

Lactalis Heritage Dairy, Inc. Supplier Guiding Principles

May 2022

Compliance With Laws and Regulations

Suppliers must comply with all applicable laws and regulations in the countries in which they operate, as well as all laws and regulations applicable to the provision of products and/or services to Lactalis Heritage Dairy, Inc. (“Lactalis Heritage Dairy”).

Anti-Corruption and Anti-Bribery

Suppliers must not directly or indirectly make any payments, offers, gifts, promises, incentives, or provide anything of value in exchange for an improper business advantage. Suppliers must act in full compliance with the U.S. Foreign Corrupt Practices Act, U.K. Bribery Act, Canada Corruption of Foreign Public Officials Act, and/or all other applicable anti-corruption and anti-bribery laws. Suppliers must have a zero-tolerance position on issues relating to embezzlement, extortion, bribery, and corruption (including a prohibition on making facilitating payments).

Gifts and Hospitality

Any gift or business entertainment provided by a supplier must be for a legitimate business purpose, must not be intended to secure an improper advantage or otherwise influence (or appear to influence a business decision), and must not violate the laws of the country in which the gift or entertainment is given or accepted. Any gifts or entertainment offerings must not be extravagant or frequent and must serve a legitimate business purpose.

Conflict of Interest

Suppliers must remain free from the influence of actual or potential conflicts of interests as they carry out business affairs with Lactalis Heritage Dairy. Suppliers must disclose immediately any business relationship in which they become (or plan to become) involved, which could result in an actual or potential conflict of interest or in the appearance of a conflict of interest.

Accuracy of Business Records

Suppliers shall record and maintain all commercial and business transactions completely, transparently, accurately, and in a timely manner. Suppliers must never falsify, omit, misstate, or conceal any information on supplier business records. Books and records must be kept in accordance with all applicable laws and regulations, as well as generally accepted accounting principles.

Fair Competition

Suppliers must compete with integrity around the world. Suppliers must not, directly or indirectly, engage in illegal or illicit collaboration with competitors, discuss competition or

competitively sensitive information with competitors, or agree to restrain trade or reduce competition. Suppliers must comply with all applicable competition or antitrust laws and regulations.

Data Privacy and Information Protection

Suppliers must comply with all applicable laws and regulations related to the protection, privacy, and/or processing of data and information (including data and information that relates to an identified or identifiable person which is deemed personal data or personal information) and must not cause Lactalis Heritage Dairy to be in violation of any such laws and regulations. Any supplier processing personal data on behalf of Lactalis Heritage Dairy agrees to process such personal data pursuant to any data processing requirements that Lactalis Heritage Dairy provides to supplier in contract provisions or otherwise in writing. Supplier must notify Lactalis Heritage Dairy as soon as it becomes aware of any unauthorized access, theft, loss, misuse, or damage, or any other breach of security, in relation to any Lactalis Heritage Dairy data or information in the possession of (or processed by or at the direction of) supplier, its agents, or subcontractors.

Confidentiality

Suppliers must appropriately manage and protect any confidential information, trade secrets, and/or intellectual property belonging to Lactalis Heritage Dairy or a Lactalis Heritage Dairy business partner which is shared with them to ensure that confidentiality is maintained and that such information is not disclosed (even in the event the supplier has entered into a non-disclosure agreement with Lactalis Heritage Dairy). Suppliers must notify Lactalis Heritage Dairy as soon as practicable if there has been any authorized disclosure, loss, or compromise of any such confidential information belonging to Lactalis Heritage Dairy or a Lactalis Heritage Dairy business partner and use best efforts to mitigate any potential risks relating to the breach. Confidential or proprietary information about Lactalis Heritage Dairy must not be used to engage in or support insider trading or in any other activity that is unrelated to the supply of goods and/or services to Lactalis Heritage Dairy and its contractors.

International Trade Compliance

Suppliers must comply with all applicable economic sanctions, export control and anti-boycott laws, regulations, orders, designations, licenses and relevant directives. Suppliers must implement effective internal controls to minimize the risk of breaching these laws and of causing Lactalis Heritage Dairy to violate such laws.

Child Labor

Suppliers will not directly, or indirectly through its contractors or subcontractors, use child labor, and must have policies in place that prohibit the use of child labor. Supplier will comply with the minimum employment age limit defined by applicable law or by ILO Convention 138, whichever is more restrictive. The ILO Convention 138 minimum employment age is the local mandatory schooling age, but not less than 15 years of age (14 years in certain developing countries), subject to exceptions allowed by the ILO and applicable law (i.e., for light work on family farms that does not interfere with necessary legal education). Children above the

minimum age of employment should not be exposed to undue physical risks that can harm physical, mental, or emotional development. No person under the age of 18 shall be employed at night or in hazardous conditions (e.g., through operating heavy machinery or handling hazardous chemicals).

Forced or Involuntary Labor

Lactalis Heritage Dairy prohibits the use of all forms of forced, bonded, indentured, or compulsory labor, including prison labor, indentured labor, bonded labor, military labor, slave labor or any form of human trafficking. All workers must work under voluntary conditions and with the freedom to terminate their employment at any time.

Work Hours, Work Week and Payment of Wages

Suppliers must comply with all applicable laws and regulations regarding wages, overtime pay, benefits, leave, and maximum working hours. Workers should receive fair and equitable pay. Suppliers will also respect laws with respect to limiting regular and overtime working hours and ensure that overtime work remains voluntary and compensated fairly.

When not otherwise dictated by law, suppliers should provide at least one consecutive 24-hour period of rest in each 7-day period. Workers are entitled to reasonable rest periods, annual leave, and holidays with pay.

Non-Discrimination

Suppliers shall not discriminate in hiring, contracting, or employment practices including, without limitation, compensation, promotion, discipline, termination, and retirement. Suppliers will not discriminate based on race, age, role, gender, gender identity, color, ethnicity, religion, country of origin, sexual orientation, marital status, pregnancy, dependents, disability, social class, union membership, and/or political views. Nor will suppliers discriminate based on any other condition or characteristic that is protected by applicable law or regulation.

Freedom of Association & Collective Bargaining

Suppliers shall recognize and respect each worker's freedom of association and rights to engage in collective bargaining. Suppliers must respect these rights by maintaining a professional environment free from fear of reprisal, intimidation, or harassment.

Health and Safety

Suppliers shall comply with all applicable laws and regulations regarding worker health and safety and assign responsibility for health and safety conditions to a senior management representative. In addition, Lactalis Heritage Dairy requires suppliers to maintain the following health and safety standards at a minimum:

- The workplace should not be harmful to health and safety and should be free of recognized hazards;

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- Personal protective equipment that complies with local laws, and standards (where applicable OSHA) will be made available for workers;
- Chemicals should be stored and handled safely and a list of all chemicals used is expected and should be made available if requested;
- Training on health and safety is provided for workers as applicable to the scope of their work (including with respect to chemicals) and suppliers must maintain records for all training provided;
- Workers must have access to emergency medical care; and
- All places of work must have clearly identified emergency exits. When appropriate, safety signs should have posted translations.

Accommodations

Supplier shall provide workers with access to potable water, clean toilet and handwashing facilities, adequate heat and ventilation, sanitary facilities for food storage and hygienic accommodations. Facilities must have clearly marked and unrestricted exits in the event of emergency. When living accommodations are provided for workers, either by the supplier, or a labor provider or other subcontractor, the supplier must ensure the facilities are clean, safe, and structurally maintained.

Harassment, Abuse, and Disciplinary Practices

Every worker has the right to be treated with respect and dignity. Suppliers must have policies and practices which prohibit the use of corporal punishment and ensure workers are not subject to any other forms of physical, sexual, psychological, or verbal harassment and/or abuse. Disciplinary practices must be conducted only when appropriate, in a professional and ethical manner and will not include monetary penalties. Supplier shall provide all workers with access to confidential grievance mechanisms.

Diversity

Lactalis Heritage Dairy invites our suppliers to join us in our pursuit of more diverse and inclusive business practices by incorporating supplier diversity into their own sourcing practices, policies, and management plans. We invite diverse suppliers to participate in future business opportunities with KHC.

Environment

Supplier must, at a minimum, comply with all applicable environmental laws and regulations in their operations. Where applicable, additional mandatory requirements have been highlighted in this section.

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Suppliers with operations in known high water-stressed regions (as defined by the United Nations Water Program and assessed through tools from the United Nations CEO Water Mandate) must employ the following practices:

- Implement water management plans with the objective of reducing water consumption; and,
- Where possible, recycle or reuse water within own operations.

Suppliers must comply with all applicable waste disposal and treatment laws and regulations and have valid and current permits for the use and disposal of waste and water.

Suppliers must not:

- Use pesticides or herbicides deemed illegal in the country of operation; and
- Use chemicals and pesticides on the World Health Organization Section 1a & 1b and Rotterdam PIC list

Suppliers shall comply with all laws and regulations governing the use and/or labeling of BE ingredients.

Lactalis Heritage Dairy requires transparency on the chemicals used in supplier operations or farms.

Lactalis Heritage Dairy encourages all suppliers to work with us to drive improvements in sustainable packaging - whether in our supply chain or in consumer packaging. Suppliers are expected to innovate and continuously improve in support of sustainable packaging initiatives.

Monitoring

Lactalis Heritage Dairy reserves the right to monitor a supplier's compliance with this Policy using supplier self-declarations and certifications, questionnaires, or online assessments, and/or verification through external audits as described in the Audits section below.

Supplier authorizes Lactalis Heritage Dairy and its designated agents (including designated third parties) to engage in monitoring activities per supplier site on an annual basis, including on-site audits with reasonable notice. Lactalis Heritage Dairy reserves the right to conduct additional audits to further investigate potential noncompliance with these Principles, review the implementation of corrective action, or to comply with regulator or other third party inquires.

Addressing Non-Compliance

In the event Lactalis Heritage Dairy becomes aware of supplier conduct that is not in accordance with the requirements of this Policy, Lactalis Heritage Dairy will take appropriate action to investigate any reported non-compliance and discuss the findings with the supplier. The supplier shall assist with the investigation and provide access to information requested. Where Lactalis Heritage Dairy determines remediation is required, the supplier will implement a corrective action plan to promptly correct the non-compliance.

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In the event of serious or persistent conduct in violation of this Policy, the conduct of the Supplier will be evaluated on a case-by-case basis. Lactalis Heritage Dairy reserves the right to terminate any agreement or business relationship with a supplier that fails to meet any of the Mandatory Requirements contained in this Policy.

Reporting Concerns

Suppliers must provide a confidential mechanism for its workers to communicate any workplace grievances, misconduct, or violations of these Principles, or legal or ethical concerns. Issues reported must be addressed in a timely and respectful manner, and any corrective actions arising from such investigation must be documented. Suppliers must ensure that retaliation against workers reporting violations in good faith or cooperating in any investigations is prohibited.