliers should demonstrate continuous improvement on reducing water consumption, especially in areas threatened by water risk over the next 20 years.

## **V. BUSINESS PRACTICES**

- A. Gifts and Entertainment: While it may be customary in some companies and cultures to entertain customers and exchange gifts, such entertainment and gift exchanges may be interpreted as a conflict of interest. For this reason, Suppliers must not offer Niagara team members entertainment that could appear excessive or appear to influence a business decision. Ordinary business meals and small tokens of appreciation of nominal value (generally under \$100) such as gift baskets at holiday time generally are fine, but Suppliers must avoid offering Niagara team members travel, frequent meals or expensive gifts. Niagara policy prohibits our team members from accepting any gifts of cash or cash



equivalents, including checks, gift certificates, and gift cards regardless of value. We do not allow entertainment with or gifts to government officials by Suppliers on behalf of Niagara, regardless of value.

- B. Anti-Corruption: Niagara's Anti-Corruption Policy strictly prohibits all forms of corruption and bribery. Suppliers are expected to support Niagara's compliance with this Policy and all applicable anti-corruption laws and policies. Suppliers acting on behalf of Niagara are required to comply in all respects with all relevant anti-corruption laws, including without limitation the United States Foreign Corrupt Practices Act (FCPA), the United Kingdom Bribery Act, and Mexico's General Law of Administrative Responsibility. Suppliers must not engage in bribery of any kind, whether on behalf of Niagara or otherwise, including without limitation: (I) offering or paying a bribe to a government official; (II) offering, authorizing, or promising anything of value to any government official in order to secure an improper advantage, obtain or retain business, or direct business to another person or entity; or (III) offering, promising, authorizing the payment of, or paying or providing anything of value to any employee, agent, or representative of another company to induce or reward the improper performance of any function or any business-related activity.
- C. Trade Laws and Sanctions: Suppliers must comply with all applicable trade laws and regulations in the country or legal subdivision in which they operate. Suppliers must not directly or indirectly provide to Niagara any materials or services from a country, person or entity that is subject to U.S. or other regional or multilateral regulations restricting transactions with specific foreign countries, entities, or persons. This includes, without limitation, compliance with all economic sanctions programs administered by the U.S. Treasury Department's Office of Foreign Assets Control, the U.S. Department of State, the United Nations, and the European Union, as well as any other sanctions programs in place in the jurisdiction(s) where Suppliers operate.

## **VI. REPORTING POTENTIAL MISCONDUCT**

Suppliers who believe that a Niagara employee or anyone acting on behalf of Niagara, has engaged in any illegal conduct or otherwise improper conduct, including violations of this Supplier Code of Conduct, are encouraged to report the matter to Niagara. Reports can be made on a confidential basis to the Niagara Ethics Hotline via phone: 866-881-9437 or on the web: <https://niagara.ethix360.com/>.