

MCCAIN FOODS SUPPLIER CODE OF CONDUCT

Introduction

McCain Foods Limited and its subsidiaries (“**McCain**”) are committed to operating in a socially responsible way that respects human rights and manages human rights impacts in its operations. The McCain Supplier Code of Conduct (the “**Code**”) establishes McCain’s expectations for its suppliers (“**Suppliers**”) in compliance with law and drawing upon international standards and best practices in the area of human rights and sustainability.

Applicability of the Code

The Code sets standards of ethical conduct which McCain requires from its Suppliers and governs the conduct of Suppliers when doing business with or on behalf of McCain. McCain requires all of its Suppliers to adhere to this Code. McCain also expects that each Supplier ensures and requires that its parent, subsidiaries, or affiliated entities, workers, employees, sub-contractors and its own supply chain is/are compliant with the provisions of the Code and the requirements outlined herein.

While McCain recognizes that its Suppliers operate in different legal and cultural environments, the standards set forth in the Code operate as a benchmark for acceptable conduct. Where applicable local laws impose less restrictive obligations on a Supplier, the Supplier is expected to adhere to the Code.

Where applicable local laws impose greater obligations on a Supplier, the Supplier must comply with such laws and regulations.

Requirements of the Code

1. Integrity

Compliance with Laws

Suppliers are required to act in accordance with all applicable laws and regulations in the jurisdictions in which they operate. Where compliance with the Code could lead to a conflict with or violation of applicable laws or regulations, the Supplier must notify McCain of the situation as soon as possible to identify how the Supplier will operate in a responsible manner.

Anti-Bribery and Anti-Corruption

Suppliers must not engage, directly or indirectly, in corruption, fraud, bribery, kickbacks, money laundering, embezzlement, extortion or any other form of corruption. Suppliers may not, directly or indirectly, give or receive improper business advantage or anything of value (including without limitation any “facilitation” payment) in exchange for preferential treatment. Suppliers must comply with all applicable laws related to anti-corruption and anti-bribery, including as applicable Canada’s Corruption of Foreign Public Officials Act, the United States’ Foreign Corrupt Practices Act, and the United Kingdom’s Bribery Act.

Gift and Hospitality

McCain employees are not permitted to accept gifts from any business partner, except items that are insignificant, occasional, and of nominal value (such as logoed promotional items). Accordingly, 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 by a McCain employee or contractor, and must not violate the laws of the country in which the gift or entertainment is given or accepted.

Conflict of Interest

Suppliers must remain free from the influence of actual or potential conflicts of interests as they carry out business affairs with and on behalf of McCain. Suppliers must immediately disclose any business relationship in which they are, become, or plan to become, involved, if such involvement 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 maintain accurate financial books and business records in accordance with all applicable legal and regulatory requirements and acceptable accounting practices, including with respect to all invoices submitted to McCain for payment or reimbursement. Suppliers' business records must always accurately reflect the goods or services provided to McCain, and must never be false or misleading, whether through an omission, vague language, or inaccuracy.

Confidentiality

McCain ensures that any information it receives about competitors is obtained and used legitimately and in compliance with all applicable laws and regulations. Suppliers must not therefore share any non-public information about competitors with McCain. Similarly, McCain's confidential information may not be shared with any third party unless expressly permitted by McCain.

Suppliers must notify McCain immediately upon discovery of any unauthorized disclosure, loss or compromise of McCain's confidential information and use best efforts to reduce any potential harm resulting from the breach.

Fair competition

Fair competition is a fundamental principle of McCain's business conduct: we work in a lawful, honest and ethical manner, and expect our suppliers to do the same.

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.

Responsible recruitment

McCain's suppliers shall demonstrate professional, ethical, safe, secure and responsible recruitment practices with the intention of preventing unnecessary risk exposure, exploitation, and unreasonable financial bonds being imposed on candidates.

Suppliers shall conduct medical assessments only after an offer of employment has been made and only if this is relevant to the safety and health of the individual and those around him/her in the workplace. Every effort shall be made to ensure that there is no discrimination on the basis of results and efforts are made to provide reasonable accommodation.

Suppliers shall not make use of pregnancy screening or testing at any time before or after the job seeker signs an employment agreement, except where required by law. In such case, the result of pregnancy screens or tests must only be used for the official purposes required by law.

Finally, suppliers shall provide to the job seeker, at the time of recruitment and in a language they understand, accurate details of the working conditions in the host location, including the worker's legal rights, nature of work, wages, benefits and the duration of the contract.

2. Human rights and ethical labor practices

Respecting Human Rights

Suppliers must respect human rights and mitigate human rights impacts that the Supplier causes, contributes to or is linked to, in accordance with applicable law and international standards such as the core conventions of the International Labour Organization (ILO) and the United Nations Guiding Principles on Business and Human Rights.

Forced or Compulsory Labour and Human Trafficking Prohibited

Use of forced or compulsory labour by the Supplier is strictly prohibited. This includes work or services not voluntarily performed that is exacted or coerced from a person under threat, force or penalty, or threatened abuse of law or legal process, including any kind of involuntary or compulsory, indentured or bonded labour, slavery, servitude or other slavery-like circumstances.

Workers must not be required, as a condition of employment, to make a deposit or surrender any government-issued identification, passports, work permits or any other documents necessary for free movement and termination of employment.

Suppliers shall allow their workers the right to leave work and freely terminate their employment, taking into account legal notice period requirements.

Suppliers are prohibited from engaging in or benefitting from any form of human trafficking. This includes the recruitment, transportation, transfer, harbouring or receipt of persons, by means of the threat or use of force or other forms of coercion, abduction, fraud, deception, or abuse of power or a position of vulnerability. Giving or receiving payments or benefits to achieve the consent of a person having control over another person for the purpose of exploitation is strictly prohibited.

Child Labour Prohibited

Suppliers must not employ individuals below the minimum age permitted by local law. Suppliers must operate in compliance with local laws and the core ILO standards regarding child labour including ILO Convention 138. Where local laws and ILO Convention 138 are in conflict, the Supplier will operate in accordance with ILO Convention 138. ILO Convention 138 provides that the minimum employment age for employment should not be less than the compulsory schooling age of the country in which the individual is employed and in any case, not less than 15 years (except for certain developing countries, where a minimum age of 14 years may be applied), subject to permitted exceptions under national law and consistent with ILO Convention 138 or with related ILO guidance regarding family farms. McCain is committed to the elimination of the "worst forms of child labour" and Suppliers are strictly prohibited from child labour contrary to ILO Convention 182. Summary information regarding these ILO Conventions and guidance is set out in Schedule A to this Code.

Inhumane Treatment, Abuse or Harassment Prohibited

Suppliers must not engage in physical, mental, verbal, sexual or any other abuse, inhumane or degrading treatment, corporal punishment or any form of harassment. Suppliers must comply with local laws in this regard.

Non-discrimination

Discrimination in employment means any distinction, exclusion or preference with respect to recruitment, hiring, firing, wages, working conditions or terms of employment made on the basis of personal characteristics unrelated to inherent job requirements, that nullifies or impairs equality of opportunity or treatment in employment. Suppliers are prohibited from discriminating, harassing or disciplining on the basis of age, race, colour, religion, gender, national extraction or social origin, sexual orientation, gender identity or inter-sex status, disability, union membership, marital status, family status, pregnancy or any other grounds of discrimination prohibited by domestic or international law. Suppliers must also treat migrant workers in accordance with the same standards as applied to other workers.

Freedom of Association

Suppliers must comply with local law regarding the activities of trade unions and works councils and their organizational activities. Suppliers must recognize and respect the rights of employees to freely associate, organize and bargain collectively, in accordance with local laws and core conventions of the ILO.

Wages, Benefits, Work Hours and Documentation Compliance

Suppliers must provide workers with pay and benefits in a timely manner as required by local law and/or by the collective agreement or contract that governs workers, including compliance with minimum wage and overtime requirements.

Suppliers must establish work schedules and overtime policies consistent with local law, abiding by maximum hour and work week laws, rest period requirements, overtime, as well as vacation and holiday time requirements.

Suppliers should provide all workers with clear and understandable employment documentation that complies with local law and clearly sets out terms and conditions of employment for the worker in a language they understand. Suppliers should provide workers with understandable information about their rights, responsibilities and employment conditions, including working hours, remuneration and terms of payment. Written documentation of employment relationships should be maintained by the Supplier to demonstrate compliance with the Code.

Encouraging diversity

At McCain, we are committed to building a diverse and inclusive culture, where all individuals are treated with respect and dignity. Diversity is about ensuring we have the right mix of people in our business – reflective of the customers and communities we serve. Inclusion is about how we work together. An inclusive culture is one where everyone can deliver their best performance and thrive while being their authentic selves.

McCain encourages its suppliers to foster more diverse and inclusive business practices by incorporating employee and supplier diversity into their own sourcing practices, policies, and management plans.

3. Health, Safety and Quality

Health, Safety and Environmental Compliance

Suppliers will provide a safe, clean and healthy work environment and abide by all applicable laws with respect to health, safety and the environment. This includes implementing appropriate safety procedures, training, preventative maintenance and providing adequate protective equipment. Workers must have access to emergency medical care; and all places of work must have clearly identified emergency exits and all required life safety systems are to be fully operational at all times.

Quality and Food Safety

McCain is committed to producing high quality and safe products for its customers. Suppliers are expected to know and comply with the product quality standards, policies, specifications and procedures that apply to them, follow and adhere to good production practices, comply with all applicable laws and regulations and immediately report any quality issues that could negatively affect the quality or public perception of McCain products.

4. Sustainability

The impacts of climate change are an existential threat to our food security, and our planet as we know it. Collectively, the global food system is a key contributor to climate change. As such, McCain has established targets to reduce CO₂ emissions in its own operations by 50% and purchase 100% renewable electricity by 2030 (vs 2017 baseline), move towards zero waste to landfill, reduce food waste, improve water efficiency, and utilize sustainable packaging.

1. GHG Emissions

By the end of 2022, all of McCain's direct and co-manufacturing suppliers located in Continental Europe, the United Kingdom and North America must have an accurate CO₂ inventory for their SCOPE 1 and SCOPE 2 emissions following the GHG Protocol guidance (<https://ghgprotocol.org/guidance-0>).

Suppliers shall be able to provide this information upon request, annually. In addition, suppliers shall identify carbon emission reduction targets as well as plans for improvement. The same requirements will apply to all of McCain's direct and co-manufacturing suppliers located in any other region, by the end of 2024.

In addition to the above mandatory requirements, McCain encourages its suppliers to develop their understanding of SCOPE 3 reporting following the GHG Protocol guidance, as well as to define SBTI approved targets and/or join coalitions such as the RE100 project.

Finally, McCain expects its suppliers to demonstrate progress in reducing their carbon footprint by working on energy efficiency programs, and renewable energy sourcing.

2. Water stewardship

Direct and co-manufacturing suppliers located in areas of high risk as identified using the [World Resources Institute's online Aqueduct tools](#), must develop water management programs aiming to reduce water consumption. As part of these programs, the water consumption must be monitored. Suppliers must act to preserve the quality and supply of natural water sources and, where possible, water must be recycled or reused within suppliers' operations.

In addition to the above mandatory requirements, McCain encourages its suppliers to investigate water saving technologies, implement best practices across operations and share such best practices among their supply chain.

3. Waste management

McCain's direct and co-manufacturing suppliers must comply with all applicable waste disposal and treatment laws and regulations. They must have valid and current permits for the use and disposal of waste and shall be able to provide supporting documents upon request. Suppliers must have an accurate inventory of waste streams for each production site.

In addition to the above mandatory requirements, McCain encourages its suppliers to develop a waste reduction program and, if applicable, develop specific targets for food waste. Suppliers are expected to develop alternative disposal solutions to divert waste from landfill and to work on improving the recyclability of their products. Ideally, the waste inventory should be done in accordance with the [Food Loss and Waste Protocol](#).

Implementation and Oversight

Monitoring and Record Keeping

Suppliers must maintain documentation to demonstrate their compliance with the Code of Conduct, in accordance with applicable law and the terms of Supplier contracts.

Compliance Verification

Suppliers will be expected to demonstrate compliance with this Code, upon McCain's request. McCain reserves the right to verify compliance with this Code including through site visits and inspections by McCain personnel or designated agents.

If a Supplier fails to comply with any aspect of the Code of Conduct, immediate notice of the violation should be provided to McCain. The Supplier is expected to implement corrective actions immediately to address any contraventions of the Code. McCain reserves the right to terminate any agreement with any Supplier in the event of non-compliance with the Code.

Reporting Contraventions of the Code

Anyone who believes that a Supplier or employee of McCain or anyone acting on McCain's behalf has engaged in illegal, unethical or otherwise improper conduct, or conducted any other activity in violation of this Code may call McCain's Chief Legal Officer directly at 1-416-955-1854 or report the concern online at <https://mccain.tnwreports.com/>.

No Third Party Beneficiary Rights

This Code does not create any third-party beneficiary rights for the Supplier or any other third parties. The Code is in addition to and not in lieu of provisions of any legal agreement or contract between Suppliers and McCain.

SCHEDULE A

International Labour Organization Conventions and Commentary Relating to Child Labour

The International Labour Organization (ILO) is a United Nations agency that brings together governments, employers and workers representatives of member States to set labour standards, develop policies and devise programmes on labour issues. Below are brief summaries of ILO conventions and guidance referred to in McCain's Supplier Code of Conduct.

ILO Convention 138 (The Minimum Age Convention, 1973): This Convention aims to establish a minimum age for admission to employment or work to a level consistent with the fullest physical and mental development of young persons. The Convention sets the general minimum age for admission to employment or work at 15 years (13 for light work) and the minimum age for hazardous work at 18 (16 under certain strict conditions). It provides for the possibility of initially setting the general minimum age at 14 (12 for light work) where the economy and educational facilities of the relevant member State are insufficiently developed. The Convention allows exceptions to the prohibition of employment or work for such purposes as participation in artistic performance, after consultation with the organisations of employers and workers concerned. In this case, the number of hours and the conditions in which employment or work is allowed is limited.

ILO Convention 182 (The Worst Forms of Child Labour Convention, 1999): This Convention aims to prohibit and eliminate the worst forms of child labour, including: (a) all forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory labour, including forced or compulsory recruitment of children for use in armed conflict; (b) the use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances; (c) the use, procuring or offering of a child for illicit activities, in particular for the production and trafficking of drugs as defined in the relevant international treaties; and (d) work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children. Each member State is required to design and implement programmes of action to eliminate as a priority the worst forms of child labour and to establish or designate appropriate mechanisms to monitor implementation. For the purposes of the Convention, the term child applies to all persons under the age of 18.

ILO Comments on Child Labour on Family Farms: The ILO acknowledges that, especially in the context of family farming, some participation of children in non-hazardous activities can be positive as it contributes to the inter-generational transfer of technical and social skills and children's food security. Accordingly participation in some agricultural activities is not always "child labour" which is targeted for elimination. The ILO notes that age-appropriate tasks that are of lower risk and do not interfere with a child's schooling and leisure time can be a normal part of growing up in a rural environment. Therefore it is important to distinguish between light duties that do no harm to the child and child labour, which is work that interferes with compulsory schooling and damages health and personal development, based on hours and conditions of work, child's age, activities performed and hazards involved.¹

Reference is also made to the following ILO Conventions: *ILO Forced Labour Convention, 1930 (No. 29)*, *ILO Abolition of Forced Labour Convention, 1957 (No. 105)* and *Safety and Health in Agriculture Convention No. 184 (2001)*.

1 See online: <<http://www.ilo.org/ipec/areas/Agriculture/lang--en/index.htm>>